

# Final Billing and Reporting For Contracts and Grants Policy

## I. **POLICY STATEMENT**

The purpose of this policy is to ensure compliance with sponsoring agency requirements for final financial report submission.

## II. **POLICY PRINCIPLES**

Contracts and Grants Accounting is responsible for the preparation and submission of invoices and financial reports to the agencies that provide funding for sponsored projects. A late submission could result in a loss of money to Auburn University.

## III. **EFFECTIVE DATE**

10/1/2016

## IV. **APPLICABILITY**

This policy applies to Principal Investigators and his/her responsible departments as well as Contracts and Grants Accounting.

### Principal Investigators (PIs) and his/her responsible department:

- Review each agreement for final financial and technical reporting deadlines.
- Be aware of the expiration dates and deadlines for each sponsored project and make any needed adjustments in a timely manner.
- Pay all bills promptly, particularly near the end of the project.
- For orders that are placed near the end of the project, make sure the purchases are necessary, reasonable, allocable, and are not being made in an effort to "spend down the remaining funds".
- Notify vendors of the deadlines involved to ensure delivery of the products and receipt of the invoice within the time available. (Normally, all products should be received and in use while the sponsored project is still in process; otherwise, the costs could be disallowed since they were not received in time to benefit the project.)
- If salaries and wages are being charged to the contract/grant FOAP, the departments must ensure that steps are taken to reassign employee effort, salaries and wages to other FOAPs, as appropriate, when the project is over.
- Confirm all subcontracts are closed and encumbrances are liquidated.

### Contracts and Grants Accounting:

- Review awards for financial reporting requirements.
- Prepare and submit interim and final financial reports based on information in Auburn University's accounting records and on special requirements of the sponsoring agencies.

## V. **POLICY MANAGMENT**

**Responsible Office:** Contracts and Grants Accounting

**Responsible Officer:** Director, Contracts and Grants Accounting

**Responsible Executive:** Vice President for Business & Finance and CFO

## VI. DEFINITIONS

**FOAP** is the Fund, Organization, Account, and Program code used to record financial transactions in Banner.

**FRAGRNT** - Grant Maintenance form found in Banner Admin (see Banner Admin reference materials on AU Access for more detailed information).

## VII. POLICY PROCEDURES GENERAL INFORMATION

The deadline for final reporting on Federal **grants** is normally 90 days from expiration.

For **contracts** (Federal or non-Federal) the specific deadline for final financial reporting is given in the agreement; common deadlines are 30 days, 45 days, 60 days, or 90 days from expiration.

Non-federal agreements may have more strict deadlines; 15 days from expiration in some instances.

The deadlines for cost share FOAPs are the same as for the sponsored FOAPs.

### **PROCEDURES**

1. Final financial reporting due dates will be entered on Banner Admin from FRAGRNT, in the "Expenditure End Date" field. Once the Fund and Grant numbers have been assigned by Contracts and Grants Accounting and the department has received notification of the new fund by e-mail, the department should review FRAGRNT periodically for the due date.

2. If the final financial reporting **deadline is 90 days after expiration**, all project costs must be processed through the accounting system within 60 days after expiration.

If the final financial reporting **deadline is 60 or 45 days after expiration**, all project costs must be processed through the accounting system within 30 days after expiration.

If the final financial reporting **deadline is 30 days after expiration**, all project costs must be processed through the accounting system within 14 days after expiration.

*It is important to note that additional expenditures should not be **incurred** after project expiration; rather, the expenditures **incurred during the project period** must be vouchered and paid within the above deadlines.*

3. Contracts and Grants Accounting is authorized to submit final invoices and financial reports based on the deadlines noted above for processing project costs through the accounting system. It is, therefore, critical that the recipient departments pay all project costs within these deadlines to ensure that Auburn University is reimbursed for all allowable project costs.

## VIII. SANCTIONS

Unreimbursed project costs must be covered by the college/school/department responsible for the sponsored project. See the [Unreimbursed and Unallowable Sponsored Projects Expenditures Policy](#) for details.

**IX. EXCLUSIONS**

This policy applies to all sponsored agreements. Any exceptions shall be reviewed by the offices of the Vice President for Business & Finance and CFO, Director of Contracts and Grants Accounting, or other designee and may be granted on a case-by-case basis.

**X. INTERPRETATION**

The offices of the Vice President for Business & Finance and CFO, Director of Contracts and Grants Accounting, or other designee will determine appropriate application for each contract, grant or cooperative agreement involved.