



## Guidelines for Closeout of Sponsored Awards

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**Responsible Executive:** VP for Research  
**Responsible Office:** Office for Sponsored  
Research and Award Administration  
**Effective:** 9/1/2018  
**Last Revised:** 9/1/2018

These guidelines are a companion to RO policy 19-005 “Closeout of Sponsored Awards”, and provide additional detail on responsibilities and processes. Definitions are re-stated from the policy for ease of use.

### Definitions

- **Award End Date** – The project period end date as specified in the terms and conditions of the award.
- **Budget Period** - The interval of time, often 12 months, into which the project period is divided for budgetary and funding purposes.
- **Closeout** – The act of completing all internal procedures and sponsor requirements to terminate or complete a sponsored project. Specifically, closing out a sponsored project that has terminated includes completion of the technical aims of the project, submission of project deliverables, filing of non-financial reports, submission of final financial reports and invoices, final payment requests, and meeting any other terms and conditions of the sponsored agreement.
- **Cost Overrun** – Costs incurred for a sponsored project that are greater than the funding amount authorized by the sponsor.
- **Cost Sharing** – Any project costs that are not reimbursed by the sponsor. Cost sharing of effort is the personnel time and related fringe benefits that were committed and provided in support of the project but are paid for by other funding sources. Cost share may be contributed by OSU or a third-party but all must meet the same documentation standards and allowability as the award in order to be reported as cost share.
- **Effort Reporting** – The mechanism used to verify an employee’s allocation of time in order to provide documentation and assurance to federal and other external sponsors that salaries charged or cost-shared to sponsored awards are reasonable in relation to the work performed. OSU utilizes quarterly Payroll Activity Reports (PARs) to certify project effort.
- **No Cost Extension** - An extension granted to allow a PI additional time on a sponsored project without additional funding.
- **PAR Form** – Personnel Activity Report (PAR) form which summarizes an individual’s total effort for the reporting period. OSU issues PAR forms quarterly for certification by a responsible person with suitable means of verification that the effort was expended in the

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proportions shown. The certifier is typically the principal investigator for the sponsored project on which the employee is working or the employee's direct supervisor.

- **Project Period (Period of Performance)** - The total time period that is stated in the award document. The project period may consist of one or more budget periods.
- **Technical Report / Deliverable** - A technical description of the project results or other deliverable/product as required by the sponsor.

## Guidelines

The sponsored project closeout period is OSU's opportunity to ensure that all project deliverables are met, administrative actions are documented, and all financial transactions are confirmed to be allowable and allocable to the project.

Closeout is a shared responsibility between the PI, Business Center and OSRAA, as activities include numerous administrative and financial actions and submission of the final technical deliverables as required by the sponsoring agency. Additionally, there are federal, state and University regulations governing closeout and retention of sponsored project records.

During the award review and acceptance process, OSRAA confirms the sponsor's terms regarding closeout and will communicate these requirements to the PI and Business Center in the initial award notification, also known as the "PI Letter." The award closeout requirements should be reviewed and the PI and/or Business Center may contact OSRAA with any questions.

Proper documentation of administrative requirements and financial transactions as they occur throughout the project period of performance will contribute to OSU's timely and successful closeout of sponsored awards. OSU will follow the sponsor's closeout requirements and deadlines, including collection of any unreimbursed costs, by the sponsor's stated deadline.

## Financial Closeout

Financial closeout includes ensuring that all charges posted to the award reflect the allocable financial cost that supported completion of the project scope of work, submission of all financial reporting to the sponsor, and closing the award in OSU's financial system so that expenses can no longer post to the sponsored project index.

Once the PI and Business Center confirm final expenditures and financial transactions, OSRAA will complete and submit the final financial report or invoice and inactivate the sponsored project grant and index in the Banner financial system.

Final financial documents required by the sponsor may include:

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- Final Financial Report or Invoice
- Final Cost Sharing Report
- Final Program Income Report
- Award Release and Contractor's Release

Specific financial responsibilities are outlined in the Roles & Responsibilities section of this document.

### Technical Closeout

Technical closeout of the award includes meeting all programmatic requirements of the project scope of work and submitting to the sponsor all final technical reports and deliverables outlined in the sponsored award.

Sponsors can require several documents from OSU in order to confirm completion of the project. These documents may include:

- Final Technical/Performance Report or other special deliverables required by award
- Invention Statement or Patent Report
- Equipment Statement, which may include request for release of accountability or physical transfer of equipment from sponsoring agency

Although the PI is primarily responsible for the technical reporting and deliverables, other technical and final financial documents often require collaboration between OSRAA, the PI and Business Center.

### Equipment

Upon termination or completion of an award, a physical inventory of project equipment must be completed and the terms and conditions of the sponsored award determine the disposition of equipment. Additional information on equipment management is available in OSU's Property Management (PRO) Manual, [Section 900-Sponsored Research and Federal Property](#).

If the sponsoring agency releases equipment title to OSU, OSRAA will notify Fixed Assets Property Management to revise the title codes and replace the award number with the release date on the inventory record. The PI and Business Center are notified of any release. If the value of the released asset is below the capital threshold for equipment, Fixed Assets Property Management will remove it from inventory and notify the owning department to add the item to their supply inventory.

The sponsor may allow accountability for equipment to be transferred to a new or continuation award. OSRAA will notify Fixed Assets Property Management to make the necessary changes

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(new award code and sponsor ID number) to the asset records. Title will remain vested with the sponsor. When accountability transfers to a new award it is no longer considered contractor-acquired property, but government-furnished property.

If the disposition instructions from the sponsoring agency require that the equipment be returned to the sponsor or sent to a third party, the PI and department will handle the shipping arrangements. A copy of the disposition instructions should be attached to a completed [Property Disposition Request](#) (PDR) and forwarded to OSRAA. OSRAA will forward the PDR to Fixed Assets Property Management for removal of the record from inventory.

### Closeout Completion

Closeout activities must be performed according to the sponsor's deadline, which will be stated in the award and/or PI Letter from OSRAA. The closeout deadlines will vary by sponsored award but will be a maximum of 60 days for the PI and Business Center to reconcile the project expenses after the award end date.

Failure to complete closeout within the designated period can reflect poorly on the institution and puts OSU at risk of absorbing project costs not reimbursed by a sponsor. Additionally, some sponsors will withhold future awards or continuation funds for other OSU projects when prior closeout requirements are incomplete or not in compliance with the sponsor's terms and conditions.

## **Roles & Responsibilities**

A comprehensive list of OSU Roles and Responsibilities may be viewed at:

<http://research.oregonstate.edu/osraa/osraa-organization/roles-and-responsibilities>

### Principal Investigator

- Complete all project deliverables and scope of work
- Charge project costs to the appropriate sponsored project index throughout the life of the award
- Review project transactions regularly throughout the period of performance and alert the Business Center at once if any incorrect costs discovered on award
- If applicable, ensure that cost share and program income transactions are documented according to sponsor requirements and [OSU policy](#)
- Review closeout memo emails from OSRAA and work with Business Center to closely monitor and post expenses for awards ending within 90 days
- Work with Business Center to review and confirm final project transactions and cost share documentation as soon as possible within closeout period

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- Cease using the sponsored project index after the period of performance has ended – this includes notification of index closure to OSU recharge centers
- Prepare and submit all required technical reports to the sponsor
- Respond to inquiries from OSRAA regarding technical reports and patents
- Retain all technical reports for three years (or longer as specified by award terms) following closing of an award
- Ensure that all subrecipients have completed their deliverables, reporting obligations, and scope of work
- Review and approve final subrecipient invoice and closeout documents
- Complete and return the PI Subaward Closeout form to OSRAA
- Ensure PAR forms are certified for all project personnel effort during the project period of performance
- Ensure all annual RCR reports have been completed and submitted to OSRAA for NSF projects (including NSF funding passed through another organization to OSU)
- When required by the sponsoring agency, review the final financial report prepared by OSRAA and/or approve final invoice amount
- If applicable, work with OSRAA and Business Center to update inventory, transfer title or dispose of project equipment

### Business Center

- Record all sponsored award costs and cost share in a timely manner throughout the life of the award
- If applicable ensure expenses and revenue are posted to the companion program income index, per OSU's [Program Income Policy](#)
- Review closeout memo emails from OSRAA and closely monitor awards ending within 90 days
- Review closeout requirements noted in the sponsored award, Award Information Sheet, and PI Letter and consult with OSRAA for any questions
- Record all final invoices, adjustments, encumbrance liquidations, labor changes, etc. in a timely manner after the end date to meet financial reporting deadlines
- Review final project transactions and cost share documentation with PI as soon as possible within closeout period
- Cease using the sponsored project index after the period of performance has ended – this includes notification of index closure to OSU recharge centers

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- Notify OSRAA of adjustments or corrections that have not posted to Banner FIS before the Business Center's closeout deadline - this includes invoices, journal vouchers and payroll documents
- Ensure that all OSU cost share and any cost share from outside entities has been met, reported and accounted for in OSU's project file
- If applicable, work with OSRAA and PI to update inventory, transfer title or dispose of project equipment
- Retain other project-related documents noted in OSU's [Record Retention Policy 04-010 and General Records Retention Schedule](#)

### Office for Sponsored Research and Award Administration (OSRAA)

- Generate closeout email notification to PI and Business Center 90 days prior to award end date
- At award end, confirm final financial figures with PI and Business Center
- Prepare and submit final financial report and/or invoice to sponsor on or before required deadline
- Collect subaward closeout documents from all project subrecipient organizations to confirm project completion, inventions and equipment purchased and provide these documents to PI
- If applicable, work with PI and Business Center to update inventory, transfer title or dispose of project equipment
- Confirm collection of all project funds from sponsor
- If applicable, issue refund to sponsor for unspent award funds
- Inform the PI and Business Center of cost overruns (costs greater than the award funding), once final financial report or invoice is prepared
- Transfer cost overruns from the sponsored project index to a departmental-funded cost share index
- Determine disposition of funds remaining in a fixed price sponsored project index, according to OSU's [Fixed Price Award Policy](#)
- Coordinate with PI on submission of other closeout documents required by sponsor
- Reconcile the award to verify:
  - All costs incurred have been reported to the sponsor
  - All payments have been received from the sponsor
  - Any necessary adjustments have been made
  - Cash balance is zero

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- Terminate the fund, index, grant, and subaward (if applicable) from future activity in FIS Banner
- Retain the official sponsored project file documents according to the sponsoring agency requirements and OSU's retention policy and schedule