

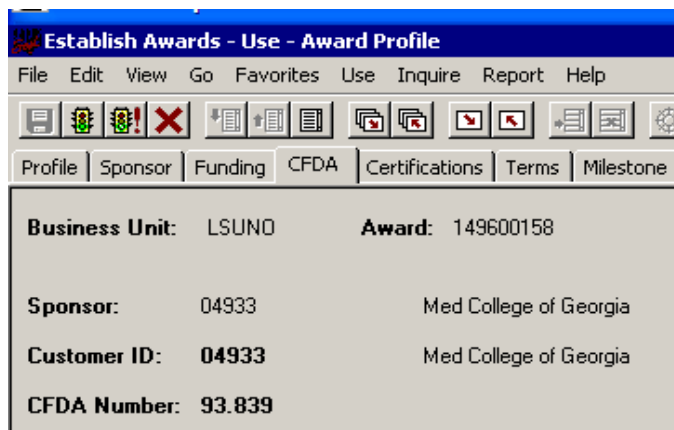
SOM Non Federal Grant and Contract Close out Guidelines

During your monthly review of account transactions you should be aware of the accounts that are eligible to be closed out. The close out procedure should start 90 days after the termination of a contract or grant.

(If a grant or contract is complete you may transfer the balance if:

- Sponsor does not have any restrictions on the use of residual balances
- Deliverables have been completed
- All financial obligations have been met
- Reconciliation of all revenue and expenses and all costs charged that are allowable under terms of the grant or contract
- All subcontracts are paid and complete
- All encumbrances liquidated

Check the award profile panel to determine if there is federal flow through dollars associated with the project. If there is a CFDA number on the award profile panel, the grant or contract was funded with Federal money and as such, you cannot use this procedure. To get to this panel, go into PS Financials, select Administer Grants--Establish Awards —Use—Award Profile and click on the CFDA tab.



The following steps must be done in order to prepare your entry for submission:

- Reconcile revenues and expenses and verify that appropriate indirect costs have been posted to the expenses posted to the account.
- Close out all associated requisitions, purchase orders, pre-encumbrances and encumbrances
- Complete Non federal Grant and Contract Close out request form
- Complete Closeout Certification form if applicable

Forward the following information in your packet to SOM office of Fiscal Affairs for review:

- Accounting services Closeout Request form
- Close out Certification if applicable
 - Letter from sponsor if needed

- Paper copy of journal entry (also submit electronically to SOM office of Fiscal Affairs)
 - One account close out per journal entry spreadsheet.
 - Name the electronic journal entry the Peoplesoft project number

Guidelines for preparation of closing entry:

Make sure you are utilizing the proper close out account for your journal entry. Residual balances must be transferred to residual balance accounts that are alike, i.e. a clinical trial account must have its residual balance transferred to a clinical trial residual balance account. The entry that closes the account appears to be a transfer of revenue; however the entry is actually classified as a “transfer.” It is neither revenue nor an expense. The following chart can be used as a guide to determine the proper Chart-string to use on the transfer:

Type of account	Class code of your Project being closed	Class code of residual account
Local account	30xxx	30900
State account	25xxx	25900
Private Account	35xxx	35900
Drug Studies	35xxx	35910

Sample journal entry:

MISCELLANEOUS JOURNAL ENTRY																
Batch Description 149600022a close out											Debit = positive		JUDITH ARSENEAUX			
DATE 03/14/2007											Credit = negative					
JOURNAL SOURCE ONL																
JOURNAL ID															Info Only	
BUSINESS UNIT	LEDGER	ACCOUNT	FUND	DEPT	PROGRAM	CLASS	YEAR	PROJECT	CURR	AMOUNT	DESCRIPTION Charactertrs)	JOURNAL LINE REFERENCE	OPEN ITEM REFERENCE	LSU #	OBJ	
LSUNO	ACTUALS	495130	113	1494500	10001	35200	FY2007	149450022A	USD	14,943.74	GCRBT 14976802ai					
LSUNO	ACTUALS	495130	113	1494500	00001	35900	FY2007	14976802AI	USD	-14,943.74	GCRBT149450022a					