

Closeout of Externally Sponsored Awards - Procedures

For the purposes of these procedures, an award closeout is defined as the steps needed to be performed by Research Finance (RF), principal investigators (PIs), grants managers, department administrators, and the dean's offices to officially close an expired, externally sponsored award during a defined period after the end date.

All externally sponsored awards must be closed out at the end of the award period. The purpose of these procedures is to provide guidance on the process to be followed to ensure compliance with federal and non-federal sponsors on the necessary steps needed to complete a closeout. Closeouts should be submitted by the department/school personnel as prescribed below to adhere to the University's policy.

These procedures are complementary to the Closeout of Externally Sponsored Awards Policy and define the processes and procedures surrounding the proper steps to take when preparing and submitting a closeout on externally sponsored awards to ensure that the University meets any reporting requirements imposed by the sponsoring agencies.

Closeout Process

The general rule of thumb for award closeouts is that they must be completed within 90 days following the official end date of an award. Contracts and some non-federal sponsors may require a closeout sooner than 90 days. In these cases, the department must comply with the shorter time frame indicated in the terms and conditions to ensure any reports are submitted timely. See Departmental Checklist for Award Closeout - <https://finance.vanderbilt.edu/researchfinance/docs/departmental-award-closeout-checklist.pdf> for reference.

The below items highlight the various stages and the associated actions that occur during the closeout process:

1. Prior to End Date – notifications will be sent to departments by RF alerting them to the impending award end date 60 days prior to the end date.
2. After End Date – RF will send a recap of expenses to the department as of the end date as a courtesy within the first 30 days after the end date.
3. Before the 90-day window is reached the department should send closeout information to RF indicating the amount that is correct for closeout. Any outstanding cost transfers that are included in the closeout number should be indicated. They should be submitted through the proper channels per the Cost

Transfer and Retro Reallocation of Costs policies.

4. On or before the 90-day window expires, RF will prepare and submit any required sponsor financial reports and a copy will be sent to the department.
5. Once the final financial report has been submitted, any unspent funds will be returned to the sponsor as required. For fixed price and program income awards, RF will initiate the process to move those unspent funds to the faculty fund indicated by the school's dean's office in the closeout. Any project costs above the final reported amount, must be reflected as cost shared.

Time Period

All closeouts should be completed within 90 days (or sooner if required by sponsor) after the award end date. The 90-day time period begins the day after the award end date. This closeout period runs until the closeout information is received in RF from the department and any required reports are submitted to the sponsor or information is received by RF indicating that an extension has been received or is forthcoming. Any information sent indicating the request for an extension must have either the official notification from the sponsor or approval of the appropriate dean's office representative to enable an interim extension to be entered into the system.

If the closeout information has not been received by RF by 75 days after the end date, the responsible grant accountant will send a follow-up reminder to the department and the dean's office representative that the closeout is due soon.

If closeout information from the department is not received as the close of the 90 day window is imminent, RF will advise the department grant administrator and the dean's office representative that a final financial report will be submitted based on cumulative expenses as of the end date and/or up to the award amount if the grant is overspent as of the end date. Any deficit balances above the final reported amount must be reflected as cost share.

Any required federal financial reports will be submitted by the due date to ensure compliance with federal regulations. A copy of the final financial reports on all awards will be sent to the department for their records.

Approval Process

Implicit with the submission of the closeout information, the department is affirming that any requested changes are appropriate expenditures for the externally sponsored award and the final amount to be reported to the sponsor agrees with the institution's financial system and that the department, PI and dean's office have approved the closeout.

Key Terms

Closeouts – refers to the necessary actions needed to close a sponsored award once it has expired. The department must coordinate and communicate with RF to ensure the award is closed out at the correct amount and properly communicated to the sponsor.

Final Financial Report – refers to the required report and/or invoice submitted to the sponsor at the time of the closeout recapping the final amounts for an award. The sponsor guidelines dictate the format and information to be included.

Forms

Departmental Checklist for Award Closeout -

<https://finance.vanderbilt.edu/researchfinance/docs/Departmental%20Award%20Closeout%20Checklist.pdf>

Related Policies/Documents

Federal Uniform Guidance – <https://www.ecfr.gov>

NIH Grants Policy Statement – <https://grants.nih.gov/policy/index.htm>

NSF Requirements – <https://www.nsf.gov/bfa/dias/policy/>

Retroactive Reallocation of Costs Policy –
<https://finance.vanderbilt.edu/policies/index.php>

Cost Share Policy –
<https://finance.vanderbilt.edu/researchfinance/vupolicies.php>