FINANCE
SPONSORED PROGRAMS
UNIVERSITY OF MICHIGAN

Project Financial Closeout Guide

Purpose: The responsibilities of a research administrator, or the single administrative point of contact (SAPOC), are varied and numerous. To support SAPOCs and units, we provide this **Project Financial Closeout Guide**, along with two choices of **Project Financial Closeout Checklists**, with the goal of helping you successfully manage pre-closeout tasks, the financial closeout process, and avoid delays and/or financial liability to the unit.

How to Use These Resources: This Project Financial Closeout Guide is a companion document to the Timeline Approach and Areas to Address Checklists. You can choose either checklist. Both documents contain the same essential information, but they are organized differently: one as *Timeline Approach* and the other with *Areas to Address*.

Project Financial Closeout Checklist Option 1 – Timeline Approach: *Timeline Approach* works backward from the deadline, lists the steps and appropriate lead time to close out a project. You can take a proactive and timely approach without waiting to receive the Financial Status Report (FSR).

Project Financial Closeout Checklist Option 2 - Areas to Address: *Areas to Address* is organized topically to help you recall all the actions you need to take (e.g., what to reconcile, and, generally, who to consult) without waiting for your FSR. When you know the timing, you can use this as a reminder of all the areas that need attention. This is particularly useful for unit-initiated early closeouts.

You can choose which checklist to use, and send *one* to your Sponsored Programs Customer Service Representative to process your closeout when it's due or when you need to initiate an early closeout request.

Pick a checklist and follow the steps. The checkboxes for each item are there for you to use, but you are not required to check every box. Several of the items within each list are linked directly to this companion document: Project Financial Closeout Guide, with additional definitions, contact numbers, and website URLs.

All of these resources are found at http://www.finance.umich.edu/programs/sppgcc.
To assist in long-term planning, it may be useful to download a list of projects from Business Objects using a user-defined time period (sort by deptid, SAPOC or other data point): **Business Objects > User-Shared > Sponsored Programs > Data Integrity > 90 Day Info**

COMMUNICATE WITH STAKEHOLDERS		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Communicate with stakeholders	• Project Director • Project Team Members • Unit purchasing/procurement • SAPOCs of sub Project Grants (subPGs) • Subcontracted partners	• Send reminder emails regarding end date • Share sponsor-specific and project-specific guidelines for final expense activity • To aid in final expenditure report, identify current budget status and ask stakeholders for a list of additional projected or anticipated activity • Contact ORSP and/or sponsor regarding rebudgeting requirements • Sponsored Transfer Guidelines (note 120-day transfers): http://finance.umich.edu/programs/rules/sponsored-transfer-guidelines

REVIEW TERMS OF AWARD, BUDGET, REPORTING REQUIREMENTS		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Budget Category Variances	• PANS, PACs and Sponsor Agreement • ORSP • Sponsored Programs Customer Service Representative	• Review UM's standard 25% budget category variance rule and/or sponsor's-budget/award rules • Well in advance of end date, justify variances for Sponsored Programs review, request ORSP approval, or request sponsor approval
Cost Sharing Commitments	• PANS, PACs and Sponsor Agreement • ORSP • Sponsored Programs Customer Service Representative	• Review obligation and determine type of cost share commitment: either required by sponsor and quantifiable (committed) or voluntary (uncommitted) • Determine if cost share commitment is defined by dollar amount, effort or other quantifiable measure; check progress toward meeting required commitments • Address projected variances with ORSP; shortfalls may need to be addressed with sponsor
Equipment	• PANS, PACs and Sponsor Agreement • Property Control 4-5443	• Review approved budget and determine if purchase is allowable • Review timeliness of purchase; should be able to demonstrate direct benefit to research based on date of purchase and project timeline • Generally, equipment purchase in last 90 days of project are unallowable; project-specific circumstances may warrant late purchase
Equipment Fabrication	• PANS, PACs and Sponsor Agreement • Sponsored Programs Customer Service Representative	• Fabricated Equipment costing $5k or more will be capitalized as "equipment"; indirect cost will be assessed if each build does not meet $5k threshold • Property Control will tag all fabricated equipment • If build cost is $1-5k and has a life expectancy of two years, then item will be re-accounted to 614420, assessed IDCs, and will impact total available budget
Student Aid / Stipends	• Student Financial Aid Office financial.aid@umich.edu 3-6600 http://www.finaid.umich.edu/TopNav/OfficeHours.aspx	• Typically, Student Aid and Stipends are only allowed on NIH training grants and fellowship awards; review project award and determine allowability of these expenses
Uniform Guidance-Monitored Expenses & Expenses not Previously Approved by Sponsor but Essential to Research Objectives	• Sponsored Programs Customer Service Representative • ORSP	• Review award terms for allowability; initiate approvals when necessary (ORSP or directly with sponsor) • Specific items and corresponding dollar amount approved by sponsor (proposed/award budget or post-award change) will be allowable on FSR • Some expenses previously not identified as Uniform Guidance Cost Principle items (612050-computer supplies) will now roll up to General Supplies & Other budget line • Sometimes these expenses may not be identified until the closeout stage. For expenses essential to completing research objectives, but were not previously approved by the sponsor, Sponsored Programs will accept email approval from the sponsor

REVIEW REVENUE AND UNIVERSITY COMMITMENTS		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Sponsored Funding	• PANs, PACs and Sponsor Agreement • Accounts Receivable AccountsReceivableSSC@umich.edu	• Review Award Terms - determine revenue designation (cost reimbursement, milestone, payment schedule, letter of credit, advance deposit) • Review Status of Outstanding Invoices – run M-Pathways Financial & Physical Resources System Report: Financial & Physical Resources System > Main Menu > Accounts Receivable > Customer Accounts > Item Information > Item Activity Summary NOTE: change business unit to SPFED (federal projects) or SPNON (non-federal projects); enter P/G number in Customer ID field • Initiate invoicing for fixed price and milestone invoiced via email request to: biteam@umich.edu • Final Invoices – monitor payment status after end date (sometimes PG inactivated while revenue is still outstanding)
Cost Share Funding	• PANs, PACs and Sponsor Agreement	• Verify Cost Share transfers/revenue received from internal funding sources • Verify Cost Share funds received from external funding sources
In Kind Cost Sharing / Cost Matching	• PANs, PACs and Sponsor Agreement	• This refers to items included in a proposal which: 1) constitute commitment via transfer of goods, services or information to the project by University or external entity (non-revenue), 2) are identified as a quantifiable contribution and commitment by University or external entity, and 3) are included in award terms as a required commitment (often in lieu of cost share) Examples: Washtenaw County agrees to provide road maps free of charge which otherwise would require University purchase; University's imputed indirect costs (indirect costs are waived and quantified as cost-matching in lieu of federal budget line for this expense type) • Verify commitments have been met • Verify documentation completed for reporting requirements

REVIEW OUTSTANDING EXPENSE ACTIVITY AND COMMITMENTS, NOTE IMPACT ON BUDGET, TAKE CORRECTIVE ACTION		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Accounts Payable Vouchers and Purchase Orders (PO)	• Procurement Services procurement.services@umich.edu	• Run M-pathways Financials & Physical Resources System report to review status: Main Menu > Accounts Payable > Review Accounts Payable Info > Vouchers > Unpaid Vouchers • Request release of purchasing commitment and/or close PO via email • Contact Procurement Services and arrange to change chartfield or initiate new purchase order with vendor
Concur and Non-Employee Reports	• SAPOC/unit local records • Shared Services Center 5-2000 option 3 ssc.umich.edu	• Concur and non-employee expense reports do not post to M-Reports until after Audit approval; currently there are no searchable database to identify expense reports in this temporary status; SAPOCs should consider keeping local record of activity routing in the last 45 days of the project • Contact Shared Services Center if expected activity does not post within 10 business days of processing with unit approval
Financial Aid Item Types	• Student Financial Aid Office financial.aid@umich.edu 3-6600 http://www.finaid.umich.edu/TopNav/OfficeHours.aspx	• Request FAIT inactivation: http://www.mais.umich.edu/student/faforms.html
Human Subject Incentive Program Payments	• Treasurer's Office www.finance.umich.edu/treasury/hsip Subject-incentives@umich.edu 734-763-2308	• HSIP payments do not post to M-Reports until after Audit approval • Run Business Objects Report to review activity that has not posted to M-Reports: Business Objects > UM-Maintained > Financials > FN07 Human Subject Incentive Pymts
Journal Entries	• Sponsored Programs Customer Service Representative	• Make sure activity complies with transfer guidelines to expedite posting to P/G • Check M-Reports for journal entries in pending approval status; currently all JE lines load to search criteria and all lines may not apply to specific project: M-Reports > Mgmt reports > JEs Pending Approval • Sponsored Transfer Guidelines (note 120-day transfers):http://finance.umich.edu/programs/rules/sponsored-transfer-guidelines
Lump Sum Advances	• Shared Services Center 5-2000 option 3 ssc.umich.edu	• Make sure lump sum advances are vouchered and activity post to GL; currently there is a lag in request, approval and posting processes
Subcontract Invoicing and Payments	• OCA Specialist listed in eRPM subK record • Office of Contract Administration subcontracts@umich.edu	• Review contract for reporting requirements and deadlines • Review outstanding invoices and payments • Contact subcontract party and stress need for timely final invoice; request projected receipt date of final invoice

REVIEW OUTSTANDING EXPENSE ACTIVITY AND COMMITMENTS, NOTE IMPACT ON BUDGET, TAKE CORRECTIVE ACTION		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
	3-3193 • Subcontracted Party	• Federal Subrecipient Monitoring Guide & Appendix available at: http://finance.umich.edu/programs/roles-responsibilities/office-contract-administration
Telephones – UM and external vendors	• ITS - UM Telephone Services http://www.itcom.itd.umich.edu/billing/ ITSCommBill@umich.edu 3-2000 • External Vendor – direct contact • Procurement Services, Strategic Contract Representative procurement.services@umich.edu 4-8212 option 2	• Internal Service Provider - request final invoicing or expense information; currently there is a lag between services and activity posting to general ledger • External Vendor – request final invoicing or expense information; currently there is a lag between services and activity posting to general ledger
Tuition Waiver	• Unit-initiated Journal Entry • Student Financial Aid Office financial.aid@umich.edu 3-6600 http://www.finaid.umich.edu/TopNav/OfficeHours.aspx	• For GSRAs appointed to sponsored funds and all or a portion of tuition is funded by cost share funds; tuition must be manually transferred to the cost share chartfield; compare expenses to sponsor-approved budget; initiate JE to transfer cost share portion using expense account 597000 and include revenue funding to offset expense in the same journal; use account 451110 to fund the tuition cost share is 451110 (remove) for General Fund transfers; use account 422000 is used (remove) for Non-General Fund transfers • Make sure tuition waiver follows GSRA appointments; if more than one/two semesters behind, the transfer is a manual process; contact via email: sfps@umich.edu
Outstanding and Recent Purchase Requests	• Unit personnel	• Check sponsor-specific and project-specific guidelines for final expense activity • Lab restocking in last weeks of project is unallowable • Check equipment purchases (not allowed in last 90 days of project) • The standard practice for procurement is to a pay vendor for all invoices as a single transaction when invoices meet the cost accounting standards and meet UM internal control guidelines. However, credits are processed differently. Credits (merchandise returned, cancelled services) are not applied against a project until there is either (1) a new charge resulting in a payment which offsets the credit to the vendor, or (2) a vendor remits a check to UM (which is applied to a specific project). The credit or charge will not post to projects until the vendor status is resolved. Thus, a credit on another P/G may affect expenses posting in a timely fashion to other unrelated P/Gs. Please remember the impact to your project.

RECURRING CHARGES – REVIEW ACTIVITY, REQUEST CHANGE TO FUNDING SOURCE, MONITOR POSTING TO GENERAL LEDGER		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Hospital Recharge Activity	• Internal Service Provider • Clinical Research Calendar Review & Analysis Office ResearchSubjects@med.umich.edu	• Contact service provider and request billing change to appropriate short code (inactivation, S/C change, etc) • Contact Clinical Research Calendar Review & Analysis Office and request inactivation of Research Medical Record Number
Mail – Metered Service Bar Codes	• Mail Services 4-9227 http://mbiz.bf.umich.edu/mailsvcs/metering.htm	• Contact Mail Services to inactivate meter bar codes • Destroy remaining bar code stickers
Service Unit Billing	• Internal Service Provider, as identified with line-item expense	• Review SUB for last 6 months to determine likely account-holders • Request final billing, alert to project end date, and initiate change to chartcom
Strategic Suppliers	• External Service Provider, as identified with line-item expense	• Review activity for last 6 months to determine likely account-holders • Request final billing, alert to project end date, and initiate change to chartcom
ULAM	• ULAM Account Management 4-0277 ULAM-FINANCE@umich.edu	• Account and management responsibilities are limited-access; changes may need to be processed by PI or authorized user • Internal Service Provider - request final invoice or expense information; currently there is a lag between services and activity posting to activity

MANAGE PERSONNEL AND PAYROLL ACTIVITY		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Biweekly Temporary Payroll	• Payroll Service Center http://www.finance.umich.edu/finops/payroll/contact	• Review reported time to make sure effort not allocated to project after end date; if timesheet is not available, run Business Objects Report: Business Objects > Business Intelligence Launch Pad > Folders > UM- Maintained > Time and Labor > TL01 Time and Labor > TL01 TimeLabor Reported Time by Employee • Sponsored Programs likely will request a copy of the timesheet, but will accept the Business Objects report in lieu of timesheet
DBE and Appointment Changes	• Unit-initiated transactions • Human Resources hrrisissues@umich.edu	• 120 days prior to end date, create staffing plan for personnel • If necessary, seek bridging support and/or initiate Reduction in Force action • Initiate DBE changes via PAR request 90 days in advance of end date • Initiate Hardship account if continual segment is forthcoming • If accessible (level 2 I.C. Employment), run M-Reports to check DBE end dates for all project staff; request changes for those still appointed past end date: M-Reports > Mgmt Report > Total Picture Effort by Principal Investigator
Off-cycle Payroll	• Payroll Service Center http://www.finance.umich.edu/finops/payroll/contact	• Monitor retroactive payroll corrections for completion and accuracy • Off-cycle payroll corrections are processed on Thursdays (viewable on Friday) • Off-cycle payroll corrections do not load as committed activity in M-Reports; they load to M-Reports after business closes; however, off-cycle payroll can be viewed in eReconciliation prior to close of business
PeoplePay	• Procurement Services procurement.services@umich.edu • Payroll Services Center http://www.finance.umich.edu/finops/payroll/contact	• Make sure activity posts to General Ledger; unit may need to maintain records for recurring and/or single transactions • Currently there is a lag in request, approval and posting processes • Some PeoplePay processes through Procurement; some PeoplePay activity processes through Payroll
GSRA Summer Bridging Fringe Benefits	• Payroll Services Center http://www.finance.umich.edu/finops/payroll/contact	• Note impact of summer bridging fringe benefit costs for GSRAs • Summer bridge fringe benefit costs post in April and always follows the April salary transaction
Vacation Payout	• Payroll Services Center http://www.finance.umich.edu/finops/payroll/contact	• Note impact of Vacation Payout (VPO), including FICA for terminating employees; encourage timely processing of paperwork to minimize lag in posting to project • Anticipate VPO if PI transfers to another institution

REVIEW DELIVERABLES AND REPORTING DEADLINES		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Technical Reporting	• PANs, PACs and Sponsor Agreement	• Confirm PI and project team's understanding of Technical Reporting requirements • Confirm/document submission of technical report with posted comment in eRPM (attach final report if available) • Confirm submission process with Sponsored Programs if requested (sometimes included with FFR or submitted separately to sponsor)
Other Deliverables	• PANs, PACs and Sponsor Agreement	• Confirm PI and project team's understanding of Technical Reporting requirements • Confirm submission process with Sponsored Programs (included with FFR or submitted separately to sponsor) • Document submission of technical report with posted comment in eRPM (attach final report if available)
Financial Report	• PANs, PACs and Sponsor Agreement • Sponsored Programs Reporting/Closeout Team	• Verify Financial reporting requirements with Sponsored Programs • Complete sponsor-specific financial forms as necessary • Returned signed FSR by Sponsored Programs deadline

POST END DATE FOLLOW UP		
TASK/ISSUE	**CONTACT**	**GUIDANCE**
Final Invoice	• Accounts Receivable AccountsReceivableSSc@umich.edu	• Submit request for fixed price and milestone invoices to Accounts Receivable • Confirm submission of final invoice via email to Sponsored Programs reporting team • Monitor payment status
Subcontract Closeout	• OCA Specialist listed in eRPM subK record • Office of Contract Administration subcontracts@umich.edu 3-3193 • Subcontracted Party	• Submit closeout request in eRPM
Financial Reporting	• Sponsored Programs Reporting/Closeout Team	• If process requires Unit to submit financial report, document submission with Sponsored Programs
Technical Reporting and Other Deliverables	• ORSP	• Confirm submission with PD/PI • Technical Report - post comment in eRPM to document submission of Technical Report and attach PDF technical report • Other Deliverables – post comment in eRPM to document submission and attach confirmation of delivery of Other Deliverables
New charges after closeout	• Sponsored Programs Reporting/Closeout Team	• Monitor P/G for activity after FSR submitted to Sponsored Programs; continue until P/G is inactivated • If project will be funded in competing segment awarded under new PG, note this on FSR so that Sponsored Programs can assist with expense transfers. If award not established yet, request hardship project • If project is in deficit, expenses will be transferred to chartcom listed in FSR Memo • If there is no deficit, work with Sponsored Programs to determine next steps; either UM has to issue a revised invoice and FFR, or the unit covers the expense
Inactivation of P/G	• Sponsored Programs Reporting/Closeout Team	• Monitor payment of invoices • Investigate delays, request assistance