

## Financial Reporting on Sponsored Programs

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### 1. Overview

As a recipient of sponsored funds, the University is required to provide accurate and timely reporting of project expenditures at intervals indicated in the award terms and conditions. Research Financial Services (RFS) is responsible for preparing and submitting all sponsor required financial reports and ensuring that such reports accurately reflect the expenditures as recorded on the project in the University's financial system of record (Oracle).

### 2. Purpose

To ensure the University submits accurate and timely financial reports in compliance with Federal regulations (2CFR 200.343) and other sponsors requirements.

### 3. Who Must Comply

Department Personnel  
Research Financial Services  
Principal Investigators

### 4. Definitions

**Financial Report:** An official statement of sponsored program expenditures prepared by the university and submitted to the sponsor as outlined in the award terms and conditions and/or sponsor guidelines.

**Unliquidated Obligation:** A commitment that has been incurred but not yet paid for.

### 5. Procedures

It is the responsibility of RFS to prepare and submit interim and final financial reports based on the university's financial records. By preparing the financial report, the University is ensuring:

- All expenses comply with the university's allowable cost criteria;
- All expenses comply with sponsor terms and conditions;
- The financial report accurately reflects project expenses as captured in Oracle.

In the event the sponsor requires documentation in addition to the standard report (e.g. supporting schedules), RFS will coordinate with the Principal Investigator (PI) and/or department personnel to obtain the additional documentation.

#### Interim Financial Reporting

At intervals required per the award agreement, RFS will prepare and submit the draft interim/annual report based on expenditures posted to the award in Oracle.

#### Annual Financial Reporting

At intervals required per the award agreement, RFS will prepare the draft interim/annual report based on expenditures posted to the award in Oracle and route to the PI for approval. If the PI, or designee, does not approve within the specified timeframe, the report will be certified by RFS and submitted to the sponsor to ensure the prescribed deadlines are met. RFS will continue to follow up with the PI and department personnel to obtain approval that all costs are allowable, allocable and reasonable, to identify any unallowable costs, and to update and submit final invoices as needed. For reports that require PI certification, RFS will not certify on behalf of the investigator and thus timely certification is essential to meet compliance requirements set forth by the sponsor.

### Final Financial Reporting

Federal regulations require that final financial reports (FFRs) are submitted within 90 days of end date of the period of performance. While some Federal sponsors extend the closeout period to 120 days, it is University practice to submit all final financial reports within 90 days of project period end. For non-Federal sponsors, the final financial report submission date follows the deadlines indicated in the agreement. A final financial report shall be submitted within 90 days for any grant that is terminated early or transferred to a new institution.

RFS will prepare the draft final financial report based on expenditures posted to the award in Oracle. Except in rare circumstances, when compliant with sponsor terms and with the approval of the RFS director, final financial reports will not include unliquidated obligations (NIH explicitly prohibits the reporting of unliquidated obligations).

If the award is overspent when the draft report is prepared, the PI, or designee, shall initiate the appropriate cost transfer(s) to clear the deficit and notify RFS of the pending adjustment. If the deficit is not resolved prior to the sponsor mandated closeout date, the award will be reported as fully expended and the deficit will be offset in accordance with the RFS Procedure - Overspending on Sponsored programs by available unrestricted funds, if any, under the PI's discretion; otherwise, the remaining balance will be charged to the respective chair, dean or chancellor's non-sponsored (operating) project.

Upon receipt of the draft report, the PI, or designee, will review and approve that all expenses have posted and are allowable, allocable and reasonable for the project. If adjustments are needed it is the responsibility of the PI, or designee, to initiate the appropriate cost transfer(s) and to notify RFS of the change. The PI shall allow ample time for the adjustments to be fully processed in Oracle prior to the generation of the final draft.

If the PI, or designee, does not approve within the specified timeframe, the report will be certified by RFS and submitted to the sponsor to ensure the prescribed deadlines are met. Quarterly notices will be sent to dean's identifying PIs that did not approve final reports within the prescribed period. RFS will continue to follow up with the PI and department personnel to obtain certification that all costs are allowable, allocable and reasonable, to identify any unallowable costs, and to update and submit final invoices as needed.

If a sponsor requests a final invoice in lieu of a final financial report, the invoice generation and approval process will follow the steps outlined above for a final financial report. If a sponsor does not require a final financial report or final invoice, an internal final financial report will be prepared and routed for PI approval within 90 days of the project period end.

RFS personnel are delegated authority to sign-off on all financial reports, whether that be via hard copy or electronic submission systems (e.g. NIH eRA Commons).

### Revised Final Financial Reports

The revision of a final financial report is not permitted, except in rare circumstances. If the revised report results in a credit to the sponsor, the adjustments will always be accepted and the report will be revised. If the revised report results in additional expenses charged to the project, the sponsor policies will determine whether or not the report will be revised. Requests to submit a revised financial report must be approved by the RFS director, or designee, and contain a justification for the revision and follow the RFS Procedure - Cost Transfers on Sponsored Programs where necessary.

## 6. Roles and Responsibilities

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<b>Department Personnel</b>	<ul style="list-style-type: none"><li>• Ensure that all expenses have posted to the award and are allowable, allocable and reasonable</li><li>• Initiate any cost transfers, allowing for ample processing time, for adjustments to draft final financial reports</li><li>• Collaborate with RFS to ensure financial reports are accurate and submitted timely to sponsor</li></ul>
<b>Research Financial Services</b>	<ul style="list-style-type: none"><li>• Prepare and submit all financial reports in accordance with sponsor requirements</li><li>• Ensure that all financial reports accurately reflect expenditures as recorded on the award in the university's financial system (Oracle)</li><li>• Collaborate with Principal Investigator and department personnel to ensure financial reports are accurate and submitted timely to sponsor</li></ul>
<b>Principal Investigators/Project Directors</b>	<ul style="list-style-type: none"><li>• Ensure that all expenses have posted to the award and are allowable, allocable and reasonable</li><li>• Initiate any cost transfers, allowing for ample processing time, for adjustments to draft final financial reports</li><li>• Collaborate with RFS to ensure financial reports are accurate and submitted timely to sponsor</li></ul>

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## 7. Resources

### Related Procedures

- Sponsored Programs Closeout
- Overspending on Sponsored Programs
- Allowable Costs on Sponsored Programs
- Cost Transfers on Sponsored Programs

### Federal Regulations

- Uniform Guidance 200.327 Financial Reporting
- NIH Grants Policy Statement 8.4.1 Reporting
- NIH Grants Policy Statement 8.4.1.5.2 Financial Expenditure Reports