90 DAYS: FACT OR FICTION?

Research Office’s All-Day Campus Training,
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Presentation by Susan Tkachick, Closeout Administrator
90 DAYS: FACT OR FICTION?

How does 90 days relate to the closeout process?
What is the 90 Day Letter, and how can it help you?

- Is it junk mail? **NO!**
- It’s an email alert to start the closeout review, 90 days before the end date
- It’s an email alert to request a NCE
- It’s based on the current data in PS
When does award closeout start?

- When the PI says the spending is done  **NO!**
- Closeout starts when the award is received
- Find out at the beginning what’s expected and when it’s due
When is award closeout finished?

- When final reports are sent to the sponsor? **IT’S A START!**
- Never?
  - Internal closeout is done when all reporting requirements have been met **AND**
  - Cash = expenses, and the purpose is inactivated and sent to archives
How long does the department have to complete a closeout?

- Six Months?  NO!!
- 90 days?  NO!!
- Each agreement is different
- We request that depts finish closeout within 45 days of the end date, to give the Research Office time to complete the review and prepare closeout reports.
What is the timeline for meeting the various closeout deadlines?

• 90 days prior to end date
  – start closeout review
  – check for outstanding orders
  – is spending on target
  – is match (incl. tuition) available
What is the timeline for meeting the various closeout deadlines?

- 1-2 months prior to end date
  - contact subcontractor(s) to ensure that final invoice is on time
  - are any budget categories missing expenses
  - review potential unallowable costs
  - compile backup for the Research Office
  - remind PI of technical reporting deadlines
What is the timeline for meeting the various closeout deadlines?

- 1 month after end date
  - compile backup for any after end date expenses
  - make sure final subcontract invoice(s) have been forwarded to Research Office
  - complete any jv’s (especially salary)
  - complete and submit the Closeout Checklist
What can delay a closeout?

- Late or missing subcontract invoices
- Missing backup documentation for after end date charges and potential unallowable costs
- Incomplete match documentation
- Multi-project awards
- Late JV’s; waiting for fringes and F&A to hit
How to Avoid Delays

• Remind subcontractor about final invoice
• Keep a file of backup for potential unallowables and after end date expenses
• Keep a running tab of match expenses
• Submit all jv’s no later than 30 days after end date, especially for salary
• Complete the Closeout Checklist!
How to Avoid Delays

- Multi-project Awards
  - Be sure you have view access to the purposes
  - Contact the other dept administrators on schedule (90 days before, 30 days after, etc.)
  - Ensure that all after end date and potential unallowable transactions have been documented or removed
  - Contact the Research Office if you encounter any difficulties
Why do transactions need to hit within the award period?

- Costs should be incurred during the grant period
- Corrections and late charges need to hit the purpose in time to submit the final invoice
- Sponsors are getting stricter about de-obligating unspent award balances, especially as budgets are getting tighter
What happens when the final invoice is due, and all the transactions haven’t hit?

• Nothing, it’s no big deal    NO!

• Non-payment! This is happening more and more frequently

• UD gets a reputation for being non-compliant

• It’s tedious and error-prone to do special invoices for expenses that haven’t hit PS
In this current economic climate sponsors aren’t able or willing to make payments when we are out of compliance with award terms and conditions. Let’s do everything we can to reduce our risk and have a successful closeout.
Any questions regarding the closeout process?
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COST TRANSFERS OVER 90 DAYS
The General JV Process

- Please include WHAT and WHEN for the specific transaction
- Copy and paste the actual trans detail from a downloaded report - query, webstatement, etc.
- Be sure that the transaction hasn’t been previously moved!
• State WHY the transaction needs to be moved. Because it’s incorrect is not a reason.
• What and why may be obvious to you, but the information on the JV has a larger audience, including auditors.
• They don’t know what your thought process is, and neither do I!
• If (D), (P) or (C) appears in the description, and you’re not working with a closeout administrator on this specific jv, stop!

• If you’re an approver, please read and review the jv!
UD’s Cost Transfer Procedure can be found at:

http://www.udel.edu/research/researchers/policies_forms.html

You shouldn’t initiate a JV with a grant purpose without being familiar with this policy!
Why is 90 Days the critical period?

- Federal agencies want to see evidence of good fiscal management; they have determined that review and correction of errors should occur within a reasonable time period.
- NIH has stated that this action should occur within 90 days of the original transaction date.
NIH’s Cost Transfer Policy can be found at:

When are 90 Day JV’s OK?

- Always, no different than other JVs  NO!!
- Transfer pre-award costs
- Equipment fabrication
- Allocate costs when originally charged to a central administrative purpose
- Correct a clerical error
- Remove cost over-runs
Why do we have to answer all those irritating questions?

- To annoy you! **NO!!**
- Compliance with federal policy
- To justify transfers that would otherwise appear unallowable
- These questions should be answered for all JVs, but only required for over 90 days
How do we answer all those irritating questions?

• Truthfully, but professionally
• The more potentially unallowable the transfer, the more detail is required
• Answer each question in full; don’t just state “see above” or “N/A”
When’s the best time to do JV’s?

- Do them all at closeout! NO!!
- Grant transactions should be reviewed monthly (quarterly at minimum)
- Correct errors as soon as they are discovered
Why is there sometimes a delay in the 90 Day JV approval process?

- We’re arguing over who has to do them!
  NO!
- Poor backup and weak explanations
- Easy to approve a well-prepared JV, but time-consuming to explain what’s wrong with a bad one
90 Day JV Summary

• Review the JV with the audience in mind
  – Will Susan Tkachick know what you mean?
  – Will an auditor?

• QUESTIONS?