CLOSE OUTS
Revised April 27, 2023

WHAT is a Close Out?

The act of completing all internal procedures and sponsor requirements to terminate a research project, budget or project year. Sponsor requirements often include submission the following reports:

Final Report Type	Submitted by
Technical report*	PI
Invention or Patent report	PI via OCGA
Financial report (e.g. FSR)	EFM upon certification of expenditure by the FM/PI
Property report	Equipment Management

*A copy of the final technical report as well as any other final reports sent by the PI directly to the sponsor should also be forwarded to OCGA. This will facilitate post award audits, and minimize requests to the PI and department staff for evidence that reports were submitted.
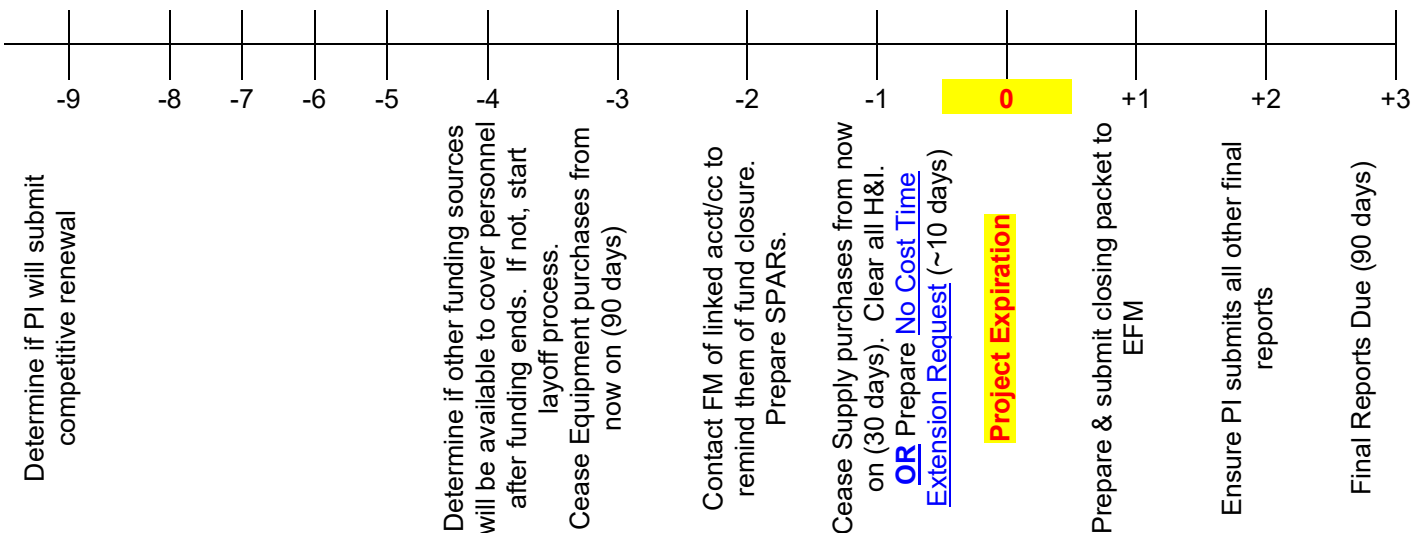
WHY is a Close Out necessary?

- Final reports are usually required by the Agency in the terms and conditions of the award.
- They are a means by which a Sponsor can quantitatively measure the final results of the funds administered to the PI.
- Failure to submit required reports may result in the sponsor withholding funding for other projects within the University regardless of the PI.
- Internally, to free up fund numbers to be recycled by EFM and used by other projects.
- To accurately reflect PI and/or Division's current, active fund balances.

WHEN to process a Close Out?

Reports required at the close out of a project are generally <u>due within 90 days after of the project end date</u>. For example, if a grant ended June 30th, the reports should all be submitted to the Sponsor by September 30th, at the latest. Check the Notice of Grant Award for Agency guidelines/due dates. Check the [Post Award Management System (PAMS)](#) for Overdue, Upcoming & Completed FSRs.

Timeline (in months leading to **expiration**)

Timeline marks from -9 to +3:

- **Determine if PI will submit competitive renewal** (-9)
- **Determine if other funding sources will be available to cover personnel after funding ends. If not, start layoff process.** (-4)
- **Cease Equipment purchases from now on (90 days)** (-4/-3)
- **Contact FM of linked acct/cc to remind them of fund closure. Prepare SPARs.** (-2)
- **Cease Supply purchases from now on (30 days). Clear all H&I. OR Prepare No Cost Time Extension Request (~10 days)** (-1)
- **Project Expiration** (0)
- **Prepare & submit closing packet to EFM** (+1)
- **Ensure PI submits all other final reports** (+2)
- **Final Reports Due (90 days)** (+3)

<u>Reminders</u>
EFM will send out a 30-Day Advance Notice for upcoming expiration of funds. Do not let this be your only reminder of closing. Add reminders in your Outlook Calendar as well.

Close out begins the day the Contract or Grant is <u>awarded</u>! Monthly reconciliation of funds and timely processing of cost transfers will facilitate the closing process, assure appropriateness of expenditure and prevent disallowances.

HOW to process & submit Close Out reports?
I.   Financial Reports
    1) Complete the <u>Pre-Closeout Checklist</u>
    2) Run the Smart Closeout Tool
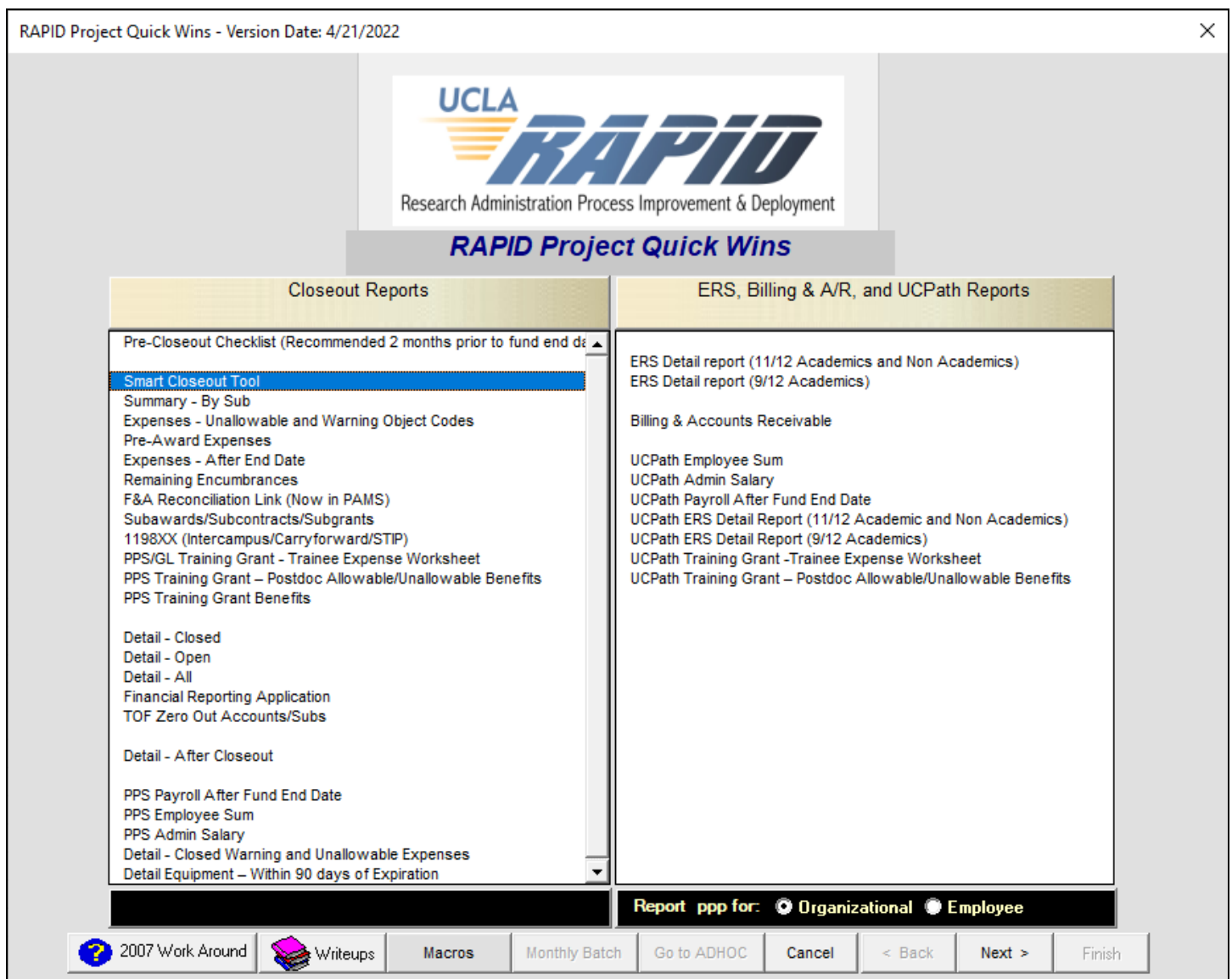
    a. Detailed instructions on how to use the Smart Closeout Tool can be found in the Smart Closeout User Guide found within the zip folder
https://portal.research.ucla.edu/Reports/StaticPortalDocument?docType=RAPIDTool

b. This chapter will not go into detail regarding instructions on how to use the Smart Closeout Tool since the User Guide goes into extreme detail. But if you have further questions that are not fully addressed in the User Guide, contact Kayla Brown (kaylabrown@mednet.ucla.edu), (Raellen Man (rman@mednet.ucla.edu) or Cathy Rujanuruks (crujanuruks@mednet.ucla.edu).

c. See below for a list of helpful Hints, Tips & Commons Mistakes.

3) Submit the following 2-3 items via PAMS, using the following naming convention – Fund#_Closing/Cert/Backup_vX:
   a. Smart Closeout Packet (in Excel) – ex. 12345_Closing_v3.xls
   b. Signed Certification Forms with signatures from your PI (in PDF) – ex. 12345_Cert_v1.pdf
   c. Backup Documentation, if any, in a single PDF – i.e. copies of direct retros, final subaward invoices, etc – ex. 12345_Backup_v1.pdf

II. Technical & Other Reports
1) Read Notice of Grant Award paperwork to determine which non-financial reports are required
2) Notify PI which reports he is responsible for and provide a deadline date
3) Follow up that these reports have been submitted to the Agency
4) Provide OCGA with a copy of all reports submitted directly by the PI

WHERE to submit Close Out Packets?

Type of Project/Funding	Sent Packet To…
Contract or Grant in which your PI is Home Dept	EFM
Contract or Grant in which your PI receives funding from another Dept	Home Department
Gift or Endowment**	General Accounting

**Close Out Packets are usually not required for Gifts/Endowments. Work with General Accounting to have those funds closed out.

Hints, Tips & Commons Mistakes
- Run the Smart Closeout Tool TWICE!
  - First time, review Findings Tabs (Warning, Unallowable, Exp. After End, Remaining Encumb., etc.) and process any expense transfers necessary.
  - Second time, wait 1 business day and rerun the Tool so that all transfers are accounted for in the current Excel spreadsheets.

- Adjustments in $ Amounts need to be listed in <u>THREE</u> locations!
    1) Checklist - Column E in Lines 16-21 & 24
    2) Corresponding Tab
    3) Summary by Sub Tab
    o UPAYs should be listed on the Additional Adjustments Line 20, the Addit'l Adj Tab and "To Appear" columns for Subs 00/02/06 in Summary by Sub Tab.

- Don't forget to account for F&A variance from the F&A Recon Tab in Line 24 & Summary by Sub Cell I23.

- Assure amount listed as the Total Unobligated/Unexpended Balance in Line 26 of Checklist matches Total Projected Balance (cell K24) on Summary by Sub tab.

- What to do when there is an unobligated balance but questions 27, 29 & 30 are all NO?
    o Use Notes section of Checklist to state CF will be requested once FSR has been submitted.
    o Also add this comment to the Certification Form!

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- Don't forget to complete the [Recharge ID Request Form](#) online to have any associated recharge ID canceled. Recharge IDs are *not automatically* canceled when the fund is closed out by EFM or G/A.

- Raellen does not need to review/sign linked funds. Home Dept funds only.
    o If you are the Home Dept., make sure to enter an "*" in the Account & Cost Center fields when running the Smart Closeout Tool.

- No hard copies!
    o Everything should be submitted to Raellen via email and to EFM via the Portal.

- Fixed price or fixed rate projects
    o Considered ended when all funding has been received from the sponsor & the commitment from the PI to the sponsor has been met.
    o Subject to [Policy 913](#) – any remaining funds are transferred to fund 69970 for use by the PI or department. Remaining balances greater than 25% of appropriation require justification from PI.
    o See [DOM Chapter on Policy 913](#) for detailed EFM requirements for closeouts.

- Reminder: Once the fund is closed & EFM has submitted the FSR to the Agency, you will no longer be able to process cost transfers (NPEARs/UPAYs) involving this fund. **BE SURE ALL EXPENSES ARE ALLOWABLE & ALL SALARY EXPENSE IS IN LINE WITH ERS CERTIFICATIONS PRIOR TO CLOSING!!!**

- Below is a NIH issued Notice regarding the final close out requirements of all grants. This Notice has a lot of helpful information and link to instructions and forms regarding the Final Scientific Progress Report, the Final Invention Statement, and the Final Financial Status Report (FSR):

http://grants.nih.gov/grants/guide/notice-files/NOT-OD-09-128.html

Read through this Notice to familiarize yourself with the close out requirements. This Notice can also serve as a good reminder to your PIs regarding their close out responsibilities. It is a good idea to forward it to your PIs who have NIH grants that have either recently closed or will close soon.