FINANCIAL REPORTING & CARRYOVER
Reporting

• Most grants will require an annual progress report due 45-60 days prior to the start of the next budget period (RPPR for most NIH)

• Many also require an annual financial report 60-90 days after the end date.
  • If there is any question of what reports are required and or specific due dates you can refer to the award letter, the sponsor guidelines, or contact your Sponsored Programs Analyst (SPA) if you need assistance

• At the end of the project period, federal grants require three final reports:
  • Progress Report
  • Invention Statement
  • Federal Financial Report (FFR)

• It is important that the Department Research Administrator (RA) understands the reporting requirements and any other deliverables, and communicates these obligations to the Principal Investigator (PI)
Financial Reporting / FFR

• The Financial report/FFR documents expenditures for a given timeframe on a grant or contract

• Due at specified intervals, determined by the NOA, award letter or sponsor guidelines (quarterly, semi-annually, annually)

• May be required to be included as part of an annual progress report (foundation grants)

• Communication between the Research Administrator (RA), Principal Investigator (PI) and Financial Analyst (FA) is critical to ensure that the appropriate expenses are reported on the project
Financial Report / FFR Process

• Banner SNAP report by fund goes out to RAs monthly highlighting projects ending within the next 60 days. For expiring funds, RA should follow up with subcontractors for final invoices, review all expenses, make final projections and prepare any necessary adjustments.

• Communication between FA and RA is ongoing to discuss final numbers/adjustments and prepare the draft Financial Report / FFR or final invoice to sponsor.

• 60-90 days after budget end date a draft Financial Report/FFR is sent to RA including any adjustments provided by RA.
• PI/RA review; any final adjustments should be communicated to FA at this time.

• Approval of the FFR indicates that:
  • All expenses on the account are accurate and appropriate.
  • All invoices have been paid or documentation of outstanding invoices has been provided to FA for inclusion in FFR.

• FA finalizes and submits Financial Report/FFR to sponsor.
• Unobligated balance reported on FFR represents maximum amount available for Carryover.
What is Carryover?

• Carryover is the process by which unobligated funds remaining at the end of a budget period may be carried forward to the next budget period to cover allowable costs in that budget period. The carryover of funds enables grantees to use unexpended prior year grant funds in the current budget period.

• Except for funds restricted on a NOA, grantee organizations are authorized to carry over unobligated research grant funds remaining at the end of a budget period. Review for language such as “Carry over of an unobligated balance in the next budget period requires Grants Management Officer prior approval”

• Grantees that do not have automatic carryover authority are required to submit a written request.

• Carryover requests must be limited to actual needs for the current budget period. Subsequent needs would be considered in future budget periods.

• Prior to submitting a carryover request, the grantee must ensure that the Federal Financial Report for the last (and all prior) budget period(s) has been submitted and accepted by the NIH Office of Financial Management.
Carryover under SNAP vs. Prior Approval

Streamlined Non-competing Award (SNAP)
- Automatically carried over to the subsequent budget period.

- Indicate in progress report, whether any estimated unobligated balance (including prior-year carryover) is expected to be >25% of the current year's total approved budget – if so, requires explanation and outline of plans for expenditure of carryover within the current budget year.

The following mechanisms typically do not have automatic carryover and require NIH prior approval:
- Cooperative Agreements (U)
- Program Centers (P30, P50, P60)
- Awards to Individuals, including Fellowships (F)
- Non-Fast Track, Phase 1 (one-year) SBIR (R43) and (one-year) STTR (R41)
- Training Grants (T) - Carryover requests for trainee slots will not be considered, but in rare circumstances, carryover for trainee-related expenses and travel could be considered.
- Clinical Trials (regardless of activity code)
Unobligated Balance & Carryover

For both SNAP and non-SNAP, when a grantee reports on the FFR balances of unobligated funds in excess of 25% of the total amount awarded, or $250,000, whichever is less the awarding office GMO shall review the circumstances resulting in such balances to assure that these funds are necessary to complete the project.

The GMO may:
• request additional information from the grantee, including a revised budget, as part of the review.

• withdraw the unobligated funds by issuing a revised NOA for the current budget period,

• revise the current NOA to authorize the grantee to spend the unobligated funds for approved purposes,

• leave the unobligated funds in the grant account in the payment system for utilization as determined by the PHS awarding office.

Note: Unobligated Balance ≠ Carryover
# How to submit Carryover request to NU-RES

- If carryover requires funding agency prior approval, a completed Transaction Form (T-Form) should be submitted to NU-RES@northeastern.edu. Per the T-Form How-to-Guide, the following items are required for the request:

<table>
<thead>
<tr>
<th>Form Section</th>
<th>Things to Consider</th>
<th>Materials and Information Required</th>
<th>Signatures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carryover</td>
<td>Only submit a Transaction Form when the funding agency requires prior approval to carryover funds from one budget period to the next. If you aren’t sure if funding agency prior approval is required for carryover, please contact the GO prior to submitting the request.</td>
<td>1. Explanation for the unobligated balance. 2. Justification for use of the carryover. 3. Revised budget reflecting the anticipated carryover total.</td>
<td>Chair: NO PI: YES</td>
</tr>
</tbody>
</table>

- Since this is a formal request, it should be prepared on letterhead and addressed to the funding agency. The letter should be provided in Word file to NU-RES.

- Refer to the following documents for details:
  - [Transaction Form How-to-Guide](#)
  - [Transaction Form](#)
Key takeaways on Reporting & Carryover

- Prior to budget end date, RA and PI should be monitoring spending on the grants (monthly)
- Spending should be in line with the progress and scope of work of the project
- Increased communication between RA and FA on preparing and reconciling financial report and FFRs
- RA should review NOA to determine carryover terms and restrictions
- Request for carryover cannot be submitted prior to FFR / final invoice submission for the last period
- Carryover amount must be within the reported unobligated balance
- Unobligated Balance ≠ Carryover
- Carryover requests must be accompanied by explanation of the unobligated balance, budget, and justification
- If you have questions regarding a carryover request, please discuss with your NU-RES Grant Officer
Appendix - Example

- Award is a Federal NIH Cooperative Agreement (U01)
- Award is **not** under SNAP
- Annual FFR required
- Carry over requires Grant Management Officer prior approval
- Award period = 5/1/2016 – 4/30/2018
- Year 1 budget period = 5/1/2016 – 4/30/2017
Grant has reached end of Year 1:

- PI/RA review monthly Banner SNAP report and confirm there is an unspent balance.
- PI/RA review the NoA's Terms and Conditions, which state that carry over requires NIH prior approval.
- PI is prepared to work with NU-RES on Year 1 FFR submission in order to determine the amount available for carry over.
### FFR Submission & Carryover

- PI/RA approve FFR draft after accounting for all applicable expenditures for the budget period ending 4/30/17:
  - **Authorized Budget:** $325,786.00
  - **Total Expenditures:** $194,163.18
  - **Unobligated Balance:** $131,622.82

- Max amount available to carryover is **$131,622.82**

- PI/RA prepare a carryover request and submit to NU-RES

- NU-RES reviews and submits prior approval request to NIH
Sponsor Approval

- Carryover request is reviewed by NIH GMO. If approved, a Revised year 2 NOA is issued to grantee.

**Note:** Section I (Award Data) and Section IV (Terms and Conditions) will reflect the amount of carryover that was approved.

- Revised NOA is reviewed by PI/RA and NU-RES processes budget changes in Banner.

### Original YR 2 NOA Budget

<table>
<thead>
<tr>
<th>SECTION I – AWARD DATA</th>
<th>Award Calculation (U.S. Dollars)</th>
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<tbody>
<tr>
<td>Federal Direct Costs</td>
<td>$252,197</td>
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<tr>
<td>Federal F&amp;A Costs</td>
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<td><strong>Approved Budget</strong></td>
<td><strong>$293,970</strong></td>
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<td>Total Amount of Federal Funds Obligated (Federal Share)</td>
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<tr>
<td>TOTAL FEDERAL AWARD AMOUNT</td>
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<tr>
<td>AMOUNT OF THIS ACTION (FEDERAL SHARE)</td>
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### Revised YR2 NOA Budget

<table>
<thead>
<tr>
<th>SECTION I – AWARD DATA – 5U01CA12345-02 REVISED</th>
<th>Award Calculation (U.S. Dollars)</th>
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<td>Federal F&amp;A Costs</td>
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<td>Less Unobligated Balance</td>
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<tr>
<td>TOTAL FEDERAL AWARD AMOUNT</td>
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<tr>
<td>AMOUNT OF THIS ACTION (FEDERAL SHARE)</td>
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