Sponsored Project Closeout: An Update

July 31, 2014
ORA Quarterly Meeting

Maria Montalbano & Jim Luther

Agenda

• Federal Regulation Update
• Duke’s Response
• Upcoming Communication: Town Hall Meetings
• What You Can Do To Prepare
Lean Budget Times Force Stricter Requirements

Along with SubAcct change, NIH is implementing restrictions on reimbursement:

- “In an effort to promote more timely financial closeout of awards, PMS will now hold payment requests for funds in subaccounts for awards that are 90 days or more beyond the project period end date. Funds requests for these awards will not be processed unless, and until, the awarding Agency has approved the request.”

• Risk is three-fold
  - Compliance with Enforcement of Regulations
  - Financial loss if not permitted to draw additional funds (if untimely)
  - Business Disruption within the departments and central offices

Current Risk is from HHS but other agencies are enforcing as well...NSF

Federal Update

• SubAcct Reporting Change
  - Transition Date delayed to 10/1/15

• 90 Day Closeout Requirement
  - Recently reinforced by NIH in multiple notices
  - Reinforced in the Uniform Guidance (UG)
  - Enforcement delayed, in part by SubAcct delay, **but...**
    - Peers on subawards
    - Existing codes on SubAcct
    - NSF enforcement
    - Other HHS agencies
Federal Enforcement of 90 day Deadline

New Regulations: Enforcement is now a reality

• NIH/DHHS/NSF are automatically holding payment requests for awards in subaccounts that are 90 days or more beyond the project period end date
  • Expenditures submitted >90 days after end date may be uncollectible
  • Expenditures not included on the FFR will be the responsibility of the department and/or faculty and may need to be paid out of discretionary funds

Duke’s Response: Closeout Project

Goals
• Create a research administration environment where grant administrators can achieve timely and effective closeouts
• Mitigate financial risk, given the large amount of federal funding
• Strengthen reputation to sponsors with effective use of funding in a fiscally challenged environment

Method
• Implementation teams will support departments through the transition
• Proactively remove barriers to timely closeout
• Develop and implement new policy, processes, and technologies
• Enhance reporting to improve transparency and oversight
SOM Implementation Team

• We are creating an Implementation Team to provide support to departments
  – Will provide assistance in resolving backlog
  – Will work with departments to identify and resolve department-specific barriers
  – Will collect “problem resolution” data as a way to inform process improvement
  – Help departments identify and implement best practices

• **Implementation Team Leader: Laura Jensen**
  (starting September 1, 2014)
  Ebony Montgomery, Communications
  Currently recruiting 2 experienced grant managers for the team

Closeout Project Town Hall Meetings

• **Tuesday, August 19th; 2:00 – 4:00 p.m.** – Bryan Research Building, Room 103

• **Wednesday, August 27th; 10:00 a.m. – 12:00 p.m.** – Bryan Research Building, Room 103

• **Who Should Come?** Grant managers, research administrators, and staff and business managers that directly or indirectly support the research mission.

• You will receive **1 RCC certification credit**: RAA, AGM, RAI, RCC
What You Can Do To Prepare

• **Look for/READ** Town Hall e-mail announcement from Tim Walsh
• **Register** for one of the Town Hall meetings
• **Encourage** attendance amongst peers at upcoming Town Hall meetings
• **Attend** one of the Town Hall meetings
• **Begin/continue** working through the backlog of outstanding closeouts in your area
  – Reach out to OSP liaison; review ZF600 SAP report
• **Stay Informed!**