

# SFN – Final for the Budget Period

- Introduced EFM procedure to prepare the final invoice or report for the budget period for SFN award at RAF in August 2012
- Purpose of the procedure:
  - To be in compliant with Sponsor's reporting requirements while minimizing risk of unrecovered costs
- Applicability of the procedure:
  - Not applicable to MFNOA (Multiple Fund Number One Award)
  - Applicable to the final for the budget only, not to the final for the project period when the fund is closed.
- Terminology
  - Final for the budget (e.g. annual financial report)
  - Final for the project
- Example Case
  - June 30: Budget year 1 end date
  - September 30: Annual financial report due date

# Example Case Timeline

| Date                | Actions                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| June 30             | <ul style="list-style-type: none"> <li>• Budget period ends</li> <li>• Departments begin closing budget year 1</li> <li>• Closeout packet is not required for the final for the budget year 1</li> </ul>                                                                                                                                                                                                                                                          |
| September 2 – 16 *  | <p>Within 30 calendar days but no later than 10 business days from the due date:</p> <ul style="list-style-type: none"> <li>• EFM emails the dept to notify the final amount to be reported.</li> <li>• Standard email template will be used to streamline communication process.</li> <li>• Expense summary worksheet will be attached with the a list of adjustments if there are any. (e.g. unallowable direct expenses, overhead adjustment, etc.)</li> </ul> |
| September 9 – 23 *  | <p>Department has 5 business days from the receipt of EFM’s email to respond to confirm the final figure prepared by EFM</p>                                                                                                                                                                                                                                                                                                                                      |
| September 10 – 30 * | <p>EFM has 5 business days to prepare the annual financial report and submit it to the sponsor on time.</p>                                                                                                                                                                                                                                                                                                                                                       |

\* 2013 calendar is used for this example.

# 5 business day rule

- If the dept responds within 5 business days:
  - Yes to the EFM figure (no adjustment required): EFM will complete and submit the final based on EFM's figure.
  - No to the EFM figure (adjustments required):
    - With a list of adjustments and appropriate supporting documents: EFM will complete the final including the adjustments as appropriate and submit it.
    - Without a list of adjustments or supporting documents: EFM will complete and submit the final based on the EFM's figure.
- If the dept does not respond within 5 business days: EFM will complete and submit the final based on EFM's figure.
- Enforcement effective February 1, 2013

# Revised final invoice or report

- After EFM submits the final, if the dept responds to EFM with adjustments:
  - When adjustments are to remove expenses included in the final: EFM will review the adjustments and revise the final as appropriate to correct over billing or over reporting.
  - When adjustments are to add additional expenses to the final: EFM will not revise the final except when full recovery of costs are at risk in the following scenarios.
    - The sponsor restricts the budget by budget period, not by project period, AND CF is not allowed.
    - The sponsor restricts the budget by budget period, not by project period, AND CF is restricted, AND CF is rejected.