



GRANT-YEAR CLOSEOUT POLICY

Issue Date: September 20, 2022
Supersedes: *Grant-Year Closeout Procedures* dated February 3, 1997
Last Review: September 20, 2022

I. PURPOSE

It is the purpose of this policy to establish guidelines for the preparation and submission of financial reporting for sponsored projects; to provide accurate, timely, and complete disclosure of financial information as required by sponsored awards; and to close the related accounts on the New York Medical College's ("NYMC" or "the College") books. This policy is intended to present a framework that enables the College to meet or exceed sponsor requirements.

II. POLICY

The College is required to provide accurate, timely, and complete disclosure of financial information as detailed by project or award sponsors. Each award has terms and conditions that dictate its reporting requirements and deadlines for financial and non-financial deliverables.

The Office of Management and Budget (OMB) Uniform Guidance §200.344 requires projects to be closed out within one (1) year of their end date. Most notably, "if awardees do not submit reports within one (1) year, the awarding agency must report to OMB (currently FAPIIS) as a material failure to comply with the award terms and conditions."

The College must comply with sponsoring organization-specific closeout dates.

III. SCOPE

This policy applies to all sponsored projects requiring financial reporting and those involved in the associated accounting.

IV. DEFINITIONS

Current Grant Period – the budget period mentioned in the grant award given by the sponsors.

V. PROCEDURES

A. Grant Year-End Closeout

1. Principal Investigators (“PIs”) have primary responsibility for working with their department administrators regarding any changes that need to be made before grant closeout (*e.g.*, changes in salary, EPAF, outstanding purchasing invoices, etc.) If Restricted Funds Accounting Department (“RFAD”) see changes that have not been communicated, RFAD will contact the PIs for clarification.
2. RFAD tracks fund expiration dates and sends emails to PIs informing them of upcoming fund expiration and necessary adjustments to future effort and expenses. Each RFAD accountant is responsible for reviewing his/her segmented group at least quarterly to check for expiring funds.
3. All labor costs that are transferred to a sponsored project to close out an account must be submitted with adequate supporting documentation and explanation for approval by the PI, Department Chair, Grants Accounting, and the Controller’s Office. Adequate support documentation for a transfer to a sponsored account must include the following:
 - a. PAF’s;
 - b. Adjusted Time and effort report for the employee(s);
 - c. Written explanation and justification for the transfer from the originating PI; and
 - d. Acknowledgment and approval from the PI receiving the transfer (if different than the originating PI).
4. Within thirty (30) days of the current budget period ending (or sooner, if sponsor requires an earlier date), the PI reviews his/her grant accounting report to ensure that charges included in the grant account are accurate and complete. PI reviews their grant accounting reports in Tableau or generates a self-service report.
5. The PI must submit any corrections of bookkeeping errors or cost transfers to RFAD within thirty (30) days after the end of the Current Grant Budget period. Any cost transfer requests to accounts with a PI other than the originator must be accompanied by a cost transfer form.
6. The PI must review all outstanding liabilities within thirty (30) days after the end of the Current Grant Period. All outstanding encumbrances must be either:
 - a. Paid to the vendor;
 - b. Canceled; and/or
 - c. Transferred to another account within sixty (60) days of the end of the Current Grant Budget period.
7. Office of Research Administration (“ORA”) verifies that the PI has submitted project/technical reports to the sponsor, as necessary, according to project requirements and deadlines.
8. RFAD will prepare all necessary adjusting entries, payroll transfers, encumbrance transfers, etc. within sixty (60) days of the end of the Current Grant Budget period. Any unspent balance will be returned to the sponsor/forfeited after review with ORA if it is not eligible for carryover to the next grant budget period.
 - a. The Manager reviews and approves adjustments prior to posting, the Manager signs off on the journal entries and sends to the Director, who approves the changes in Banner, and The Director checks the backup and account codes for any issues that may affect the timeline/closeout.

- b. If personnel are charged to the incorrect organization or fund number, RFAD accounting staff performs a PHAREDS adjustment in Banner. The accountant takes a screenshot of every change/step and compiles them in a PDF, which is sent along with a copy of the PAF if there is a correlating PAF for the Manager's approval. The Manager then notifies the Assistant Controller (Disbursements, Payroll and Accounts Payable) that there are P-Cards that need to be pulled into the system.
- B. Finalizing of expenditures on research projects with fixed price agreements.
 1. Sponsors of clinical trial research projects usually issue a fixed price agreement based on patient participation. On such projects, the PI must send a written request for extension of time to ORA thirty (30) days prior to the end of the current research budget period.
 2. On receipt of the letter requesting extension, the authorized persons in Office of Research Administration will contact the sponsor and confirm that the study is ongoing. They will then generate a revised Digest of Award terms and send it to the:
 - a. PI;
 - b. Chairman of the Department;
 - c. Appropriate Dean's Office; and
 - d. Restricted Funds Accounting Department.
 3. If the research study has been completed, the Office of Research Administration will inform the Restricted Funds Department to close the account after making necessary adjustments for any over-expenditure or under-expenditure. *See CO.607 Administration of Sponsored Project Surplus or Deficit Balances.*
- C. Closing of Restricted Fund Account – after the final financial report is submitted to the sponsor, RFAD performs closing adjustments, as needed.
- D. The PI is responsible for:
 1. Conformance to the guidelines in this policy.
 2. Compliance with sponsor terms and any other applicable College policies, including:
 - a. Proper commitment and allocation of allowable expenditures.
 - b. Prompt communication with RFAD regarding changes such as staff/salary and EPAFs.
 - c. Review encumbrance list for each sponsored project and discuss with RFAD any encumbrances identified for removal.
 - d. Ensuring that work carried out on sponsored projects is complete.
 - e. Approving and monitoring expenditures.
 - f. Looking up grant accounting reports in Tableau.
 - g. Timely correction of errors.
 - h. Timely submission of project deliverables.
- E. The Office of Research Administration is responsible for:
 1. Communicating and coordinating with RFAD to review any unspent grant balances for possible return to the sponsor.

2. Considering PI requests for project time extensions and coordinate any changes with a revised Digest of Award.
3. Communicating and coordinating sponsor approvals (such as, requests for no-cost extensions) with the responsible parties.
4. Oversight of submission of technical project deliverables.

F. Restricted Funds Accounting Department is responsible for:

1. Meeting the financial terms of each sponsored award.
 - a. Financial deliverables (invoices and final reports).
 - b. High-level review of expenditures for compliance.
 - c. Confirming allowability with departments.
 - d. Submit financial deliverables.
 - e. Record retention of financial deliverables.
2. Preparing closeout adjustments, as needed.
3. Providing support for audits.
4. Maintain this policy and any related procedures.
5. Provide advice with respect to the interpretation and administration of this policy.

VI. EFFECTIVE DATE

This policy is effective immediately.

VII. POLICY MANAGEMENT

Executive Stakeholder:	Vice President and Chief Financial Officer
Oversight Office:	Controller's Office