Western Michigan University  
Kalamazoo, MI 49008

Policy No: 17-4.07  
August 1, 2019

PROJECT CLOSEOUT POLICY

Statement of Policy: The purpose is to comply with the Code of Federal Regulations with respect to the complete and timely submission of financial reports and other closeout procedures for sponsored projects.

Summary of Contents/Major Changes: Move policy to template.

Responsible Office and Responsible Enforcement Official: The Office of the Vice President for Research is responsible for monitoring, enforcing, and revising the policy. The Associate Vice President for Research will be performing those functions.

Classification:

☐ Board of Trustees Policy  
☒ Board-delegated Policy

Categories:

Research and Intellectual Property

History:

a. Effective date of current version: August 1, 2019
b. Date first adopted: 2010
c. Revision history: Feb, 2018, Aug, 2019
d. Proposed date of next review: August 1, 2022
1. **Purpose of Policy**
   The purpose of this policy is to set guidelines for project closeout on externally funded sponsored projects. To comply with The federal government through the Code of Federal Regulations Title 2: Grants and Agreements Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200) sets forth detailed requirements with respect to the complete and timely submission of financial reports and other closeout procedures for sponsored projects.

2. **Stakeholders Most Impacted by the Policy**
   This policy applies to all faculty engaged in research, projects, activities conducted under the auspices of Western Michigan University whether the activities are conducted on or off campus.

3. **Key Definitions**
   3.1. **Project Termination Notice** – a reminder of the reporting requirements and due dates and the checklist outlines items that need to be addressed prior to the project end date.
   3.2. **Uncollectible Costs** – Costs charged to sponsored projects that will not be collected from the sponsor for reasons of unallowability, unallocability, dispute with or bankruptcy by the sponsor, or other reasons must be paid for with University funds.
   3.3. **Surplus Balances** – Surplus balances occur when revenue is greater than expenditures.
   3.4. **Deficit Balances** – Deficit balances occur when cumulative expenses exceed the amount awarded by the sponsor and could be considered voluntary uncommitted cost sharing.
   3.5. **Final closeout** – Final closeout, for the purposes of record retention, is defined as final payment by the sponsor.

4. **Full Policy Details**
   Principal Investigators and others involved in the management of awards should at all times assure that expenditures are allowable, allocable, reasonable, and timely. Expenditures should be posted on a timely basis, but at times, there are delays in being able to post a transaction or to make a required adjustment. Because of this, there is a period of time after the end date in which adjustments and final postings can be made to a sponsored project.

   4.1. **Project Termination Notices**
       Ninety days prior to the project end date, a project termination notice and a closeout checklist is sent to the Principal Investigator.

   4.2. **End Date of Award**
       The end date of the award will be set based on the end date under the sponsored agreement. Modification of the end date can only be made with approval of the sponsor as follows:
       4.2.1. **Federal Grants** – If the project falls under expanded authorities WMU is permitted to approve a one-time no cost extension of up to one year.
       4.2.2. **Federal Contracts** – Written approval for an extension must be obtained from the sponsoring agency at least 10 days prior to the contract end date.
4.2.3. Other Sponsored Projects – Written approval for an extension must be obtained from the sponsoring agency prior to the end date of the sponsored project in accordance with agency guidelines.

4.3. Expense Close Date
The expense close date is the last day on which expenditures can be posted to the account.

4.4. Closeout Reports
Reports, at the close of a project, must be filed as required by the sponsor.

4.5. Surplus and Deficit Balances
Surplus and Deficit balances must be addressed according to sponsor guidelines and university policy. Deficit balances must be cleared within 90 days of the end date of the sponsored project.

4.6. Record Retention – Departments must retain copies of expenditure documentation and all supporting source documents that are charged as a direct cost on a sponsored project for a period of at least three years following final closeout of the award and payment.

5. Accountability
5.1. Failure to adhere to these Federal regulations for reporting guidelines in connection with a specific sponsored project may result in the withholding of new awards.
5.2. Unallowable and unallocable expenses will be charged back to the department.
5.3. Any questioned costs as a result of an audit will be charged back to the department.

5.4. University obligation for sponsored projects includes the following:

6. Related Procedures and Guidelines
Project Closeout Procedure

7. Additional Information

8. FAQs

Related Policies:
https://www.ecfr.gov/cgi-bin/text-idx?SID=ed90f54836feb6a994f657188eb05e33&node=2:1.1.2.1&rgn=div5

References:

CERTIFIED BY: DIRECTION OF
Board of Trustees, President, or VP

/s/

Director of Grants and Contracts Vice President for Research
Office of the Vice President for Research Date