

Project Closeout

At the end of a project there are important considerations to ensure fiscal and programmatic aspects of the project come to an orderly close.

Project Closeout occurs after all programmatic activity has concluded on a project and all costs necessary to conduct this programmatic activity have been expended.

Departmental Responsibilities:

- The Principal Investigator (PI) is responsible for the management and administration of the sponsored project within the financial constraints outlined by the individual sponsor in the terms of the grant or contract (award) and in accordance with SIU Carbondale's policy governing project closeout.
- The Fiscal Officer (FO) is responsible for approving all grant transactions and ensuring the timeliness and propriety of all transactions to be posted to the project account or used as match for the project.
- Both the FO and the PI should be particularly cognizant of charges to grant-funded programs to assure they are allowable by the funding agency or sponsor.

OSPA/Grant and Contract Accounting (GCA) Responsibilities:

- monitoring final expenses incurred on sponsored projects
- advising the PI when an expense is not allowable,
- complying with applicable federal, state, funding agency and University fiscal policies.

It is the policy of the University to comply with 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), in its definition and treatment of costs and the application of costs at the close of a project. As such, it is imperative that expenses incurred as part of the project closeout meet the three primary tests for allowability of costs. All costs must be:

- Reasonable – It must be necessary for the performance of the project.
- Allocable – It must be easily identifiable with the project and be assigned to the project only in accordance with the benefits received by the project.
- Consistently Applied – The cost must be treated consistently as either a direct cost or an indirect cost when incurred under like circumstances on all sponsored projects.

In the event a discrepancy exists between the provisions of 2 CFR 200 and those specified within the sponsored program, the program provisions take precedence.

Prohibitions: It is not acceptable or allowable to transfer costs to a project at closeout purely for the convenience of expending remaining funds in the award.

Generally, equipment purchases at the end of a project require additional scrutiny regardless of the funding agency's rebudgeting guidelines. Additional approvals including agency approval may be required.

Expenses must be incurred before the end of the project period. End-of-project expenditures are subject to audit and, if determined to be unallowable, must be returned to the sponsoring agency. Any disallowed funds will be the responsibility of the department.

Recordkeeping: Detailed records, sufficient to document the purpose and nature of the expenditure, must be maintained by the sponsored project staff and/or the department. GCA does not maintain detailed records of expenditures or supporting documentation (e.g. invoices, time and effort reports).

Departmental Process: At the end of a project there are important considerations to make sure the project comes to an orderly close. PIs and FOs should start planning for grant close-out well in advance of the end date. Planning will reduce last minute stress caused by rushing the process to determine if all appropriate costs have been included. Planning also reduces the need for cost transfers. The PI and FO should be ready to discuss final expenses with their GCA accountant after the end date of the project.

Accounts should be reconciled on a monthly basis using the Report of Transactions to facilitate a successful financial closeout. Correction of posting errors should be addressed when discovered, but no later than 90 days following the transaction or the end of the project period (whichever occurs first). If a missing transaction is noticed on the monthly Report of Transactions, departmental staff should follow up immediately with the appropriate University office to determine the cause.

PIs should obtain prior approval for expenditures that are deemed to be potentially unallowable because, for instance, they are not normally considered a direct cost, were not included in the project budget, or they are unusual costs being incurred at the end of a project.

GCA Process: GCA prepares final financial reports from expenditure data queried from AIS. These final reports are reviewed and approved by the FO/PI for accuracy and completeness. GCA submits the final financial report to the funding agency in accordance with award terms and conditions.

In the event that GCA determines a cost to a sponsored project is unallowable, the PI and/or FO will be contacted to identify another account to which the cost can be charged. This account will generally be a local (non-grant) account.

UG-specified 90-day Closeout Requirements: Federal projects generally allow 90 days to finalize costs and complete final fiscal and programmatic reporting. Other agencies may have various deadlines for final cost reporting. Check the specific agreement to verify the deadline for reporting of final costs.

Questions can be directed to the [GCA accountant](#) assigned to the project.