

Contracts and Grants Accounting

Award Closeout Process

Effective May, 2016

Confluence of 3 Factors:

- Internal and external focus on compliance and oversight
 - Uniform Guidance (§ 200.343 Closeout)
 - SAS-115 (internal review process to ensure accurate and complete transactions)
 - CGA metrics and monitoring
 - CSS and department best practices for award management
- Need a solution to the problem of post-close charges
- New tools for award lifecycle management

Closeout Process

Upon issuing the final financial report/invoice to the sponsor, CGA will perform the following steps in the PeopleSoft C&G System:

1. Ad-Hoc deficit clearing on individual awards
2. Change the Activity status from “Ended” to “Final”
3. Change the contract status to “Closed”
4. Place billing plans on hold

The Fund status remains “Active.”

*Prevents expenditures (except payroll) from posting to the award’s GL
Allows AR activity and deficit clearing to be processed, and the RA to close any open Purchase Orders.*

4. Run the COA inactivation and GL check process

If no results returned, set the Fund status to “Inactive.” All expenditures rejected

Award's Status Values and Transactions

Status Values and Effect on Transactions

CGA Process	Process description	Fund Status	Contract Status	Award Status	Project Status	Activity Status	Milestone Status	Effect on Transactions
Generate/Set up Award	Notice of Award is interfaced into C&G module from SPO. RA/DEPT uploads the budget and the CGA Award Analyst (CGA-AA) generates the Award. Sent to CGA Supervisor for approval.	Active	Pending	Accepted	Budget Only	N/A	Pending	Transactions rejected.
Supervisor Approves Award and Finalizes Budget	CGA Supervisor reviews and approves the Award and budget and finalizes it. The Contract is activated, and the Project and Activity status is Open.	Active	Active	Accepted	Open	Open	Pending	Transactions allowed.
(1) Activity Ends (Award expired)	Upon Award end date, the Project and Activity status automatically update to "Ended"	Active	Active	Accepted	Ended	Ended	Pending	Transactions allowed (warning issued)
(2) - Ad-Hoc Deficit Clearing - Milestone Updated and Activity Finalized (Award is closed) - Billing Plan on hold	The CGA-AA will perform an ad-hoc deficit clearing to move any deficit amount off of any award with a Final Financial Report (FFR) due as part of the closeout process. After the FFR/Final Invoice has been sent to the sponsor, the CGA-AA changes the Milestone to "Completed", and sets Activity status to "Final". For awards with accrued expenses, CGA will wait until the following month to change the Activity status to "Final" to allow the actual expenses which were accrued to post to the award.	Active	Active	Accepted	Final	Final	Completed	Transactions will be rejected except for: Payroll, AR, closing PO, auto-reversal of accrued expenses, and deficit clearing.

Award's Status Values and Transactions (Cont'd)

CGA Process	Process description	Fund Status	Contract Status	Award Status	Project Status	Activity Status	Milestone Status	Effect on Transactions
(3) Monthly Deficit Clearing *	CGA will perform the monthly deficit clearing process on all awards with milestone status "Completed" and activity status "Final" at the beginning of the month following the closeout period.	Active	Active	Accepted	Final	Final	Completed	Transactions will be rejected except for: Payroll, AR, closing PO, auto-reversal of accrued expenses, and deficit clearing.
(3) Fund Inactivated	After clearing all pending transactions (COA Inactivation returns no result), Fund is inactivated, the Activity and Project(s) and Contract are set to Closed	Inactive	Closed	Closed	Closed	Closed	Completed	All transactions rejected
Archived	Seven years after the Project's status has been set to Closed the Project and associated Activities are set to Archived	Inactive	Archived	Closed	Archived	Archived	Completed	All transactions rejected

* CGA will perform an annual deficit clearing process on open awards (excluding approved waiver requests on awards in deficit and awards with FFR due date between May 31st and September 1st).

Award's Status Values and Transactions (Cont'd)

Where to Find Statuses:

FUND STATUS:

Main Menu – Set Up Financials/Supply Chain – Common Definitions – Design Chartfields – Define Values – Chartfield Values (“Old BFS Fund Page”)

CONTRACT STATUS:

Award Profile – View Contract hyperlink

-or-

Main Menu – Customer Contracts – Create and Amend – General Information

AWARD STATUS:

Main Menu – Grants – Awards – Award Profile

PROJECT STATUS:

Main Menu – Grants – Awards – Project, or click the project # from Award Profile

ACTIVITY STATUS:

Main Menu – Grants – Awards – Project- Activity (click on Activity status hyperlink)

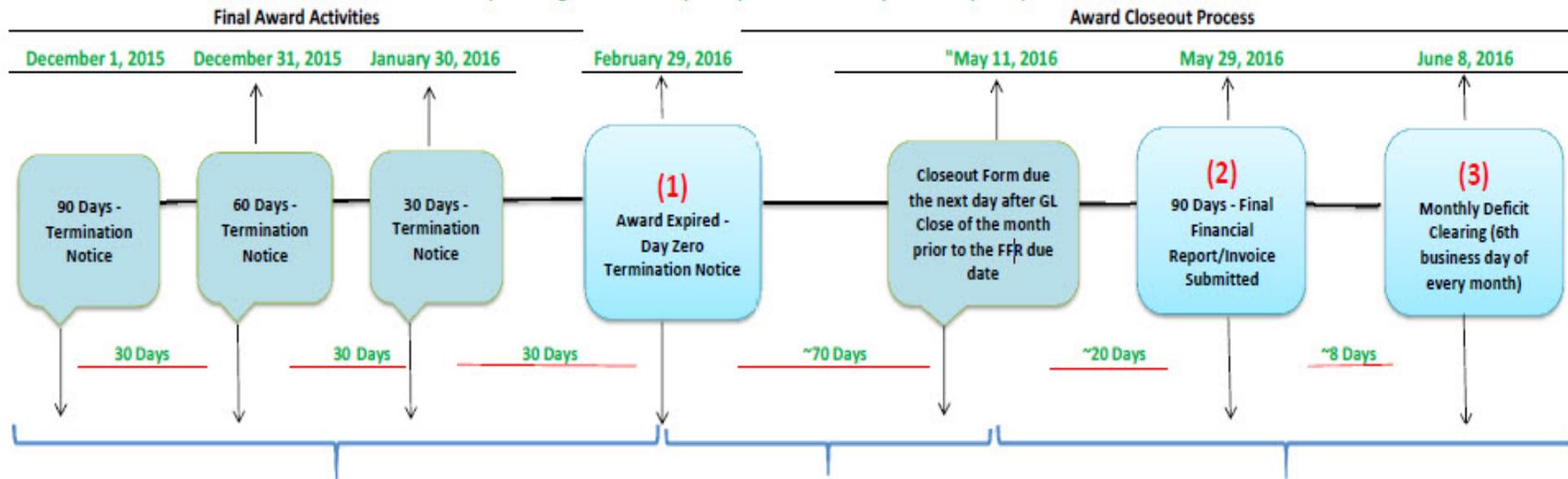
MILESTONE STATUS:

Main Menu – Grants – Awards – Award Profile

NOTE: DISREGARD “PROCESSING STATUS” FIELDS- THESE DO NOT AFFECT TRANSACTIONS.

Closeout Timeline

(dates in green is an example only based on a 90-days closeout period)



Pre-Expiration Period

RA/Departments

- Request final invoices from vendors and subrecipients
- Change payroll chartstring for future distributions
- Request recharge changes or cessation
- Request no-cost extension if needed

Adjustment Period

RA/Departments

- Transfer expenses and deficits
- Transfer payroll via UPAY
- Accrue unposted expenses
- Close POs
- Submit Closeout Certification along with:
 - Documentation
 - Cost share report
 - Unliquidated obligations

Final Closeout Period

CGA

- Verify costs for FFR and final invoice
- Review for unallowable expenses
- Review cost share report
- Ad-hoc deficit clear at award level
- Submit FFR and final invoice to sponsor
- Update milestone and finalize activity status
- Place the Billing Plan on hold
- Run monthly deficit clearing
- Inactivate fund (if there are no pending transactions)

Tools available for award management

- **Termination notices (90/60/30/0 Day)**
 - No additional emails from CGA staff
 - Need your help to keep contact information updated
 - **CGA:** updates RA information in PeopleSoft C&G module (“Post Award Administrator”)
 - **Department/CSS:** updates Department Contact fields in PeopleSoft C&G module
- **Payroll Personnel System (PPS) Suspense Correction component**
 - Simplified payroll suspense clearing
 - Highlights of upcoming enhancements:
 - Ability to handle corrections to benefits over \$1000
 - Ability to process PET requests for bi-weekly vacation accruals where the gross earnings are zero
 - New HR online COA validation for Earnings Distribution and Position Data
- **PI Portfolio**
- **Expense accrual process**
- **Queries and metrics for award closeout**
 - provides visibility and allows monitoring of closeout timeliness

Things to consider during award closeout

- **Different closeout timelines**
 - NIH and NSF awards: 120 day closeout period
 - UCB as Subrecipient: 45-60 day closeout period
- **Closeout Exception Requests**
 - Only rare and extreme circumstances such as system outages or significant BFS reporting issues
 - NO CLOSEOUT REVISIONS without prior approval.
- **Cost Share Contribution Reports**
 - Submitted with Closeout Certification Form
 - Certified by PI and supported with documentation
 - CGA analysts will review in advance of closeout if time available

Things to consider during award closeout

- **No Cost Extensions**
 - CGA is monitoring “late” closeouts due to pending NCEs
 - CGA will only suspend the closeout process (for a pending NCE) or extend the award (for an approved NCE) upon written direction from SPO/IAO
- **Awards in Deficit**
 - Final invoice is based on actual expenses recorded on the GL
 - CSS/Department must proactively perform cost transfers timely (during the adjustment period) to bring total expenditures to equal or below budget limit

Things to consider during award closeout

- **Deficit Clearing Process**

- Deficit clearing will be performed on an Ad-Hoc basis (effective May 2016) on individual awards in deficit at the time of award closeout. The deficit clearing process will also run monthly for closed awards in deficit.
- There will be no reversal of deficit clearing except in extreme and exceptional cases and only after obtaining CGA approval
- CSS RAs/Department cannot process any journal entries after the award is closed; remaining deficit amount (including payroll, if any) will be cleared by the deficit clearing process
- Deficit clearing is necessary to inactivate a fund. Inactivating funds prevents expenses from posting to closed awards

Update contact information

- **Post Award Administrator- maintained by CGA**
- **Department Contact Maintenance –maintained by department/CSS**
 - **URL:** http://controller.berkeley.edu/sites/default/files/DeptContactMaintenance_010715.pdf
 - **Path:** Controller's Office website>training>RA Grants WorkCenter and other BFS Procedures>Other BFS Procedures>Department Contact Maintenance.pdf

Questions?

