

Policies of the University of North Texas at Dallas	Chapter 13
13.013 Closeouts for Sponsored Projects	Research

Policy Statement. The purpose of this policy is to provide for closeout of sponsored projects in a timely and accurate manner. Timeliness of reporting and closing out an award is crucial to sound award management in order to assure full compliance with sponsor requirements and regulations and to assure collection of all monetary reimbursement for costs.

Application of Policy. This policy applies to all faculty and staff engaged in sponsored project activities and applies to all sponsored projects, regardless as to whether funded by a federal, state, or private sponsor.

Definitions.

1. Award. “Award” means a grant, contract, subcontract, subgrant, or cooperative agreement that provides funding from an external sponsor for a sponsored project and is entered into between the sponsor and UNT Dallas.
2. Closeout. “Closeout” means the process of documenting and assuring the fulfillment of the terms and conditions of the award, of certifying University compliance with applicable regulations, and making final disposition of all award by-products, such as final vouchers, reports, patent disclosures, and property inventory. In addition, the closeout process includes the collection of outstanding accounts receivable and addressing deficit or residual balances.
3. Closeout End Date. “Closeout End Date” means the last day on which closeout reports need to be received by the sponsor.
4. Expenditure End Date. “Expenditure End Date” means the last day on which expenditures can be posted to the account.
5. Deficit Balances. “Deficit Balances” means cumulative expenses exceeding the amount awarded by the sponsor.
6. No-Cost Extension. “No-Cost Extension” means the extension of the sponsored project end date that usually requires advance notification to or approval from the sponsor.
7. Principal Investigator. “Principal Investigator” (PI) means a single individual who, in the event of an award from an external funding agency, shall have the full and final

responsibility for the conduct of the sponsored project as proposed and set forth in an award.

8. Project End Date. “Project End Date” means the end date of the sponsored project as stated in the award, including extensions and modifications.
9. Residual Balances. “Residual Balances” means the cash or unobligated balances remaining after the Sponsored Project termination and after all appropriate expenditures have been charged against the sponsored project.
10. Significant Residual Balances. “Significant Residual Balances” means residual balances when the unexpended balance is 25% or greater than the total payments received for the sponsored project.
11. Sponsor. “Sponsor” means any external entity that provides funding to UNT Dallas for sponsored projects. Sponsors may be (i) governmental agencies (for example, federal, state, or local governments or their administrative organizations); (ii) nonprofit organizations (for example, universities, nonprofit corporations, foundations, or associations); (iii) for profit organizations (for example, corporations, partnerships, sole proprietorships, and other business entities); or (iv) individuals. Governmental, nonprofit, and for profit sponsors are sometimes referred to by themselves and others as “agencies.”
12. Sponsored Project. “Sponsored Project” means a project funded by an external sponsor through a grant or contract with UNT Dallas where one or more of the following obligations apply (examples of sponsored projects include but are not limited to instruction projects, public service projects, or research projects):
 - a. Financial obligation – UNT Dallas is required to comply with conditions imposed when a sponsor awards funding for the performance of services or delivery of products described in a statement of work;
 - b. Regulatory obligation – UNT Dallas is required to comply with sponsor regulations, which may include federal or state regulations;
 - c. Reporting obligation – UNT Dallas is required to provide to the sponsor technical performance reports or regulatory or administrative reports;
 - d. Performance Obligation – UNT Dallas is required to perform within a certain period and may be required to meet other specified requirements related to performance;
 - e. Accounting obligation – UNT Dallas is required to establish a separate accounting record of project expenditures to demonstrate allowance of

costs, to maintain financial accountability, to provide financial reports to the sponsor, and to preserve appropriate records for audit purposes.

Procedures and Responsibilities.

1. Initiation of Closeout

It is the policy of UNT Dallas that the closeout of a sponsored project will occur in accordance with applicable, federal, state, and local government regulations, the terms of the award, and within the timeframe required by the sponsor.

- a. Project Termination Notice - 90 days prior to the project end date, the Office of Sponsored Projects will send a project termination notice to the Principal Investigator.
- b. No Cost Extension - After receipt of the project termination notice, the Principal Investigator must notify the Office of Sponsored Projects of any intent to request a no-cost extension. The Office of Sponsored Projects and the Principal Investigator shall coordinate to request an extension from the sponsor.

Responsible Party: Principal Investigator; Office of Sponsored Projects

2. Closeout Timeline

All sponsored projects grants and contracts have end dates that require a variety of closeout procedures. The Principal Investigator, Office of Sponsored Projects, and Sponsored Projects Accounting are responsible for coordinating in order to meet all sponsored projects close requirements for the expenditure end date and the closeout end date as required by the award.

- a. Federal – Federal regulations require all performance, financial, and other required reports to be submitted within 90 calendar days after completion of the award unless a sponsoring agency approves a longer period.
- b. Federal Pass-Through – Non-federal agencies that pass through federal funds to UNT Dallas are responsible for reporting to the federal agency within the federal timeline. Therefore, UNT Dallas is contractually obligated to complete closeout and final reporting to the non-federal agency in a shorter timeframe. The deadlines vary from agreement to agreement, but the standard is typically 60 days.

- c. State–State of Texas agencies typically allow 90-days for award closeout. However, some agencies, specific awards, and awards from other states may require a shorter timeline.
- d. Private and Local Government–The closeout period for agreements issued by the private sector and local government entities varies by award.

Responsible Party: Principal Investigator; Office of Sponsored Projects; Sponsored Projects Accounting

3. Principal Investigator Closeout Responsibilities

During the closeout process, the Principal Investigator is responsible for fulfilling the following within the 30 days following the award end date:

- a. All appropriate expenditures are charged against the sponsored project by the expenditure end date.
- b. All reports certifying effort charged to the sponsored project are signed and submitted.
- c. Sub-recipient work and payments are complete.
- d. Necessary cost transfers (unallowable charges, overspent projects, etc.) have been completed.
- e. Remaining encumbrances have been cleared.
- f. Cost share commitments have been met.
- g. Deficit balances have been cleared within the timeframe required by the award for the final expenditure report or invoice/ voucher to be created and submitted.
- h. A final inventory of property is certified and provided to Property Management and Sponsored Projects Account along with recommendations for disposition.
- i. The Principal Investigator needs to provide financial and report information to Office of Sponsored Projects and Sponsored Projects Accounting within 30 days before the closeout end date. In the event a funding agency requires shorter timelines than the average 60 or 90 days, the PI will be notified if the final financial report is needs sooner.

- j. Applicable closeout reports are completed.

Responsible Party: Principal Investigator

4. Office of Sponsored Projects Responsibilities

During the closeout process, the Office of Sponsored Projects is responsible for fulfilling the following:

- a. Finalize sub-recipient monitoring procedures.
- b. Submit closeout forms, when applicable.
- c. Ensure applicable closeout reports are completed.

Responsible Party: Office of Sponsored Projects

5. Office of Sponsored Projects Accounting Responsibilities

During the closeout process, the Office of Sponsored Projects Accounting is responsible for fulfilling the following:

- a. Submit the final expenditure report and final invoice/voucher as required by the terms of the award.
- b. Return residual balances to the sponsor, when applicable.
- c. Transfer retained, residual balances, as appropriate.
- d. Deactivate the sponsored project in the UNT Dallas electronic accounting system to prevent post-closing expenditures from posting.

Responsible Party: Sponsored Projects Accounting

6. Closeout Reports

Reports required at the close of a sponsored project vary by the type of sponsored project and by the sponsor. The exact nature of the reports required and the deadlines for their submission are typically outlined in the award. Most federal sponsors will require technical, financial, and invention reports. Most federal contracts also require a property report, contractor's release form, and a contractor's assignment of refunds, rebates, and credits form. Types of reports that may be required include the following:

- a. Final Technical or Progress Report– This document describes the process, progress, and/or results of technical or scientific research, or the state of a technical or scientific research problem or project. The Principal Investigator is responsible for submitting the final technical or progress report to the sponsor by the date specified in the award, with a copy to the Office of Sponsored Research.
- b. Final Invention and Patent Report – This document provides a list of inventions or new technology resulting from the project. The Office of Sponsored Projects is responsible for preparing and submitting the final invention, patent or royalty report to the sponsor by the date specified in the award. The Office of Sponsored Projects will coordinate with the Principal Investigator and the Office of Sponsored Projects Accounting to obtain the information necessary to file the report. The Office of Sponsored Projects will verify any inventions or patents with the Principal Investigator prior to completing and submitting these reports.
- c. Final Financial Report – This document is the formal record of the financial activities related to the sponsored project, and provides details about the amount spent by the Principal Investigator and the amount received by the sponsor. The Office of Sponsored Projects Accounting is responsible for preparing and submitting the final financial report to the sponsor by the date specified in the award. Sponsored Projects Accounting will coordinate with the Principal Investigator to obtain the information necessary to file the report.
- d. Final Invoice – This document is the claim for final payment that is due to meet expenditures. The Office of Sponsored Projects Accounting is responsible for preparing and submitting the final invoice to the sponsor by the date specified in the award.
- e. Final Inventory Report – The Office of Sponsored Projects Accounting in coordination with the Office of Property Management is responsible for maintaining inventory records to accurately account for capital equipment purchased with federal funds. The Office of Sponsored Projects Accounting will prepare, certify, and submit final property reports to the sponsor by the date specified in the award.
- f. Other Reports – Most federal contracts also require a contractor's release and a contractor's assignment of refunds, rebates, and credits form. The Office of Sponsored Projects is responsible for completing and submitting these forms.

Responsible Party: Principal Investigator; Office of Sponsored Projects; Sponsored Projects Accounting

7. Residual Balances

Periodically, a Principal Investigator will not utilize the full amount of funds awarded for a sponsored project. During close out of a sponsored project, Sponsored Projects Accounting is responsible for returning or retaining residual balances in accordance with the terms of the award. Unless the sponsor stipulates in the award that UNT Dallas can keep residual funds, unexpended funds must be returned to the sponsor as part of the closeout.

Some sponsors allow automatic carry over from year-to-year for certain projects. If a request for funds to be carried over is required, then the Office of Sponsored Projects is responsible for making the request in accordance with sponsor requirements.

Some sponsors allow UNT Dallas to retain residual balances after the closeout of awards. Transfer of retained residual balances must be to designated funds, normally available for use by the Principal Investigator. If there is a significant residual balance, the disposition will be determined after justification by the Principal Investigator and approval by the Director of Sponsored Projects Accounting.

Responsible Party: Principal Investigator; Office of Sponsored Projects

References and Cross-references.

None

Forms and Tools.

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Revised: