Background

The Boston College Office for Sponsored Programs (OSP) provides administration and support for sponsored programs. Sponsored programs, or the term sponsored awards, may be used in this document interchangeably and mean any agreement, contract, project, or grant that is funded by a source other than Boston College. Activities related to sponsored programs must comply with the sponsor’s terms and conditions, Boston College’s policies and procedures, and Federal regulations including those from the Office of Management and Budget (OMB) such as OMB’s 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”).

Purpose

The purpose of this policy is to provide guidelines to facilitate the timely and accurate closeout of a sponsored award in accordance with Federal and non-Federal requirements.

Scope

This policy is applicable to all sponsored awards and must be followed by schools, departments, centers, institutes, and personnel of Boston College involved with sponsored awards.

Effective Date

The effective date of this policy was April 2015, and it was revised in May 2018.

Closeout Policy

Boston College must ensure, prior to sponsored award closeout, that all applicable administrative actions and all required work of the sponsored award have been completed, including financial reports (see OSP’s Reporting Policy), performance reports, and other reports, and deliverables as required by the terms and conditions of the sponsored award. Responsibility for ensuring compliance with sponsored awards’ terms and conditions is shared between the Office for Sponsored Programs (OSP) and the Principal Investigator (PI).

Closeout Procedures

Award closeout is the final phase of a project in which activities are finalized, funding stream ends and administrative tasks are completed. In general, sponsors require a basic set of reports in
order to close an award and it is important to complete all the requirements in the timeframe stipulated by the sponsor. The closeout documentation and the timeframe for submission are stated in the terms and conditions of the sponsored award. The general terms of an award require that the following reports be submitted within 90 days of expiration of the award, if Federal and 60 days, if non-Federal:

- Final technical report
- Final financial report or final invoice; see OSP’s Reporting Policy
- Final inventions report
- Final disposition of equipment as required by award sponsor
- Assignment and releases for contracts and subcontracts

To comply with sponsor closeout deadlines, OSP, the Principal Investigator (PI) and the Department Research Administrator (DRA) are required to submit deliverables and financial information for the project.

An award cannot be put into “Reporting Only” status in the accounting system until the final invoice is submitted, and the cash received and the project’s cumulative expenditures are equal and in balance.

**Refunds**

When award closeout procedures are being performed, it may be determined by OSP that there are funds remaining that will not be spent (under-expenditure). If Boston College is not entitled to retain funds received in excess of expenditures/costs incurred per the terms of the award, OSP will remit a refund to the sponsor for the excess amount.

If there are funds remaining and there is a demonstrated need to continue the project, then the PI and DRA should notify OSP. It may be possible to request a no-cost extension from the sponsor to allow for the continuance of the project. OSP will reach out to the sponsor and make the no-cost extension request.

When a no-cost extension is not an option and there are funds remaining, OSP will review the terms of the award to determine the sponsor’s policy on the disposition of the remaining funds. If the terms specify that the remaining funds must be returned to the sponsor then OSP will process a refund. OSP will inform the PI and/or DRA when OSP initiates the refund to return the remaining funds to the sponsor.

If the award terms do not specify disposition, then OSP will apply the following rules:

- Remaining funds that total greater than $200.00 will be refunded by OSP to the sponsor.
• Remaining funds that total $200.00 or less will be removed from the award by OSP and go to the write-off account.

If an award is a fixed price agreement, then the remaining funds are not refundable to the sponsor.

Write-Offs

As noted above in the Refund section of this policy, there may be circumstances when funds are removed from a sponsored award and go to the write-off account. Write-off decisions are made on a case by case basis by OSP.

When award closeout procedures are being performed, it may be determined by OSP that funds have been overspent (over-expenditure). OSP will discuss the situation with the PI and/or DRA. OSP may determine the over-expenditures should be removed from the sponsored award and charged to a non-sponsored account. Once the award is at a zero balance, then OSP can continue the award closeout process.

The following timeline is meant to provide guidance for timely and accurate closeout of sponsored awards.

90 days prior to End Date

An End Date Notification email is generated in PeopleSoft and sent to the PI 90 days prior to a project end date. This email reminds PI’s and OSP that the project is approaching expiration and instructs them to begin the necessary technical and administrative actions to closeout the sponsored award (or request a No Cost Extension, if appropriate). PI should communicate with OSP Pre-Award if a no cost extension is needed, or to verify the status of award renewal or continuation.

90 to 0 days prior to End Date

OSP Post-Award reviews project fund balances and rates of expenditure and works with PI and DRA to address them. Process allowable cost transfer requests.

PI reviews, with the assistance of the DRA as needed, outstanding purchase orders (POs), outgoing subcontracts, and purchases, submits appropriate journal entries and data changes to remove personnel and expenses from the project.
In addition, PI’s and DRA’s should:

- Communicate with OSP Pre-Award: discuss 1) the status of the award’s renewal or continuation, or 2) the request of a No Cost Extension, if appropriate.
- Review any outstanding invoices and follow up on purchases that have not arrived.
- Ensure all project costs are incurred by the project end date. Review project expenses for allowability, allocability, and reasonableness; see also OSP’s Allowable and Unallowable Costs Policy.
- Ensure any subcontractor(s) on the award have completed all necessary deliverables, submitted all required reports and will submit their final invoice within forty-five (45) calendar days of the subcontract end date.
- Verify all payroll charges are correct. Review all salaries and associated fringe to ensure they have been expensed correctly. Ensure personnel are transferred off the award by the end of the project period.
- Process cost transfers and labor distributions if necessary; see OSP’s Cost Transfer Policy.
- Verify all cost share commitments have been fulfilled, and are properly recorded; see Cost Sharing Policy.
- Ensure any adjusting journal entries have been posted, including the elimination of deficits indicated in the Grants Balance Summary report; see OSP’s Cost Transfer Policy.
- Reconcile any travel advances charged to the award.
- Notify users (student employees, recharge centers, etc.) that the sponsored award is ending and the chart string should not be used after the award end date.
- Cancel and destroy any Procurement Cards (P-Cards) for the award. Reconcile all monthly P-Card statements. All reconciled statements and receipts should be kept in the department and must be available for audit review.
- Cancel and destroy the Pitney Bowes postage bar code, if the award had one.
- PI prepares the Final Progress Report and any other required deliverables.
- Work with OSP to confirm the disposition of any equipment.
- Complete and sign the Closeout Checklist attesting to its completion, also ensure the above listed bullet points are completed.

After Award End Date

30 to 60 days after End Date

OSP Post Award verifies that PeopleSoft placed project into “Accounting Only” status (award is coded by OSP as “A” in PeopleSoft). Drafts Final Financial Report / Invoice and sends to Department and PI for review. Verifies payments of invoices, receipt and payment of subcontract invoices, and verify receipt of the Closeout Checklist from Department.
PI’s and DRA’s should:

- Ensure all deliverables have been submitted, or will be submitted as required by the terms and conditions of the sponsored award.
- All technical reporting requirements have been met, and a copy of the final technical report has been sent to OSP.
- Update OSP and Capital Equipment Accounting (Controller’s Office) about the status and location of equipment, see also Boston College’s Capital Equipment Policy.
- Maintain P-Card documentation (monthly credit card statements, reconciliations, receipts, etc.) so that it is available for audit review, if needed in the future.

60 to 90 days after End Date

PI/DRA/OSP Pre-award submits the Final Progress Report, Final Invention Statement and other required deliverables to the sponsor. The signed Closeout Checklist will be sent to OSP for inclusion in the file. After OSP receives the signed and completed Closeout Checklist, OSP will send Assignment and Release Forms to subcontracts, as applicable.

OSP Post Award Review Accounts Receivable – is it $0, no encumbrances, complete final financial report, prepare write-off, if necessary, in accordance with the Write-Off procedures in the OSP Cash Management Policy, prepare refund, if necessary, and submits the Final Financial Report / Invoice to sponsor. Updates milestones in PeopleSoft.

The A/R is $0 and encumbrance is closed: Reporting Only status (award is coded by OSP as “R” in PeopleSoft) for the remainder of the current fiscal year +1 fiscal year (R).

OSP is responsible for obtaining a letter from the sponsor stating that Boston College has satisfied the closeout requirements.

PI assists OSP with any audit inquiries.

After 90 days

OSP Post Award changes the project status to “Reporting Only”. Follows up with the department if the Closeout Checklist has not been received.

PI assists OSP with any audit inquiries.

Once all obligations under the award have been met and confirmed with sponsor. The award is put into “Closed Status” (award is coded by OSP as “K” in PeopleSoft). Award documents are retained in accordance with Boston College and sponsor requirements.
**Federal Awards**

Boston College must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by Boston College.

Unless the Federal awarding agency or pass-through entity authorizes an extension, a Boston College must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.

Boston College must promptly refund any balances of unobligated cash that the Federal awarding agency or pass-through entity paid in advance or paid and that are not authorized to be retained by Boston College for use in other projects.

Boston College must account for any real and personal property acquired with Federal funds or received from the Federal Government in accordance with Uniform Guidance §200.310 Insurance Coverage through §200.316 Property Trust Relationship, and Uniform Guidance §200.329 Reporting on Real Property.

The closeout of a Federal award does **not** affect any of the following:

1. The right of the Federal awarding agency or pass-through entity to disallow costs and recover funds on the basis of a later audit or other review. The Federal awarding agency or pass-through entity must make any cost disallowance determination and notify the non-Federal entity within the record retention period.
2. The obligation of Boston College to return any funds due as a result of later refunds, corrections, or other transactions including final indirect cost rate adjustments.
3. Audit requirements as noted in the Uniform Guidance (Subpart F—Audit Requirements).

**Status of awards in PeopleSoft:**

**Active (O)** – A sponsored award in “Active” status means that all costs, provided they are allowable, allocable, and reasonable, are permitted, and the research is in progress.

**Accounting Only (A)** – A sponsored award in “Accounting Only” status means that the award is only open for accounting purposes. Accounting Only status allows only for financial reconciliation of the award. This status typically begins the month after the award’s end date.
Reporting Only (R) – A sponsored award in “Reporting Only” status means that the award is only open for reporting purposes, and no costs may be charged to the award. This status typically begins the 90 days after the award’s end date. An award cannot be put into “Reporting Only” status in the system until the final FSR/invoice is submitted, and the cash received and the project’s cumulative expenditures are equal and in balance.

Closed (K) – A sponsored award in closed status means that the award has been closed; no further activity on the award.

Definitions

See OSP’s Definitions and Glossary of Terms, as well as OMB’s Uniform Guidance.

Contacts

If you have any questions about this policy, how to treat a specific cost, or need additional information, please contact the Office for Sponsored Programs main number at 617-552-3344 or directly contact your area’s OSP Liaison (OSP Staff).