

Operational guidelines

financial closure of projects

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# 1.0 **Overview**

Historically, the financial closure of projects has been a difficult process with many projects remaining open even though project activities ceased long ago. Although the material in the Programme and Operations Policies and Procedures (POPP) and the Project Closure Workbench in Atlas have proven helpful, the financial closure of projects can still be frustrating and elusive.

This Operational Guidelines document details the process of ***financially closing*** a project but does not repeat what is already written in the POPP; the Project Workbench or elsewhere. Rather, these Guidelines bring information from the existing tools together in one document in order to focus on key points that often are stumbling blocks that prevent the project from being financially closed.

# 2.0 business process

# 2.1 Summary

| **Items** | **Description** |
| --- | --- |
| **System** | Atlas Finance |
| **Information providers** | * Country Offices * Office of Financial Management (OFM), Business Analytics * OFM, Financial Business Advisory Services * Treasury |
| **Input** | * Project Closure Workbench (Atlas) * General Ledger (Atlas) * PPM |
| **Deliverables / Output** | * One stop-shop for closing projects. * Timely action by Country Offices and/or HQ units to close inactive development & management projects * Reduction in the number of inactive projects particularly those with cost sharing balances. |
| **Duration** | Ongoing |
| **Customers / users of output** | Primarily Country Offices, Regional Hubs and HQ units inclusive of HQ Operational units. |
| **Roles** | * Programme/Project Managers (UNDP)   + Oversight/Management of project(s)   + Initiate closure of inactive projects and trust funds   + Ensure all projects are financially closed   + Ensure all GL balances (Asset; Liability; and Fund) are zero;   + Complete and certify Project Completion Check List * Regional Bureau/HQ unit   + Oversight on project closure for the Cost Centre (CC)   + Provide technical support to COs/units   + Escalate complex matters to OFM   + Manage exceptions in consultation with BMS/OFM   + Enhance capacity of COs on project closure where necessary * OFM   + Verify Completion Check List for Trust Fund closure based on Atlas records.   + Monitor and Periodically prepare listing of projects to be closed   + Advise COs and HQ units on complex issues that arise and delay project closing. Determine accounts to be excluded when closing projects   + Provide trainings on project closure where needed   + Treasury -Process refunds to donors if required by agreements |
| **Reference documents** | * POPP (links provided in document); * Project Closure Workbench (links provided in document); * UNDP Intranet Project Closure (link provided in document). |
| **Key things to be taken into consideration** | The longer the time lapse after the date of operational completion of a project, the greater the probability that the project will require additional time and/or resources to financially close the project; or that the project will remain open indefinitely.  The longer it takes to close projects, the more UNDP is exposed to reputation risks from donors and partners. |

# 3.0 CLOSURE OF PROJECTS

It is highly recommended that before undertaking the steps to *financially* close a project, one should strive for a wider understanding of what *closing a project* entails. Information on project closing is available in the POPP/*Programme and Project Management* section (POPP > PPM > Project Management > Closing) and contains instructions on closing projects – including non-financial tasks ([Click here](https://popp.undp.org/node/10501)).

Additionally, operational steps for *financially closing* projects are available in the POPP in the *Financial Resource Management* section (POPP > Financial Resources Management > Financial Closure of Development Projects and Trust Funds > Financial Closure of Development Projects ([Click here](https://popp.undp.org/node/10801))

A separate Operating Procedure for Financial Closure of Trust Funds is also available through POPP ([Click here](https://popp.undp.org/node/3026))

A separate *Standard* *Operating Procedure* for inactive Trust Funds and Trust Fund Deficits is also available through Business Analytics site ([Click here](https://intranet.undp.org/unit/ofrm/fbp/analytics/BA%20Documents/SOP/Non%20One%20Pager/12.%20Inactive%20Trust%20Funds%20and%20Trust%20Fund%20Deficit.docx?Web=1))

The operational steps for financially closing projects should be carried out in concert with the instructions on closing projects.

Part of the wider understanding of closing a project is knowing that in the project life cycle the project goes through stages including: (1) ongoing; (2) operationally closed; and (3) financially closed. To properly close a project and avoid obstacles to closure, prompt action needs to be taken at stage 2 in particular, as well as at stage 3. Delays in moving from operationally closed to financially closed is one of the major reasons that projects remain open for periods longer than 12 months after project activities have ceased.

From the lesson learned, some projects may require multiple outputs when it relates to multiple donor agreements in which each donor agreement has a different ‘End Date’. It is recommended to have separate Atlas Outputs (not a single Atlas Output) if the donor agreements will end with different dates to avoid the refund process for the on-going project particularly if it is a MPTF project because the Certified Financial Reports to donors (CFRs) are done on an annual basis. If the refund for one of the donors needs to be processed prior to financially closing the Output, it may cause delay in project closure and reporting to donors as ‘financially completed’ in CFRs.

# 4.0 OPERATIONAL Closure

[Financial rule 118.08(a)](https://popp.undp.org/node/18916) states *“As soon as UNDP programme activities have ceased, the executing entity or, under the harmonized operational modalities, implementing partner, shall declare them* ***operationally completed****. It shall inform UNDP of such operational completion and submit to UNDP a budget revision, in conformity with established procedures for budget revision, reflecting actual and estimated expenses to date.”* At this point, the budget needs to reflect expenses to date ***and have an approved budget in place*** ***to authorize any additional expenses over the next 12 months including project closure costs such as audit, depreciation of assets, etc.***

Financial rule 118.08(b) states *“UNDP programme activities shall be considered financially completed when they have been operationally completed or terminated, and if all financial transactions have been recorded, the relevant accounts closed, and a final project budget revision approved.”*

Project status (representing Atlas Output Status) as reflected in the Projects module of Atlas (Awards > Project > Project Status) is then changed from Ongoing (O) to (C) = Operationally closed. When the project is declared operationally closed, financial closure must take place within 12 months of operational closure as per financial rule 118.08 (c). The terminology “project” here refers to “Atlas Output”; however, some Atlas screens are using the name as “Project Status” (menu Awards > Project > Project Status). Additionally, some Atlas screens are using “Output Status” (menu Grants > Project Management > UNDP Project Closure Workbench) because there were changes in the following terminologies but not in all Atlas Modules have been customized to reflect the new terminology. Specifically:

From old name of “Award” to “Project”

From old name of “Project” to “Output”

Financial rule 118.08(c) states *“The financial completion of UNDP programme activities shall be accomplished within 12 months after the month in which they are operationally completed or terminated.”*

The steps required in changing the project status from “Ongoing” to “Operationally Closed” can be found in the *“Introduction Guide – UNDP Project Closure Workbench in Atlas”* located at the Project Closure page ([Click here](https://intranet.undp.org/unit/ofrm/fbp/fbat/sitepages/projectclosure.aspx)). Refer in particular to pages 4, 7-8 and Annexes 3 & 4 “Operational Closure Checklist” ([Click here](https://intranet.undp.org/unit/ofrm/fbp/fbat/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/fbp/fbat/Shared%20Documents/Project%20Closure/UNDP_Project_Closure_Workbench%20-%20Introduction%20(Guide).pdf&action=default)).

The Project Closure Workbench can be accessed in Atlas via Grants > Project Management > UNDP Project Closure Workbench > Project Closure Manager Page ([Click here](https://finance.partneragencies.org/psp/UNDPP1FS/EMPLOYEE/ERP/c/UN_CUSTOM.UN_PCL_SRCH.GBL?PORTALPARAM_PTCNAV=UN_PCL_SRCH&EOPP.SCNode=ERP&EOPP.SCPortal=EMPLOYEE&EOPP.SCName=EPCO_GRANTS&EOPP.SCLabel=Grants&EOPP.SCPTfname=EPCO_GRANTS&FolderPath=PORTAL_ROOT_OBJECT.EPCO_GRANTS.PROJECT_MANAGEMENT.UN_PCL_SRCH&IsFolder=false)).

Completion of the [Project Completion Check List](https://popp.undp.org/node/4581) ***and*** [Trust Fund Completion Check List](https://popp.undp.org/node/5066) lay the foundation for the Financial Closure of the project to follow. A check of the Output Financials (Cash funds) and (Allocation Funds) is recommended at this stage to ensure that these are consistent with the funding sources for the project, e.g., miscoding of funds/donors, etc. that may need correction.

# 5.0 FINANCIAL Closure

In financially closing a project budget it is important to note that the process includes not only revenue and expense items, but also balance sheet items (i.e. assets; liabilities; and fund balance) that must be cleared before the project can be closed. It is NOT sufficient to simply deduct the total expenses (accounts 6xxxx +7xxxx) from the total revenue (accounts 5xxxx) and conclude that it equals the project fund balance. Assets (accounts 1xxxx) and Liabilities (accounts 2xxxx) must be cleared before the fund balance can be disposed of and the project closed. An annotated list of UNDP’s accounts is attached **(Annex 2)** showing restricted accounts; valid and invalid accounts; as well as a separate annotated page of the key accounts in clearing the balance sheet. This annotated list of UNDP’s accounts can be run from Atlas Query **UN\_GL\_ACCOUNT\_TBL\_STATUS**. Those accounts that are no longer active are labeled “I” in the “Status” column and shaded red. Account codes that have restricted access are labeled “Y” in the “Control Flag” column and shaded red. Business units should ***not*** use any of the restricted access accounts. If the project to be closed has a balance under any of these accounts, the Business Unit should contact OFM for assistance in clearing these items.

It is important to note that resource balances may be from multiple funding sources within one project. For example, a project may be funded by Allocation Funds (non-cash) from TRAC resources and/or a Trust Fund as well as through Cash based revenue (e.g., cost sharing contributions). ***Regardless of the funding source, balance sheet items must be cleared in order to “release” any unused amounts for other purposes*** – i.e., refunded to donor or designated for reprogramming.

| **Action Required to Clear Balance? (Yes/No)** | | | | |
| --- | --- | --- | --- | --- |
| **Funding Source** | **Asset Account (1xxxx)** | **Liability Account (2xxxx)** | **Fund Balance - Unexpended Resources (31005)** | **Comment** |
| TRAC | Yes | Yes | **NO** | Allocation based Fund, therefore, no cash balance to dispose of. |
| Trust Fund | Yes | Yes | Yes or **NO** | Yes, if cash-based; NO if Allocation-based |
| Cost Sharing | Yes | Yes | Yes | Cash based fund |
| Management projects | Yes | Yes | **NO** | Inactive management projects with outstanding assets and liabilities must be reconciled and closed |

For the Certified Financial Report (CFR), it covers the calendar year, for example, any Atlas Output to be reported as ‘financially closed’ in the 20XX CFR, the financial closure date must be between 1 January 20XX and 31 December 20XX.

# 6.0 PROCEDURAL Steps for Financial Closure

The 37 procedural steps described in the table below follow the ***Project Completion Check List*** in the POPP and should be used in conjunction with the POPP; the **Project Closure Workbench Checklist** in Atlas (with links to Atlas reports/queries) and other Atlas reports/queries as identified in the table. The numbering of the 3 checklists is cross referenced in the annotated POPP checklist below **(Annex 1)** as there are minor differences due to the inclusion of additional detail. These should be checked (√) in the Project Closure Workbench in Atlas and the project status in Atlas changed to “F” – Financially Closed (step 35). ***The project closure checklist in the POPP should also be completed and signed.*** A copy should be retained in the project file. If it is not possible to conclude any of the steps, the project manager must document the due diligence taken in consultation with the IP, government, region bureau/HQ before financially closing the project. Please make reference to Section 8.0 of this document for managing exceptions through ***alternative Procedures***. These procedures apply on a case-by-case basis in consultation with your regional bureau/HQ and OFM.

| **No.** | **Project Closure Requirements as per POPP** | **Verification Methodology** | **Scenario & Required Actions to clear balance** |
| --- | --- | --- | --- |
| 1 | No outstanding NEX/NGO advances-in either local currency or USD (Account 16005) | Check current balance in “Project closure workbench” | Generally, the account balance should be nil/zero at full COA.   1. If Transaction Currency balance is ***not*** zero:    * If positive, please follow-up with the Implementing Partner (IP)/Responsible Party (RP) and clear the balance.    * If negative, please run “AAA” report to ensure there is no accounting errors. If there is a case of pre-financing, please complete due diligence to mitigate risks and check whether it was made in accordance with the signed Annual Work Plan (AWP) and project results prior to reimbursing the IP/RP. 2. If Transaction Currency balance is zero but Base currency balance is not zero, please verify the “Project Closure Workbench” once the next accounting period is closed as the National Execution (NEX) revaluation should have been run and the Base currency balance should become zero. 3. It may happen that the NEX Advance recorded currency and the Funding Authorization and Certificate of Expenditure (FACE) form recorded currency are different and the transaction currency has a balance and base currency amount is nil or has a balance. In this scenario, please clear the mismatch currency settlements at full the Chart of Accounts (COA) level. Reverse the manual adjustment/s of foreign exchange difference if any.   4) Although total balance of the NEX advance account is nil in local currency (Transaction currency), there might be mismatch COA transactions. Ensure that all full COA lines are offset. If there are GL balances in local currency in mismatch COA (e.g. different Implementing Agents, Dept IDs, Donors), the revaluation will be processed periodically, and the closed project will be re-opened by Headquarters to post the FX revaluation in account 16005. Before status of project (“Output”) is changed to “Operationally Closed”, please ensure that there is zero NEX/NGO advance balance in local currency at full COA level. |
| Run “Ledger Inquiry” for the project selecting the full COA and detect any mismatch | Ensure nil balance in Transaction Currency at Operating Unit – Fund – Dept - Implementing Agent - Donor level |
| 2 | No other outstanding advances - in either local currency or USD  Account 14001 (Accts Receivable),  14056 (VAT);  14057 (Petrol adv.): 14501(Ed. grant);  16006 (DBS adv.);  16010 (Due from UN agencies);  16015 (Proj clearing account;  17008 (Allowance Exchange Adv.); 17009 Allowance non-exchange adv.) | Check current balance in “Project closure workbench” | Generally, there are two kinds of accounts – revalued or not. For revalued accounts, there are two methods for revaluations. Account 16005, 16006 and 21018 are revalued at Full COA level. The rest of the accounts are revalued at Account, OU and Fund level. See in **Annex2.c**  14056 Value Added Tax (VAT) {Revalued at Account, Fund and OU level:   1. If both Transaction Currency and Base Currency are not zero, follow up with the Government and clear the balances for both currencies. AAA report is useful to analyze the item at the transaction level and take action to clear these items. 2. When the original VAT amount recorded date and reimbursement collection date are different, the transaction currency is nil and base currency has a balance. In this scenario, please run AAA report to analyze the data. Subsequently, add the new column to mark the transactions whether they are from original VAT amount recorded or collection of the reimbursement (nature of the transactions). Then, prepare a pivot table by grouping at the full COA level with the nature of the transactions and currency ID. Prepare a General Ledger Journal Entry (GLJE) by closing out the original VAT line and reimbursement line and charge to Foreign Exchange difference General Ledger (GL) accounts (for loss account 76110 and for gain account 56010 for the cash-controlled fund. If the fund code is controlled by allocation Authorized Spending Level (ASL), please record loss/gain to account 76110 (+/-). Sometimes, there might be manual adjustment to this exchange difference. If so, please reverse the manual adjustment/s. 3. When the original VAT recorded currency and reimbursement collection currency are different, the transaction currency has a balance and base currency amount is nil or has a balance. In this scenario, please clear the mismatch currency settlements. Reverse the manual adjustment/s of foreign exchange difference if any. 4. Ensure that the account balance is cleared in both transaction currency and base currency.   14057 (Petrol adv.): Since account is not revalued, please clear the account balance in base currency.  14501(Education grant): Please seek advice from GSSC PFU unit [pfu.enquiry@undp.org](mailto:pfu.enquiry@undp.org)  16006 (DBS adv.): Account is revalued at full COA level. See notes in the section for account 16005.  16010 (Due from UN agencies); Account is not revalued. Clear the account balance in base currency.  16015 (Project clearing account): Account is not revalued. Seek advice from GSSC unit, email address GSSU AGENCIES <[gssu.agencies@undp.org](mailto:gssu.sca@undp.org)>. PCA advances are issued at project level since 2018, therefore any clean-up should be made at the full COA level.  17009 (Allowance non-exchange adv.): N/A. This account balance is not tied with the project. If the account has a balance under the project, seek advice from FBA. |
| Run “Ledger Inquiry” for the project selecting the full COA and detect any mismatch |  |
| For accounts requiring Open Item Keys, please run “Open Item Maintenance” Query OFA\_OPEN\_ITEM\_RPT |  |
| 3 | No outstanding Project Delivery Reports (PDRs); | Check PDR: UNEX 2[[1]](#footnote-2) in Atlas (path: Menu > UN Custom > UNEX > UNDP > Reports)  Check the latest Upload PDR and identify the outstanding PDR against the signed Agreement  Consult with the UN agency when necessary | If a PDR is outstanding it needs to either be accepted as project expenditure (error by implementing agency in project ID; donor, etc. may need correction) or rejected back to the implementing agency. To accept a PDR, it may be necessary to process a budget revision to ensure the expenses can be assumed by UNDP.  Rejection of agency expenditure cannot be done locally. This can only be processed centrally by Global Shared Services Unit (GSSU) AGENCIES <[gssu.agencies@undp.org](mailto:gssu.sca@undp.org)>.  For valid rejects, based on communication between project manager and agency confirming the rejects:   1. Contact GSSU Agencies <[gssu.agencies@undp.org](mailto:gssu.agencies@undp.org)> to creates the GL JE with accounting date before the financial closure date in order to reverse the previously accepted, but now rejected PDR entry (adjusted GL JE will debit account 16015 and credit expense). Note that Account 16015 is a controlled account (i.e. flag) and therefore the GSSU will have to request Corporate Financial Reporting and Agency Services team (CFRA) to lift the flag to permit the journal correction. 2. Journal source has to be PDE. This journal source is restricted to PDR-related entries. 3. Proceed to send the pending journal and reject confirmation with agencies to GSSU AGENCIES [gssu.agencies@undp.org](mailto:gssu.sca@undp.org); 4. GSSU will verify the COA used on account 16015 side and post the journal, and also communicate with agencies of the rejected amount for reconciliation purpose.   If a PDR is missing, then refer to alternative procedures. |
| 4 | No open Purchase Orders (POs); | Query **UN\_PS\_CLOSE\_OPEN\_PO** | All open purchase orders should be closed and budget check ‘valid’ before the project is closed.  Verify the Open Purchase Orders in Project Closure Workbench and ensure all purchase orders for the project are closed and budget check. Please follow PO closure guidelines ([link](https://popp.undp.org/node/3041)).  If account 21015 (Unliquidated Obligations) has a balance, please contact GSSU AGENCIES [gssu.agencies@undp.org](mailto:gssu.sca@undp.org) |
| 5 | No Receipt Accruals; | Query **UN\_PS\_CLOSE\_RECEIPT\_ACCRUAL** | Ensure all receipt accrual accounts (21035 and 21007) balances are nil. If account 21035 has a balance, contact OFM/CFRA.  If account 21007 has a balance, please contact Travel Unit to clear the balance |
| 6 | No Outstanding Commitments such as office rental or maintenance bills or a disputed invoice |  | Please ensure commitments outside Atlas are resolved (Non-PO commitments). The supporting documents (if any) should be uploaded to Atlas UNDP Project Closure Workbench (Attachments Tab) |
| 7 | No outstanding prepaid vouchers (Account 16065) | Check prepayment balance and ageing from Atlas Query UN\_IPSAS\_PREPAYMNT\_RPT. International Public Sector Accounting Standards (IPSAS)  For ageing prepayment, it will also appear in [Financial Management (formerly IPSAS) Dashboard](https://app.powerbi.com/groups/me/reports/e2fc8939-d05e-454b-8c6f-e53df71a75f0/ReportSection30). | Ensure nil balance based on prepayment modality (the report should show blank report).   * If any balance is left in this report but GL balance is nil, please follow the [*Prepayments Issues and Workarounds guidance*](https://intranet.undp.org/unit/ofrm/fbp/fbat/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/fbp/fbat/Shared%20Documents/Prepayment/Prepayments%20Issues%20and%20Workarounds.xlsx&action=default) to resolve technical issue due mainly to incorrect Atlas procedure done when liquidating the prepayment. For example, balance is cleared using GLJE rather than a regular voucher being matched with receipt and applied to PO. The GLJE transactions will not be captured in Atlas Query UN\_IPSAS\_PREPAYMNT\_RPT. * If the balance in local currency is nil but there are USD balance in base currency due to Foreign Exchange (FX) gain/loss, please prepare GLJE locally to clear the FX balance. * If unable to follow the guidance document, please contact [UNAll](http://undp.service-now.com/unall) for the step-by-step guidance. For IT support, please use the “[Create Incident](http://undp.service-now.com/unall)” service in the [UNall service management portal](http://undp.service-now.com/unall).   Further guidance on [*Prepayment Process Step-by-Step*](https://intranet.undp.org/unit/ofrm/fbp/fbat/Shared%20Documents/Prepayment/RBAP%20Prepayments%20Process%20Steps.ppsx?Web=1)can be accessed[here](https://intranet.undp.org/unit/ofrm/fbp/fbat/SitePages/Prepayments.aspx) |
| * Run “Ledger Inquiry” to check GL balance * Check current balance in “Project closure workbench” | Ensure nil balance in GL.   * If the balance in GL is not zero but the balance in Query UN\_IPSAS\_PREPAYMNT\_RPT is zero, please run AAA report to review transaction, correct any accounting errors and clear balance. |
| 8 | No pending vouchers; | Please run the query link to verify and check for any pending vouchers.  [No Pending Vouchers](https://finance.partneragencies.org/psc/UNDPP1FS/EMPLOYEE/ERP/q/?ICAction=ICQryNameURL=PUBLIC.UN_PS_CLOSE_PENDING_VCHR_BY_PR)  Or Query UN\_PS\_CLOSE\_PENDING\_VCHR\_BY\_PR | 1. Voucher is not approved, matched (if applicable), and budget checked valid    1. Send for approval    2. Run pay cycle 2. voucher is not approved and no longer needed and should not be paid    1. Delete or reuse this voucher Id for other payment, pay extra attention to the vendor information and COA of the new payment 3. budget status shows “exception” in voucher “summary” page    1. check if the COA combination is correct    2. if exception caused by level 1 budget error, requesting for more ASL allocation from fund manager or liaison with donor for more contribution; If caused by level 2 budget error, revise the budget accordingly in line with AWP    3. **Or** charge to other funding sources 4. PO voucher match status shows “E” (match exception)    1. For travel related PO,       1. Uncheck “match required” for travel related PO    2. For non-travel related PO,       1. Resolve the match exception based on type of exceptions. If it is because of no receipt created in Atlas, please enter the receipt. If overriding the match exception is required, please ensure that it is compliance to the budget override policy.       2. Run pay cycle 5. To clear the balance under account 21005 before project closure. Ensure that there is no open pending voucher (the pending voucher needs to be closed to reverse out the expense and Account Payable), and no voucher pending to be posted. If this Atlas Query UN\_PS\_CLOSE\_PENDING\_VCHR\_BY\_PR does not give the result and you suspect that there are some pending vouchers, please follow the steps below.  * *Run AAA report for account 21005 for project or fund.* * *Open the AAA result in excel.* * *Copy the whole column “Transaction Id” to the end of the column (which is column AG).* * *After that, convert text columns for column AG. (Steps – Select the whole column, click on “Text to Columns” from “data menu”, select “Delimited” and click on Next from “Convert Text to Columns Wizard – Step 1 of 3”. Then, type “minus” character in “Other” field and click on Next in “Convert Text to Columns Wizard – Step 2 of 3”.  Keep the first column (transaction business unit) and second column (transaction ID) and click on “Finish” in “Convert Text to Columns Wizard – Step 2 of 3”. Named the two newly column as Transaction BU and Transaction ID respectively.* * *Prepare a pivot table by Transaction Type, Transaction BU, Transaction ID, and amount.  Filter only “Vouchers” in Transaction Type. Look for the transactions, which have figures. Review these individual vouchers in ATLAS, whether they are incomplete (pending to closure or to post or exchange difference (Navigation = Main Menu > Accounts Payable > Review Accounts Payable Info > Vouchers > Accounting Entries). Then, take an appropriate action.* * *For exchange difference, please prepare a GLJE to clear the difference from exchange rate difference amount in account 21005 and charge to Exchange gain or loss account (56010 or 76110)*.”   To review balance and transaction details,   * If any balance is outstanding per GL, please run AAA report to review and clear balance at Account - Fund – OU - Project – Impl Agent – Donor level. * Alternatively, run “Ledger Inquiry” to check GL balance and drill down to the transaction for review. * Contact preparer of transaction if required.   First point of contact is your FBA focal point FBA.all@undp.org. If escalation is needed, you may contact OFM/CFRA. |
| 9 | All pre-financing activities have been recovered and/or reimbursed. |  | The supporting documents (if any) should be uploaded to Atlas UNDP Project Closure Workbench (Attachments Tab) |
| 10 | No pending General Management Support (GMS) or Direct Project Charging (Formerly ISS). (If Off-the-top GMS was used in the past, extra-budgetary income taken must be reconciled to actual expense/delivery. A pro-rata return of GMS based on the balance of unspent funds must be done); | Run [Charged GMS Rate %](https://finance.partneragencies.org/psc/UNDPP1FS/EMPLOYEE/ERP/q/?ICAction=ICQryNameURL=PUBLIC.UN_PS_CLOSE_GMS_ACTUAL) in the “project closure workbench” and ensure Charged GMS Rate% in the report agrees to the GMS % agreed with donor.  (Refer to notes in the respective Contracts for agreements signed after 2018).  Or Query UN\_PS\_CLOSE\_GMS\_ACTUAL | Review if there is over or under-charged GMS   1. Generate AAA report and Summarize expenses by: 2. Project Net Expenses (accounts 6xxxx and 7xxxx excluding 761xx and 751xx) 3. GMS – accounts 75105, 75110, 75115 4. Review the charges under 751xx noting any non-GMS expenses which have been posted via Accounts Payable (AP) and GLJE 5. Reverse non-GMS expenses to the appropriate 6xxxx/7xxxx accounts via GLJE if required. 6. Calculate the amount of GMS on project net expenses for the appropriate GMS rate as agreed with the donor 7. Calculate the difference between the collected GMS and the GMS on Project Net Expenses 8. Determine if GMS has been over or under-charged 9. Revise the project budgets (if necessary) 10. Create a GLJE to correct the over or under-charged GMS. How to create the accounting entries per the Guidance Note for GMS SET-UP and REPORTS ([link](https://intranet.undp.org/unit/ofrm/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/Financial%20Resource%20Management%20Policies/2018%20GUIDANCE%20NOTE%20-%20GMS%20SET-UP%20and%20REPORTS%20-%2016%20February%202018.docx&action=default)). Refer to POPP GMS Fee Set-up and Collection ([link](https://popp.undp.org/node/10851)). The GMS process is a ‘cumulative’ process and therefore any manual adjustments will not be recognized by the system GMS when GMS is run and posts GMS on all year-to-date expenses. Therefore, any manual adjustment that may be necessary should be considered as a reversing entry so that the GMS run calculates the correct amount, otherwise there will be duplication between the manual entry and the automated GMS entry. |
| 11 | No pending GLJEs | Check if any pending in “Project closure workbench”, or Query UN\_PS\_CLOSE\_PENDING\_GLJE | Approve and post any pending GLJE. If any pending GLJE is no longer needed, please delete GLJE.   * If GLJE has impact on expenses that will trigger the GMS F&A charges, please do not financially close project until GMS batch is run. * If new GLJE is expected to be created e.g. adjustment of over-charged or under-charged GMS expense, please expedite the GLJE preparation and approval process. |
| 12 | No unapplied deposits or other unrecorded revenue; | Run Atlas Query UN\_PS\_CLOSE\_UNAPPLIED\_DEPOSITS | * If any pending unapplied deposits, please follow up with the relevant party for application of the fund. If the applied deposit is encountering budget error or accounting error, please contact [UNAll](http://undp.service-now.com/unall). For IT support, please use the “[Create Incident](http://undp.service-now.com/unall)” service in the [UNall service management portal](http://undp.service-now.com/unall). * Please check Accounts Receivable (AR) Item from Atlas Query UN\_IPSAS\_RM\_CA\_PST\_AR\_ITEM\_SUM (select Tree Name ‘RM\_CA\_BU’) and apply it to the AR Deposit. If the expected AR Item could not be found, please contact GSSU Revenue [gssu.revenue@undp.org](mailto:gssu.revenue@undp.org) |
| 13 | No outstanding Accounts Receivable to be received from donors per signed agreements; | Run Atlas Query UN\_PS\_CLOSE\_PENDING\_EVENT | Please follow up with the donor if any. If the donor will no longer pay for the remaining installment/amount, please obtain the written donor consent and contact [gssu.revenue@undp.org](mailto:gssu.revenue@undp.org) to write it off. |
| 14 | No outstanding Contribution Receivable to be collected from donor (GL Account 14015 Balance including FX Revaluation) | Run Atlas Query UN\_PS\_CLOSE\_UNCOL\_CONTRIB | Please follow up with the donor if any. If the donor will no longer pay for the remaining installment/amount, please obtain the written communication from the donor that the balance will not be paid and provide this written consent to [gssu.revenue@undp.org](mailto:gssu.revenue@undp.org) for write-off. |
| 15 | No AR direct journals in budget error or incomplete status; | Run Atlas Query UN\_PS\_CLOSE\_ARDJ\_ERR\_INCOMPL | Ensure no AR direct journals are found. If any, please review, correct the budget error and tick Check-box to complete the transaction.  If it is created by mistake, please delete AR Deposit. |
| 16 | All assets are transferred or otherwise disposed of; Asset Transfer letters/documents are in place. (GL 18xxx Accounts) (Click Link for ISR Report) | For Direct Implementation (DIM) or CO Support projects,   * Run “Ledger Inquiry” to check GL balance for account 18% (refer to account 18XXX. The wildcard % symbol will retrieve all accounts begin with 18) * Run IPSAS Asset In Service Reportto verify that an asset(s) is/are still sitting under a particular closed project. * Check if any asset balance in “Project closure workbench”   For NIM projects,   * Since asset has not been recorded in Atlas, all assets should be transferred or disposed of outside Atlas | 1. For DIM or CO Support to National Implementation (NIM) Projects,   If the asset should be disposed of,   * Submit a request via the [UNDP Service Request Portal](https://undp.custhelp.com/app/main/services) by selecting the category “*Asset Management*”, subcategory “*Disposal (ATLAS Portal)*”. * Ensure that the [RAD form](https://intranet.undp.org/unit/bom/ofrm/SitePages/Asset_Management.aspx) is signed (Request for Asset Sale, Disposal Form), and uploaded into the [UNDP Service Request Portal](https://undp.custhelp.com/app/main/services). In all scenarios the RAD is mandatory. But depending of the disposal method selected, additional supporting documents is required. Please refer to [POPP -Asset Management – Property, Plant and Equipment - Disposal and Write Off](https://popp.undp.org/taxonomy/term/271). * Any asset to be disposed from books **must have been physically** removed from premises.   If the asset should be transferred of,   * Submit a request via the [UNDP Service Request Portal](https://undp.custhelp.com/app/main/services) by selecting the category “*Asset Management*”, subcategory “*Adjustment (Atlas Portal)*”. * Ensure that the [transfer form](https://intranet.undp.org/unit/bom/ofrm/SitePages/Asset_Management.aspx) is signed, and uploaded into the [UNDP Service Request Portal](https://undp.custhelp.com/app/main/services). In all scenarios any asset must be transferred WITH resources.   For Asset transfers and disposals, please submit the requests to [UNDP Service Request Portal](https://undp.custhelp.com/app/main/services) Asset management or contact [gssu.assets@undp.org](mailto:gssu.assets@undp.org) for additional information.   1. For NIM projects, please ensure that the assets under the government system is transferred or disposed of as per the mutual agreement; for example, it may be transferred to the local community for their public use. |
| 17 | All un-used inventory items held at the end of the project has been disposed of or transferred to other projects | Check to ensure that no physical un-used inventory items held. | Refer to the last inventory certification report that was submitted by your office to confirm nil outstanding inventory. |
| 18 | Ensure all transactions for sale/transfer/donation/disposal etc. of assets have been processed and GMS charged. | Run “Ledger Inquiry” to ensure that GL balance for account 18xxx is zero at project – OU - fund – donor level. | If a recent [UNDP Service Portal](https://undp.custhelp.com/app/main/services) request has been submitted to GSSC Asset team, please confirm with them that action is completed **and processed in both Asset Management (AM) and General Ledger (GL) modules**.  To ensure that the corresponding GMS is charged, GSSU Clustering team should check the project expenditure report or AAA report whether the GMS Expense (Account 75105) has been charged or not. |
| 19 | All items held as inventory (GL account 14602) should be distributed or transferred to recipient or returned to donor as specified in the donor agreement. | Check last Inventory Certification report, and run AAA Report for the GL account 14602 to confirm the GL account is zero at project level as well as at the COA level. | If Inventory Certification and/or GL account 14602 reported a balance, please ensure proper action is taken and recorded in Atlas for any distribution or transfer to another project or return to donor.  If inventory is transferred to another project, please provide GLJE ID in the Inventory Control Template in the next Inventory Certification submission.  Please contact [gssu.inventory@undp.org](mailto:gssu.inventory@undp.org) for any support. |
| 20 | All Project Petty Cash *(11015 (old), 16105(new))* and Project Cash Advance Accounts *(Acc. 16106, 16107, 16108 and 16007)* are cleared; | Run [Petty Cash & Cash Advance](https://finance.partneragencies.org/psc/UNDPP1FS/EMPLOYEE/ERP/q/?ICAction=ICQryNameURL=PUBLIC.UN_PS_CLOSE_PETTYCASH_ADVCASH), in the “project closure workbench”.  -or-  Query UN\_PS\_CLOSE\_PETTYCASH\_ADVCASH  -or-  Run AAA Report for the respective GL account(s) to confirm the GL account local currency balances are zero at the account level as well as at the COA and Open Item Key level. | 1. If the GL account balances at local currency level are not zero, investigate and correct the error(s). 2. COs must never use any GLJEs to record any transactions and should never record any FX gain/loss. 3. If the GL account balances at local currency level is zero at the full COA level and there is remaining balance in USD, this should only reflect the exchange gain/loss (FX) which is to be cleared by GSSU. 4. For FX balance, please write to [*GSSU.Cashmanagement@undp.org*](mailto:GSSU.Cashmanagement@undp.org) requesting them to clear this FX balance. Before GSSU can clear the FX balance through GLJE, it requires budget in both Budget Level 1 (ALT\_DP or AX1\_DP) and Budget Level 2 (PAR\_DP). If any budget exceptions,    1. ALT\_DP “No Budget Exists”, The CO to request fund manager (fund XXXXX) to set up the ASL for the respective amount they wish to clear. If the net impact of GLJE for clearance of FX entries will net off to zero amount, please contact relevant unit to allocate $1 to budget level 1. Please provide them the FX Accounting entries or GLJE entries.    2. PAR\_DP “No Budget Exists”, The CO to create a project budget for the respective amounts and finalize the budget (send to Commitment Control {KK}). Set up project budget $1 in Grants module. The approved budget should be only one dollar when the net impact of GLJE for clearance of FX entries will net off to zero amount. |
| 21 | Project Bank Account is fully reconciled and closed. | Project staff should coordinate with Implementing partner to close Project Bank account. | Request the Implementing partner to provide the bank reconciliation and the evidence document that all Project Bank Account is closed.  All supporting supports should be uploaded to Project Document Centre (<https://intranet.undp.org/docs/pdc/default.aspx>) |
| 22 | All Staff Receivables in USD Only (Acc. 14005, 14020, 14022, 14023, 14025, 14030, 14035, 14040, 14042, 14045, 14046, 14050, 14055, 14085) are cleared; | * Run “Ledger Inquiry” to ensure zero GL balance * Check if any pending in “Project closure workbench”, or Query UN\_PS\_CLOSE\_PENDING\_LIAB | Follow up with the respective staff(s) to clear the balance against the appropriate project and fund code. If a balance cannot be cleared, please contact [pfu.enquiry@undp.org](mailto:pfu.enquiry@undp.org) for further guidance. |
| 23 | All accrued employee benefits are fully accounted. | Check if any pending in “Project closure workbench”, or Query UN\_PS\_CLOSE\_STAFF\_BEN\_LIAB | If any balance, please contact [pfu.enquiry@undp.org](mailto:pfu.enquiry@undp.org) and/or [gps.pension@undp.org](mailto:gps.pension@undp.org) for further guidance. |
| 24 | No other pending liabilities in USD Only; (GL 2xxxx Accounts - Excluding 21005) | Check if any pending in “Project closure workbench”, or Query UN\_PS\_CLOSE\_PENDING\_LIAB | * If the balance is under 23xxx, please contact GSSU PFU <pfu.enquiry@undp.org> and seek advice. * If the balance is under 21020, please clear the balance locally. * If the balance is under 21015, please contact GSSU AGENCIES <gssu.agencies@undp.org>. * For the balance under 21005, please refer to Item 8 (the clean-up is required only for the pending payment vouchers (not yet processed in pay cycle) and the vouchers pending to be posted. |
| 25 | The Combined Delivery Report (CDR) for the previous quarter shows Zero future expenses (commitments). | Uploaded to Atlas – Project Mgt. and hard copy retained in project file. | CDR to be retained in both Atlas and in hard copy in the project file. Documentation to be uploaded in Atlas Project Management (Grants > Project Mgt. > Approved Projects > Monitoring/Attachments Tabs |
| 26 | Final Local Project Appraisal Committee (LPAC) / Steering committee minutes are available. | Uploaded to Atlas – Project Mgt. and hard copy retained in project file. | Final LPAC/Steering Committee minutes to be retained in both Atlas and in hard copy in the project file. Documentation to be uploaded in Atlas Project Management (Grants > Project Mgt. > Approved Projects > Monitoring/Attachments Tabs |
| 27 | All audit observations are closed with supporting documentation. | Uploaded to Atlas – Project Mgt. module; [CARDS](https://cards.undp.org/) and hard copy retained in project file. | Audit observations and Management. Responses to be retained in both Atlas and in hard copy in the project file. Supporting documentation to be uploaded in Atlas Project Management (Grants > Project Mgt. > Approved Projects > Monitoring/Attachments Tabs |
| 28 | The final CDR is signed by UNDP and the Implementing Partner/Responsible Party through the CDR Bridge according to [POPP](https://popp.undp.org/node/3021) | Final signed CDR uploaded through the CDR Bridge according to [POPP](https://popp.undp.org/node/3021). | The final CDR must be signed by UNDP and implementing partner, confirming final project financial accounts and expenditures. Supporting documentation uploaded through the CDR Bridge according to [POPP](https://popp.undp.org/node/3021) |
| 29 | If cost sharing project, the unexpended balance has been agreed to the general ledger. (The Balances excludes Open Purchase Orders reflected in the Output Financials) AND (Excludes Outstanding Contribution Receivable to be collected from donor) if any. | Check if any GL Cash Balance at Output - Fund - Donor in “Project closure workbench”  -or-  Run IPSAS Interim Donor Report or Cumulative Project Interim Financial Report ([CPFR](https://intranet.undp.org/unit/ofrm/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/Donor%20Reporting%20Library/Cumulative%20Project%20FR_User%20Guide_draft.docx&action=default))  -or-  Run AAA Report  -or-  Run Atlas Query OFRM\_FND\_PRJ\_CLOSURE\_COA\_DTL  Run Atlas Query OFRM\_FND\_PRJ\_CLOSURE\_BALANCE | Ensure no Open PO and no Outstanding Contribution Receivable prior to check GL Cash Balance.   1. If any deficit balance, please reverse expenses to resolve the deficit. 2. If GL Cash Balance is between $-0.04 and $0.04, balance will be rounded up to $0 with no decimal points in UNDP Financial Statement. Output can be financially closed. 3. If any balance at blank donor is due to the balance under OU H17 - Agency Advance account 16015, please contact GSSU AGENCIES <[gssu.agencies@undp.org](mailto:gssu.sca@undp.org)> requesting their support to clear the balance. It is the agency advance using PDR which is centrally managed by HQ. Please ensure that balance under Account 16015 – your OU – all Outputs is nil.   If KK balance is different from GL balance, please review the difference by following the guidance on [KK vs GL Balance Reconciliation Steps](https://intranet.undp.org/unit/ofrm/fbp/fbat/Shared%20Documents/Project%20Closure/KK%20vs%20GL%20Balance%20Reconciliation%20Steps.docx?Web=1) (**Annex 4**). If the discrepancy is due to an error posted in the particular transaction, please take corrective actions. If the correction requires HQ support, please contact [fba.all@undp.org](mailto:fba.all@undp.org) providing your analysis with supporting reports.  In most of the case, GL balance is accurate, thus please use GL balance.   1. If the unspent balance should be utilized/expensed and not refund to donor,    1. If KK balance is *lower* than GL balance, please contact [FBA.All@undp.org](mailto:FBA.All@undp.org) to adjust KK balance by providing the analysis and the problematic transaction details (Run AAA report) e.g. any GLJE bypassing budget checking, backdate of any transaction across years or 2011 POs closed in year 2012.    2. If KK balance is *higher* than GL balance, there is no need to adjust KK balance. Please utilize/expense the balance up to the amount per GL balance. Otherwise, project will run into deficit per GL balance. The over-stated KK balance can be left as is. 2. If the unspent balance should be refund to donor ([POPP Refund to Donor](https://popp.undp.org/node/3311)), or moved to [11888](https://popp.undp.org/node/4356)/corporate miscellaneous fund 00001/corporate EU reserve, there is no need to adjust KK balance because the revenue can be transferred out without budget error.   If it is Trust Fund (not Cost sharing),   1. Allocation-controlled (ASL): no need to check cash balance in General Ledger. 2. Cash-controlled: the balance between general ledger (GL) should be the same as KK balance.    1. check what is the controlled field of this fund code from Query UN\_KK\_FUND\_SETTINGS\_UNDP1    2. Check the balance at this controlled fields (at fund level). For example, TF 65030 is controlled by Cash at Fund – Project – Donor level, please check balance at same Fund – Project – Donor level. |
| Run “Ledger Inquiry” to check GL balance. | Check GL Balance at Budget Dept level in addition to Output – Fund – Donor level because delivery and some reports are run at Dept level. If there is any balance at Budget Dept other than the project Dept and is not 14401, please clear balance to the correct project Dept. Please note that   * Any balance at OU H17 – Dept 14401, please contact GSSU AGENCIES <[gssu.agencies@undp.org](mailto:gssu.sca@undp.org)> requesting for their support to clear the balance. * Any balance at other Office OU than the Project OU and H17 should be cleared to zero locally. |
| Run Atlas Query UN\_IPSAS\_CS\_DEFICITS | Please note that the data source for this Query is not solely from GL. Some columns are based on GL e.g. Opening balance, Recognized Revenue/Transfer/Refund, Other Revenue & Exchange Rev, Prior Period Adj Revenue, Expenses, Prior Period Adj Expense and Closing balance.   1. If there is a balance under Commitment column, please note that Commitment is not based on GL but uses the snapshot at the month-end date. If Open PO is closed after month-end date with PO Close Date back dated to the month-end, it will still be shown in this report and the Available Resources column will need to be manually adjusted. Please refer to GL balance. Run Atlas Query UN\_IPSAS\_COMMITMENT for details. 2. If there is a balance under Contribution Receivables column, please note that this balance has not been reflected in Project Closure Workbench’s GL Cash Balance.    * If receivables are still valid, please follow up with donor for the payment. Thus, the fund balance will be higher once collected from donor.    * If receivables are no longer relevant, please contact GSSU with a written consent from donor requesting to write off the receivables.   If donor is USAID, please refer to the explanation on [Interpretation of CS Deficit report for USAID Letter of Credit projects](https://intranet.undp.org/unit/ofrm/fbp/fbat/Shared%20Documents/Project%20Closure/Interpreting%20Fin%20DB%20cost%20sharing%20deficit%20for%20USAID%20Letter%20of%20Credit%20(LOC)%20projects.msg) |
| 30 | Consultations with Donors on the disposition of unexpended cost-sharing balances, where required by contribution agreement, have taken place and are documented in writing. | Written record uploaded to Atlas under Menu Grants > Project Management > Approved Projects > Attachments tab. | Written record (memorandum of conversation; memorandum to file, etc.) made documenting disposition of unexpended cost sharing balance, e.g., refund to donor, re-programme to another project, etc. Document should be uploaded to Atlas Project Management. Grants > Project Mgt. > Approved Projects > Monitoring/Attachments Tabs.  For any transfer of the unspent balance to fund 11888 and other funds such as 11999, etc., it should be in line with the written agreement with the donors. Please note that some donors e.g. UN, Multi-Partner Trust Fund Office (MPTFO), Netherlands, etc. will review the Certified Financial Report (CFRs) published by UNDP and Annex 2 provides a breakdown of net contributions (contributions under account 51005, transfer account 51035 and refunds). Some donors will inquire where it was transferred to or refunded to them.  For any refund from on-going projects (refer to [Helen Hall’s email](https://intranet.undp.org/unit/ofrm/fbp/fbat/Shared%20Documents/Project%20Closure/Refunds%20to%20Donors.msg)),  As per [POPP chapter Refund to Donors](https://popp.undp.org/node/3311), “UNDP issues refunds to donors as the last step before designating a project as financially closed in Atlas. If the donor requests a refund at any earlier point, the approval of the Chief, Financial Performance Management and Reporting must be obtained prior to issuing the refund”.  Please submit your request to a dedicated email address [refund.before.closure@undp.org](mailto:refund.before.closure@undp.org). In your request, please provide project ID, reason for refund prior to project closure and necessary supporting documents if any. |
| 31 | All refunds to donors have been transferred to Account 21030 (Pending Refund to Donors) and the project Balance is Zero. (Only in Base Currency) | Run “Ledger Inquiry” to check if GL balance under account 21030 is the refund amount and project balance is zero. | Ensure the refund balance is recorded to Account 21030 through GLJE according to [Refunds to Donors](https://popp.undp.org/node/3311) procedures in [POPP Financial Closure of Developments](https://popp.undp.org/node/10801).  AP Voucher will be prepared simultaneously to issue the refund and charge account 21030; however, the AP voucher payment must be processed as soon as practicable after the donor provides written confirmation of its bank account details. Please ensure that the AP voucher payment records the same COA for account 21030 – OU - Fund – etc. as same as GLJE.  If the GLJE is prepared by Country Office and AP Voucher is to be prepared by GSSU, Country Office should inform GSSU the GLJE ID for which the refund balance is recorded to account 21030, so that GSSU can verify COA and use the same COA in AP Voucher. In the case of Japan, the refunds out of Partnership Fund are only done periodically so GSSU will move the balance to 21030 in batches, not at the point of transfer from child fund to parent fund. For inquiry, please contact GSSU Treasury <gssu.treasury@undp.org>  Please refer to the [Refunds to Donors](https://popp.undp.org/node/3311) procedures for special donors e.g. Netherlands, Belgium, USAID, USDOS, EU, MPTFO and Trust Fund.   * For Netherlands, balance less than $5,000 is per agreement and NOT per UNDP output. CO could have more than one output for one agreement with Netherlands. * For MPTFO, the threshold $250 for refund is per MPTF project and NOT per UNDP output.   For GSSU support on refund to donors, please refer to the [earlier communicated by former UNDP Treasurer, Ms. Julie Anne Mejia](https://intranet.undp.org/unit/bom/Lists/MPNFinance/Flat.aspx?RootFolder=%2Funit%2Fbom%2FLists%2FMPNFinance%2FGSSC%20Support%20%2D%20ContributionsRefund%20Accounting&FolderCTID=0x01200200728E339C6EACA741ADD12D20E7C23D56)  GSSU Treasury <gssu.treasury@undp.org> will be responsible for:   1. Processing refunds to donors that are centrally managed as per POPP, i.e. for donors: Belgium, United States, European Commission and Netherlands with special conditions; 2. Processing refunds to donors that have been processed by HQ as per past practice, i.e. Japan, UN Trust Fund and GFATM; 3. Providing guidance and responding to COs on queries regarding refunds to donors; and 4. Analyzing the balance of the refunds to donor accounts (GL Account 51040 and 21030) and follow up with HQ units and COs on accounting errors and aged balances |
| 32 | Notified GSSU Treasury <gssu.treasury@undp.org> if the donor agreement requires interest to be refunded to the donor if specified in the agreement. | Check the donor agreement if there are clauses that require interest to be refunded.  Following UNDP policy in general, the interest from cost-sharing is not refunded to donors on CS contributions. | All interest income has been credited directly to corresponding GL account “53045 – Allocated interest income”. under Donor code “00250 - ALLOCATED INTEREST” and Fund code 11888 (for cost-sharing projects). If the interest needs to be refunded, please follow the steps below to find out the **interest amount**  Refer to Email on Subject: Cost Sharing Interest Allocation ([link](https://intranet.undp.org/unit/ofrm/fbp/fbat/Shared%20Documents/Project%20Closure/RE%202014%20Cost%20Sharing%20Interest%20Allocation.msg))   * + 1. Use the ledger query to check the total interest allocated to the Country Office by Oper Unit and/or Department ID.   Navigation: General Ledger>Review Financial Information>Ledger, fill in the criteria for your Operating Unit and other fields.  2)   Run AAA report to get the details of interest income at project level:   * Navigation: UN Reports>Financial Management Reports>Accounts Management Reports>Account Activity Analysis, fill in the criteria for your Operating Unit and Fund code (i.e. 11888 for interest earned to the cost-sharing projects) and Oper Unit then click on Run. * Use the excel application to open the AAA report (.txt) and save it as .xlsx * Look at Column “Description2” to filter for your specific Output ID. Account code should be filtered to 53045.   3) The interest income allocation is normally scheduled once per year after the year end closure. It is likely credited to fund 11888 in approximately in February of the following year. If there is a need to refund the current year’s interest before the normal schedule, please contact [gssu.treasury@undp.org](mailto:gssu.treasury@undp.org) to request for early allocation or the estimate amount.   1. Once the interest income amount is identified, GSSU Clustering team will transfer the interest income through GLJE from 11888 – blank Output ID (in case of the cost sharing projects) to the existing cost-sharing fund code (i.e. 30000 for third-party cost sharing fund) and specific Output ID. Account should be 51035 on both debit and credit sides. 2. After the interest income is credited into the specific Output to be refunded to donor, GSSU Clustering team will prepare AP Payment voucher for the refund of interest income (possibly) together with the unspent balance back to the donor. |
| 33 | Notified the GSSU to close any associated contract in the Contracts module. | GSSU verification of contract closure via e-mail. | Please contact GSSU <[gssu.revenue@undp.org](mailto:gssu.revenue@undp.org)> and request that contract be closed. CO to provide the written consent if there are any outstanding contribution receivables from the contract module that should be written off. Supporting documentation is uploaded in Atlas Project Management (Grants > Project Mgt. > Approved Projects > Monitoring/Attachments Tabs. |
| 34 | All donor reports, as established in the Cost Sharing agreement, were submitted and acknowledged receipt by the donor representative. | Record compliance in Atlas Project Mgt. “Monitoring” tab as per agreement. Supporting documentation uploaded to Atlas (Attachments Tab). | Milestones for donor reporting should be recorded in Atlas Project Management (Grants > Project Mgt. > Approved Projects > Monitoring/Attachments Tabs. Compliance with donor reporting is recorded here. If not done, in a timely manner, data to be entered ex post facto using non-Atlas sources of information. Supporting documentation to be uploaded to Attachments Tab.  COs should not prepare donor reports manually. In order to ensure that CO’s report agrees to the GL, and the balance is consistent with CFR that will be submitted to donors in the following year, after financial closure is done, COs should run a [CPFR report](https://intranet.undp.org/unit/ofrm/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/Donor%20Reporting%20Library/Cumulative%20Project%20FR_User%20Guide_draft.docx&action=default) and submit to donors as interim reporting. |
| 35 | Ensure project accounts are closed. | Project status in Atlas = “F” financially closed and Award status as “Closed” when all projects under the award are financially closed | Closure of any project-based financial accounts or funds. Once confirmed, project status in the Atlas Projects module (Awards > Project > Project Status) must be changed to “F” indicating Financially Closed. Only then can no further financial transactions can be made. If the project remains in either “O” (ongoing) or “C” (operationally closed) status, it will continue to be subject to possible financial transactions and will be included in the census of on-going or inactive projects.  When all the projects (“Output") are financially closed, please also make sure that the award (“Project”) is closed (Grants > Award > Award Profile).  Project manager can monitor if there are any projects operationally closed more than 12 months through the UNDP Project Closure Workbench in Atlas. |
| 36 | Ensure staff, UN Volunteers and Service Contract (SC) positions are properly inactivated or transferred in Atlass HCM |  | Request GSSU position management unit to confirm no outstanding positions with the output COA  Otherwise, request CO to submit a request to GSSU position management unit to abolish the positions created specifically for the closed outputs. |
| 37 | If the project is funded by MPTF, the balances in UNDP GL must be reconciled to the Gateway balance for the mapped MPTF project |  | Refer to   1. MPTF reporting - Operating guidelines for MPTF projects [[click here](https://intranet.undp.org/unit/ofrm/SitePages/Donor%20Reporting.aspx)] 2. MPTF reporting – MPTF GW and UNDP GL Comparison Report for reconciliation (Monthly / Quarterly) [[click here](https://intranet.undp.org/unit/ofrm/fbp/analytics/BA%20Documents/Forms/All%20SOP.aspx?RootFolder=%2Funit%2Fofrm%2Ffbp%2Fanalytics%2FBA%20Documents%2FMPTF%20Gateway%20and%20GL%20Reconciliation%2FReport&View=%7BEF0A88CB%2DF9AE%2D45EE%2DBD63%2D7F629B001F3A%7D)] 3. MPTF reporting – MPTF GW and UNDP GL Comparison Report User Guide [[click here](https://intranet.undp.org/unit/ofrm/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/Donor%20Reporting%20Library/MPTF%20GW%20and%20UNDP%20GL%20comparison%20report%20user%20Guide.docx&action=default)] |
| 38 | If the project is funded by Global funds (GFATM fund code 30078, 30068) |  | Refer to   1. Global Fund Project Closure guideline below 2. [Overview | UNDP Global Fund Implementation Guidance Manual (undphealthimplementation.org)](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fundphealthimplementation.org%2Ffunctional-areas%2Fgrant-closure%2Foverview%2F&data=04%7C01%7Cnadda.chotiwichit%40undp.org%7Cfc7427605ade4019491b08d89c61baf1%7Cb3e5db5e2944483799f57488ace54319%7C0%7C0%7C637431290850840603%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=%2Fy%2FiJZ8ODr1ehCeBUCbpiLso16uKKW525PXa8GDe15k%3D&reserved=0) |

In addition to the above, please refer to the *“Project Closure Page – Project Closure Workbench – Important notes”* (immediately under the FAQ) for assistance and additional information regarding the number of items of concern in financially closing a project. The document can be found at FBA Project Closure SharePoint ([Click here](https://intranet.undp.org/unit/ofrm/fbp/fbat/SitePages/ProjectClosure.aspx))

**Global Fund Project Closure Guidelines**

Under the Funding Model, Global Fund grants, as a general rule, have a three year implementation period (IP). In Atlas, a new project with one output is created for each grant implementation period. Projects funded by The Global Fund (TGF) have the following types of closure:

**1. IP Reconciliation –**The IP reconciliation refers to when TGF grant transitions from one IP to the next with the same Principal Recipient (PR).

**2. Grant Closure** means the grant ends due to one of the following reasons:

1. a. ***Change of the PR***: a decision is taken by the Country Coordinating Mechanism (CCM) and/or TGF to change the PR;
2. ***b. Transition from Global Fund Financing***: TGF or the country decides to end Global Fund financing for one or all disease components; or
3. **c.** ***Grant Consolidation***: a decision is taken by the CCM and/or TGF to consolidate several grants with the same PR into one grant managed by that PR.

Detailed guidance on the different types of closures and the procedures are available in the [UNDP-Global Fund and Health Implementation Guidance Manual](https://undphealthimplementation.org/functional-areas/grant-closure/overview/) and TGF [Operational Policy Manual](https://www.theglobalfund.org/media/3266/core_operationalpolicy_manual_en.pdf?u=637319006396170000) section on Operational Procedures on Implementation Period Reconciliation and Grant Closure. TGF issues a Guidance Letter on IP Reconciliation or Grant Closure at least six months before the IP end date to ensure timely and orderly closure. Below is a summary of the different grant closure and Atlas project closure processes:

| **Process** | **IP Reconciliation/Grant Consolidation** | **Change of the PR /Transition from Global Fund Financing** |
| --- | --- | --- |
| **Plan Closure –**  6 months before IP end date | Financial Obligations not likely to be delivered by the IP end date should be included in the grant budget for the next IP. | Agree on a grant closure plan and budget, lists of remaining grant assets and inventory of health products, and a disposal plan. This is formalized through an Implementation Letter (IL) for grant closure signed by UNDP and TGF. |
| **Implement Closure –**  6 months after IP end date | Submit to TGF the last Progress Update (PU) as of IP end date (within 60 days after IP end date) and the final tax status report for the previous calendar year (by 31 July).  Facilitate Sub Recipient (SR) audits. | |
| Settle financial commitments under the within 6 months of IP end date under the closing IP /output. Financial commitments outstanding after 6 months are reviewed by TGF for a determination of the IP to charge.  Transfer approved financial obligations to the next IP.  **Consolidation at the IP end date** - Financial Commitments and Financial Obligations must be settled under the closing grants /outputs.  **Consolidation during IP** - Financial Commitments and Financial Obligations are transferred to the new combined grant / new output | Implement the GF approved closure plan and settle the approved financial commitments and obligations. |
| Prepare a list of remaining health products as of IP end date to be transferred and managed under the next IP. | Conduct inventory counts and complete lists of remaining health products as of IP end date and complete documents to transfer ownership to implementers as agreed with TGF |
| Prepare a list of remaining grant assets as of IP end date, recommending assets to be transferred to the next IP, and any assets proposed by UNDP to be disposed of or written off. The assets transferred to the next IP will be accounted for and managed under this IP.  Take action on lost, stolen, and damaged assets in line with [POPP](https://popp.undp.org/node/301). | Conduct verification of grant assets and complete documents to transfer ownership to implementers as agreed with the CCM, TGF and as per the project document. This documentation should be shared with the LFA and TGF.  Take action on lost, stolen, and damaged assets in line with [POPP](https://popp.undp.org/node/301). |
| Recover unspent advance balances from SRs | Recover unspent advance balances from SRs |
|  |  |
| **Atlas Closure Process:** | |
| **Inventory** - A CO that have reportable inventory in Atlas are required to complete the bi-annual certification under the output in which it was procured until fully consumed. |  |
| **Assets Disposal in Atlas -** For assets underuse and control by UNDP, the CO should request GSSU to transfer them to the new output by uploading the assets disposal forms in the UNDP service portal in line with [POPP](https://popp.undp.org/node/301). | |
| **Assets Transfer in Atlas -**For assets underuse and control by UNDP, the CO should request GSSU to transfer them to the new output by uploading the assets transfer forms in the UNDP service portal as per [POPP](https://popp.undp.org/node/301).  After GSSU completes the transfer of the assets, the CO should prepare a GLJE to transfer resources using account 51035, from the old to the new output equivalent to the NBV of transferred assets to compensate the new output for the resource decrease as a result of the transfer of the assets. For the Hyperion system to report the transfer correctly, GLJE Long Description in the Header tab stated as *Resources:* *NBV of transf asset*. |  |
| Refunds from SRs - Record the deposit in Atlas in the applicable COA in NEX advance account 16005 for Govt and NGO SRs and for SR UN Agencies in account 16010 (local) and 16015 (PCA) | |
| CO to complete the echecklist in the Atlas Project Closure Workbench, take action to clear all balances under the Atlas transactions check, and then change the project status to Operationally Closed. | |
|  | Pending Vouchers -review pending vouchers in Atlas so that they are paid/closed. | |
| **Finalize closure** – | CO submits to TGF the Financial Closure Report (FCR) 45 days after the end of the six-month period after the IP end date | |
| Support the validation by TGF /LFA of the FCR, health products and assets transfer documents. | |
| After validation of the FCR, TGF will confirm the final in-country cash balance to be transferred from the closing output to the new output created for the new IP. The CO should process a GLJE to transfer the cash balances to the new output with UNDP using account 51035 and in exceptional circumstances, any cash balances with SRs to use advance account 16005 (Govt, NGOs) / 16010 (UN Agencies).  Upon request from the GF, the final cash balance can be refunded to the Global Fund. | After validation of the FCR, TGF will confirm the final cash balance to be refunded to the GF.  Process the refund of the unspent cash balance including interest earned after final reporting as requested by the GF by 31 August of the year following the grant closure date. |
| After the transfer of the in-country cash balances to the new output and confirmation by UNDP, TGF will issue an IL to deduct the grant amount for the next IP by the amount of in-country cash balances transferred. The CO should then financially close the output in Atlas  In some instances, UNDP and TGF may agree to return to the TGF the in-country cash balances in which case, the procedures for processing a refund to the donor through the GSSU should be followed without any adjustment to the grant amount for the next IP. | TGF will issue a Grant Closure Notification Letter to confirm that all the grant closure requirements have been fulfilled including an acknowledgment of receipt of the refund from UNDP. |
| **Atlas Closure Process:** | |
| CO to request GSSU Treasury through GFHIST to process the refund of the unspent cash balances to the GF and provide:  Amount to be refunded and COA, email from the GF requesting the refund, copy of FCR submitted to TGF and signed project completion checklist. | |
| GSSU processes the refund to TGF following procedures for [Refund to Donors](https://popp.undp.org/node/11431) and notifies GFHIST once the refund is effected. GFHIST will in turn inform TGF of the refund processed and request TGF to acknowledge receipt of the funds.  The CO should financially close the project in Atlas after receipt of the Grant Closure Notification Letter from TGF. | |

# 7.0 Other Issues impeding Project Closure

Although the project closure workbench and alternative procedures have improved the process of the closure of projects, some issues remain that impede the closure of a project. These are addressed below.

* Accounts subject to ***revaluation.*** The number of accounts where the USD value = zero are subject to revaluation that can affect the balance, e.g., NEX advances, account 16005. In order to clear these accounts, the full chart of accounts must be used, i.e., business unit; account; fund; operating unit; department; project, implementing agency; and donor. A listing of these accounts is provided in **Annex 2**. A list of accounts ***not*** subject to revaluation, i.e., if the USD balance = zero no further action required, is also enclosed. Please note that some Balance Sheet accounts are not revalued at the project level.
* Projects that have been incorrectly closed, i.e., balance sheet item(s) remain un-cleared are not picked up in the workbench. These projects are identified in ad hoc reports prepared by OFM and circulated to offices periodically.
* If the project has funding from a Multi-partner trust fund (MPTF), the balances in UNDP GL must be reconciled to the Gateway balance for the mapped MPTF project.
  + MPTF reporting - Operating guidelines for MPTF projects [[click here](https://intranet.undp.org/unit/ofrm/SitePages/Donor%20Reporting.aspx)]
  + MPTF reporting – MPTF GW and UNDP GL Comparison Report for reconciliation (Monthly / Quarterly) [[click here](https://intranet.undp.org/unit/ofrm/fbp/analytics/BA%20Documents/Forms/All%20SOP.aspx?RootFolder=%2Funit%2Fofrm%2Ffbp%2Fanalytics%2FBA%20Documents%2FMPTF%20Gateway%20and%20GL%20Reconciliation%2FReport&View=%7BEF0A88CB%2DF9AE%2D45EE%2DBD63%2D7F629B001F3A%7D)]
  + MPTF reporting – MPTF GW and UNDP GL Comparison Report User Guide [[click here](https://intranet.undp.org/unit/ofrm/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/Donor%20Reporting%20Library/MPTF%20GW%20and%20UNDP%20GL%20comparison%20report%20user%20Guide.docx&action=default)]

# 8.0 Managing exceptions THROUGH ALTERNATIVE Procedures

As mentioned above, closing a project may be delayed by the fact that the criteria called for in the checklist cannot be met. For example, an outstanding NEX advance cannot be reconciled or remains un-cleared by the Government counterpart. The reasons why may vary, but often this is due to turnover or a departure of key project personnel in either the government/IP and UNDP or both. The turnover of personnel can be further aggravated by changes in Government structures such as merging or the split of Institutions and in those cases the Government authorities might not be able to agree on closure. The result being that no one is willing to sign off on the checklist. To address this difficulty, alternative procedures have been developed to move past these obstacles

1. Where such exceptions apply, the business unit should exercise due diligence by exploring alternative solutions in consultation with the CO Programme/Project Manager, DRR, IP, Regional Bureau/HQ or OFM. Exceptions and issues are handled on case-by-case basis with approval and guidance of HQ, and any issues outside of POPP should be documented and explicitly approved by OFM through the bureau. Offices should not move the unspent balances to account 21030 (pending refunds to donors) before the appropriate steps and due diligence are carried out while adopting the alternative procedures and before confirming refund balances and bank accounts details with the donor.

Below are some potential issues and exceptions faced in the past and the respective alternative measures performed. Please note that this list is not exhaustive and additional guidance should be requested from HQ if/as needed. Please note also that all other procedures should follow the requirement of POPP [Project Completion checklist](https://popp.undp.org/node/4581)

|  | **Project Closure Requirement as per POPP** | **Reason for Delay in Closure** | **Alternative measures to be Performed which require approval** |
| --- | --- | --- | --- |
| 1 | All assets are transferred or otherwise disposed of. Ensure all asset transfer letters or any other supporting documents are submitted to the GSSU Asset Management Team via [Atlas](https://finance.partneragencies.org/psp/UNDPP1FS/EMPLOYEE/ERP/s/WEBLIB_UN_DM_AM.ISCRIPT1.FieldFormula.IScript_GSSUAM?FolderPath=PORTAL_ROOT_OBJECT.UN_DMS.ISCRIPT_GSSUAM&IsFolder=false&IgnoreParamTempl=FolderPath%2cIsFolder). | No documentary evidence of asset transfer or disposal | * For Pre-IPSAS assets, the office must provide a signed declaration that assets are not present and that no records can be located. * Assets acquired since the implementation of IPSAS should be fully accounted for in accordance with the POPP chapters on [Asset Management (tangible)](https://popp.undp.org/taxonomy/term/271) and [Asset Management (intangible)](https://popp.undp.org/taxonomy/term/276). |
| 2 | No outstanding NEX advances – in either local currency or USD at full COA | Outstanding NEX advances that cannot be reconciled or otherwise cleared with the Government | The office must pursue all avenues to ensure the financial liability is not assumed by UNDP. However, if the case cannot be favorably resolved and the contentious amount is deemed irrecoverable, the office should fully document all action taken, including description, causes and responsibility of staff or others, obtain senior manager (RR/DRR) approval, and then contact their OFM Finance Business Advisor (FBA) for further guidance including whether a formal write-off request under the provisions of Financial Regulation 26.08 should be submitted to OFM/FPMR (Chief of Accounts).  See detailed steps in POPP [Direct Cash Transfers and Reimbursements](https://popp.undp.org/node/10651). |
| 3 | No outstanding PDRs | Final PDR is missing and cannot be obtained from the Implementing Partner.  If outstanding PDRs are confirmed to exist by the IP, then the request should be submitted to GSSU along with supporting details to ensure all valid PDRs are accurately recorded by liquidating the advance under 16015 before project closure. | * The Office will retain documentary evidence that three requests were sent to the Implementing Partner. * If no satisfactory response is received within three months of the last communication, then the previous PDR will be taken as final and a communication sent to the Agency HQ indicating the project is closed and UNDP will not accept any further charges. The CO should contact the agency unit in CFR ([gssu.agencies@undp.org](mailto:gssu.agencies@undp.org)) for any support with the agency concerned. |
| 4 | The final CDR is signed by UNDP and the Implementing Partner. Final report submitted by responsible parties through the [CDR Bridge](https://bridge.undp.org/login). Refer to [POPP CDR](https://popp.undp.org/node/3021) | Implementing Partner does not sign final CDR in the [CDR Bridge](https://bridge.undp.org/login) | * The Office will retain documentary evidence that CDRs were sent for signature and followed up with two reminders. * If no satisfactory response is received within three months of the last communication, then the CDR is deemed final supported by note to the file on the due diligence exercised by the CO. |
| 5 | Consultations with donors on the disposition of unexpended cost sharing balances, where required by the contribution agreement, have taken place and are documented in writing. | Donor has not responded on request for instruction on disposition of unspent project balances | * The Office will retain documentary evidence that a request for disposition of unspent project balance was communicated to the donor and followed up with two reminders. * If no satisfactory response is received within three months of the last communication to the donor, the unexpended project balance should be transferred.to Fund Code 11888 (project ID, fund code and donor code should be indicated on the debit side for traceability) with a note to file prepared by CO. Refer to POPP [link](https://popp.undp.org/node/10801) * If donor subsequently requests for a refund, the refund should be processed from Fund 11888. Refer to [POPP Refund to Donors](https://popp.undp.org/node/3311) |
| 6 | Commission project evaluation (required for [Operational Closure of projects](https://popp.undp.org/node/10501)) | Project evaluation has not been performed. | * Review project documents to determine whether an evaluation was required. * The Office should document reasons why the evaluation has not been performed if the final report has not been issued, the office should finalize the report and confirm with the donor whether an evaluation is required and; * If no response is received from the donor after followed up with two reminders, the office should prepare a note to file and proceed to close the project. |
| 7 | |  | | --- | | All pre-financing activities have been recovered and/or reimbursed. | | Project has a deficit. | The office should consider other available sources of funding to cover the deficit including consulting the bureau. If other sources are not identified and the deficit is deemed irrecoverable, the office should fully document all action taken, including description, causes and responsibility of staff or others, obtain senior manager approval, and then contact their OFM Finance Business Advisor (FBA) for further guidance including whether a formal write-off request under the provisions of Financial Regulation 26.08 should be submitted to OFM/FPMR (Chief of Accounts). |

# 9.0 BEST Practices in Closing Projects

* Begin as soon as project is operationally completed. Do not delay. The longer the time period between operational completion and financial completion the greater the likelihood that the closure will not be completed with the 12-month period per the financial regulations & rules.
* In clearing balance sheet accounts, use the full Chart of Accounts, i.e., business unit; account; fund; operating unit; department; project, implementing agency; and donor. Run Atlas Query OFRM\_FND\_PRJ\_CLOSURE\_BAL\_SHEET

# ANNEX 1 -ANNOTATED Project Completion Check List (POPP)

Ccompared with project closure checklist and operational guidelines on project closing

**Country Office: XYZ Project/Output No. 12345**

I confirm that all of the following matters have been considered and resolved:

| **POPP** | **Work-Bench**  e | **GUIDELINES** |  |
| --- | --- | --- | --- |
| 1 | 1 | 1 | No outstanding NEX advances – in either local currency or USD |
| None | None | 2 | No other outstanding advances |
| 2 | 2 | 3 | No outstanding PDRs |
| 3 | 3 | 4 | No open Purchase Orders |
| 4 | 4 | 5 | No Receipt Accruals |
| 5 | 5 | 6 | No outstanding commitments |
| 6 | 6 | 7 | No pending prepayments and other non-PO advances *(****OPERATIONAL GUIDELINES = No outstanding pre-paid vouchers – account 16065)*** |
| None | 7 | 8 | No pending vouchers |
| 7 | 8 | 9 | All pre-financing activities have been recovered and/or reimbursed |
| 8 | 9 | 10 | No pending GMS or Direct Project Charging (formerly ISS). (If Off-the-top GMS was used, extra-budgetary income taken must be reconciled to actual expenses/delivery. A pro-rata returns of GMS based on the balance of unspent funds must be done.) |
| 9 | 10 | 11 | No pending GLJEs |
| 10 | 11 | 12 | No unapplied deposits or other unrecorded revenue |
| 11 | 12 | 13 | No outstanding Accounts Receivable to be received from donors per signed agreements |
| None | None | 14 | No outstanding Accounts Receivable to be collected from door (GL account 14015 including FX revaluation). |
| 12 | 13 | 15 | No AR direct journals in budget error or incomplete status |
| 13 | 14 | 16 | All assets are transferred or otherwise disposed of. [UNDP Service Request Portal](https://undp.custhelp.com/app/main/services) for disposal and transfers have been submitted to GSSU**.** Asset transfer letters/ documents are in place**. *Workbench and******OPERATIONAL GUIDELINES states (GL accounts 18xxx) (Click for ISR Report).*** |
| None | 15 | 17 | All unused inventory items held at the end of the project have been disposed of or transferred to other projects. |
| 14 | 16 | 18 | Ensure all transactions for sale/transfer/donation/disposal etc. of assets have been processed and GMS charged |
| 15 | 17 | 19 | All items held as inventory should be distributed or transferred to recipient or returned to donor as specified in the donor agreement |
| 16 | 18 | 20 | All project petty cash is cleared**. *Workbench and OPERATIONAL GUIDELINES states Project Cash Advance Accounts*** |
| 17 | 19 | 21 | Project bank account is fully reconciled and closed |
| None | 20 | 22 | All Staff receivables in USD only. |
| 18 | 21 | 23 | All accrued employee benefits are fully accounted |
| 19 | 22 | 24 | No other pending liabilities |
| 20 | 23 | 25 | The CDR for the previous quarter shows zero future expenses (commitments). |
| 21 | 24 | 26 | Final LPAC/ steering committee minutes are available |
| 22 | 25 | 27 | All audit observations are closed with supporting documentation. |
| 23 | 26 | 28 | The final CDR is signed by UNDP and the Implementing Partner. Final report submitted by responsible parties. |
| 24 | 27 | 29 | If a cost sharing project, the unexpended balance has been agreed to the general ledger. |
| 25 | 28 | 30 | Consultations with donors on the disposition of unexpended cost sharing balances, where required by the contribution agreement, have taken place and are documented in writing. |
| 26 | 29 | 31 | All refunds to donors have been transferred to Account 21030 (Pending Refunds to Donors) and the project balance is zero. |
| 27 | 30 | 32 | Notified Treasury Contributions Unit if the donor agreement requires interest to be refunded to the donor if specified in the agreement. |
| 28 | 31 | 33 | Notified the GSSU to close any associated contract in the contracts module. |
| 29 | 32 | 34 | All donor reports, as established in the Cost Sharing agreement, were submitted and acknowledged receipt by the donor representative. |
| None | 33 | 35 | Ensure project accounts are closed. Project status = “F”. |
| None | None | 36 | Ensure staff, UNV and SC positions are properly inactivated or transferred in Atlas HCM |
| None | None | 37 | If the project is funded by MPTF, the balances in UNDP GL must be reconciled to the Gateway balance for the mapped MPTF project |

**Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Title**

**Signature Date \_\_\_\_\_**

The check list must be signed by the Resident Representative/Head of Office or a senior official designated by the Resident Representative/Head of Office.

# ANNEX 2

## Annotated Listing of Active, Inactive and Restricted Balance Sheet Accounts

Download Annex 2 in excel from this [link](https://intranet.undp.org/unit/ofrm/fbp/fbat/Shared%20Documents/Project%20Closure/Proj%20Closure_Annex%203_Balance%20Sheet%20accounts.xlsx?Web=1)

**The table below shows a sample of account codes.**

**For full list, please run Atlas Query UN\_GL\_ACCOUNT\_TBL\_STATUS**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Account** | **Descr** | **Short Desc** | **Type** | **Bud. Only** | **Control Flag** | **Status** | **Open Item** |
| 10000 | Assets | Assets | A | Y | N | A | N |
| 11000 | Cash & Near Cash | Cash&Near | A | N | **Y** | **I** | N |
| 11002 | Cash at MDTFO | Cash MDTF1 | A | N | N | **I** | N |
| 11004 | Cash at UNU | Cash UNU | A | N | N | A | N |

**Navigation: Reporting Tools > Query > Query Viewer**

## Balance Sheet Accounts -Clean-up guidance for fund and project closures

|  | **Fund Closure** | | **Project Closure** | | **Comments** |
| --- | --- | --- | --- | --- | --- |
| **Account Codes** | **Clean-up required to close** | **Included in resource balance calculations** | **Clean-up required to close** | **Included in resource balance calculations** |
| **1xxxx (1)** | **** | **** | **** | **** |  |
| **11015** | **** | **** | **** | **** |  |
| **13010  14015 14081 17002** | **** | **** | **** | **** |  |
| **14xxx (1)** | **** | **** | **** | **** | - If the account is not appearing, please contact HQ for advice.  - Some of these accounts require "open item key". If the clean-up requires entries without open item key, please contact HQ for advice as well. |
| **14057** | **** | **** | **** | **** |  |
| **1460x** | **** | **** | **** | **** | Inventory accounts (14601 & 14602) |
| **1600x** | **** | **** | **** | **** | Including NEX advances (16005), DBS (16006), old Cash arrangement (16007) |
| **16010 (2)** | **** | **** | **** | **** |  |
| **16015 (2)** | **** | **** | **** | **** | - Run the Trial Balance (TB) for this account and your operating unit. If there is no Balance, please ignore the Balance at the project level. Otherwise, contact your HQ focal point for advice to clear the existing balances sitting at the project level. - If balance is at H17 OU, please contact GSSU AGENCIES <[gssu.agencies@undp.org](mailto:gssu.sca@undp.org)> requesting for their support to clear balance. - Any balances should be cleared at the fund level |
| **1610x** | **** | **** | **** | **** | New cash arrangement accounts - including Petty Cash |
| **18xxx** | **** | **** | **** | **** |  |
| **2xxxx (1)** | **** | **** | **** | **** |  |
| **21005** | **** | **** | **** | **** | - The query for AP pending payments (**UN\_PS\_CLOSE\_PENDING\_VCHR\_BY\_PR**) should be first run. If the query provides no results, then the unit should contact HQ for advice regarding any existing balances sitting at the fund level. If the query provides some Voucher ID, please include in the Pay Cycle run to pay the vendor through Check, EFT, etc.; however, if voucher is created by mistake and no obligation exists to pay the vendor, please close Voucher. - No actions are required at the project level. |
| **3xxxx** | **** | **** | **** | **** |  |
| **5xxxx** | **** | **** | **** | **** | - For MTFP funded projects, please ensure that clean-up is made for account other than 51005 because MPTF Office accepts only contribution revenue under account 51005. Income in other revenue account codes are not accepted. Please refer to [Operating Guidelines for MPTF Projects implemented by UNDP Country Offices](https://intranet.undp.org/unit/ofrm/fbp/fbat/Shared%20Documents/Project%20Closure/OPERATING%20GUIDELINES%20FOR%20MPTF%20PROJECTS%20IMPLEMENTED%20BY%20UNDP%20COUNTRY%20OFFICES%20%20-%2015%20MARCH%202016.docx?Web=1). 5xxxx accounts as there should only be a resource balance under account 51005. - For MTPF funded projects, while an existing balance under 51005 is accepted, please ensure that this balance is made up of MTFP payments **ONLY**. |
|  |  |  |  |  |  |
| Notes: |  |  |  |  |  |
| (1): Please see below for the specific accounts | | |  |  |  |
| (2): These accounts are included in the Project Workbench resource balances and should be excluded from these balances when the account balance is not zero | | | | | |
| (3): Revaluated accounts: Please see the list of revaluated accounts. | | | | |  |
| Units are advised not to liquidate revaluated balance sheet item accounts in US dollar but rather in the transaction currency used to grant the initial advance and/or liability | | | | | |
| **(4): Clean-up for TF and project closures should be made at the full COA to avoid reporting issues in the corporate platforms such as the Executive Snapshot** | | | | | |
| **The clean-up should be done at the fund - OU - department - implementing agent - project - donor** | | | | | |

## Revalued Account List

|  |  |  |
| --- | --- | --- |
| **List of Accounts used at project level which are revalued periodically** | | |
| **Account** | **To Account** | **Description** |
| 13500 |  | Security Deposit - long- term |
| 14095 |  | Misc Receivables - Non Staff |
| 14155 |  | Accounts Receivable - Third Pa |
| 14170 |  | Accounts Receivable - Exchange |
| 21032 |  | Guarantees Received |
| 21070 |  | AP - Exchange Revenue |
| 23200 |  | Supplier/donor CashHoldback\_ST |
| 23300 |  | Supplier/donor CashHoldback\_LT |
| 14056 |  | VAT/Sales Tax |
| 21012 |  | Staff Payable (Salary related) |
| 23066 |  | Private Pension SCH |
| 23080 |  | Garage Fees |
| 23081 |  | AP-Garnishment |
| 23084 |  | Accrued Indemnity |
| 23086 |  | Accrued Annu Leave Payable-ST |
| 14020 |  | Staff Receivable - Salary Adv |
| 14035 |  | Staff Receivable - Emergcy Adv |
| 14050 |  | Staff Receivable - Other |
| 14081 |  | Unbilled AR Contracts |
| 14015 |  | Contributions Receivable |
| 16005 |  | OFA- Governments (NEX) |
| 16006 |  | DBS Advances |
| 21018 |  | NIM advances payable |

# Annex 3 – Operating guidelines for MPTF Projects

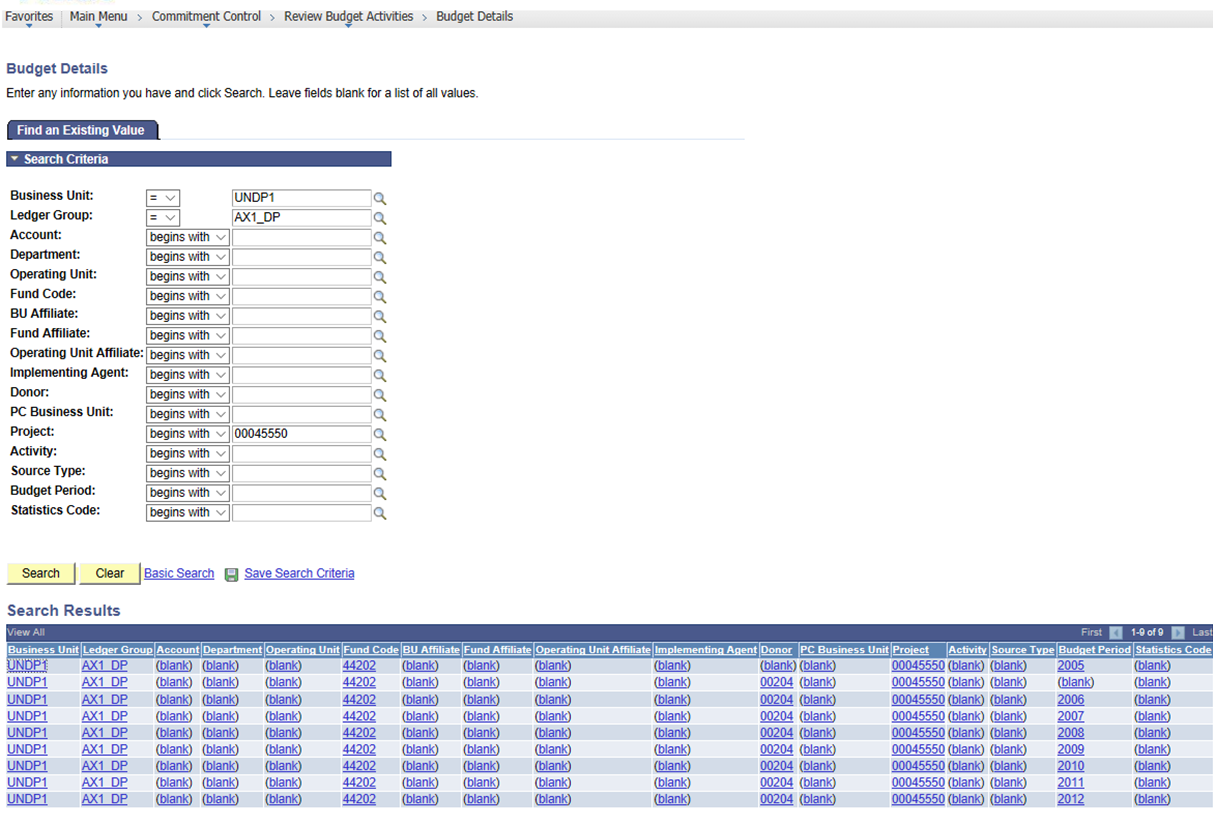
* + MPTF reporting - Operating guidelines for MPTF projects [[click here](https://intranet.undp.org/unit/ofrm/SitePages/Donor%20Reporting.aspx)]
  + MPTF reporting – MPTF GW and UNDP GL Comparison Report for reconciliation (Monthly / Quarterly) [[click here](https://intranet.undp.org/unit/ofrm/fbp/analytics/BA%20Documents/Forms/All%20SOP.aspx?RootFolder=%2Funit%2Fofrm%2Ffbp%2Fanalytics%2FBA%20Documents%2FMPTF%20Gateway%20and%20GL%20Reconciliation%2FReport&View=%7BEF0A88CB%2DF9AE%2D45EE%2DBD63%2D7F629B001F3A%7D)]
  + MPTF reporting – MPTF GW and UNDP GL Comparison Report User Guide [[click here](https://intranet.undp.org/unit/ofrm/_layouts/15/WopiFrame.aspx?sourcedoc=/unit/ofrm/Donor%20Reporting%20Library/MPTF%20GW%20and%20UNDP%20GL%20comparison%20report%20user%20Guide.docx&action=default)]

# Annex 4 – KK vs GL Balance Reconciliation Steps

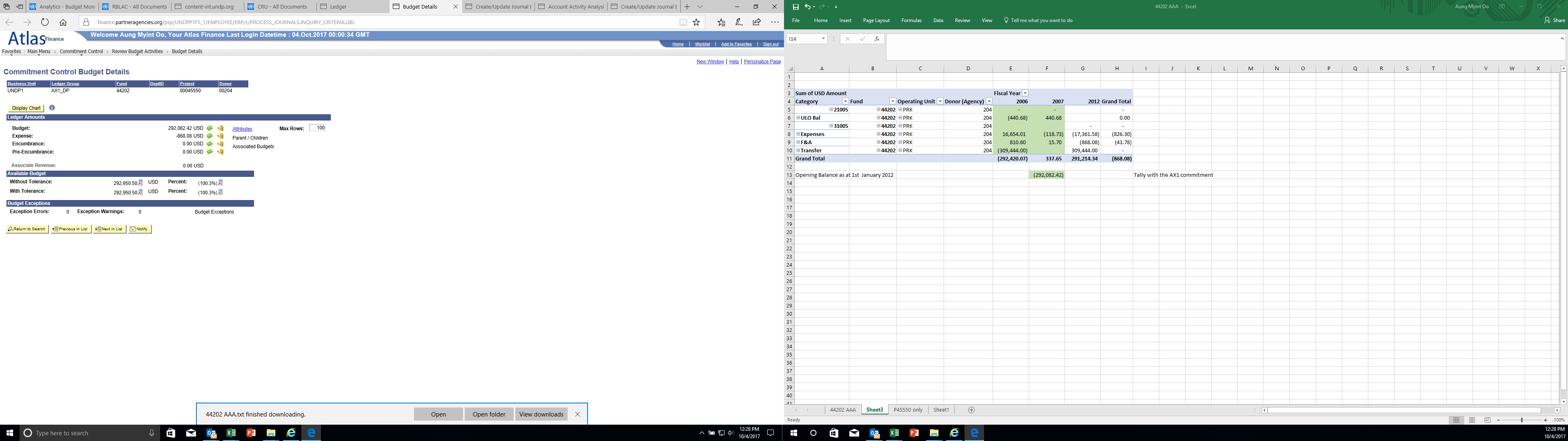
1. Run Interim Donor report to get the current GL balance. UN\_IPSAS\_INTERIM\_GLOBAL. For example, Project 00045550 under fund 44202/donor 00204



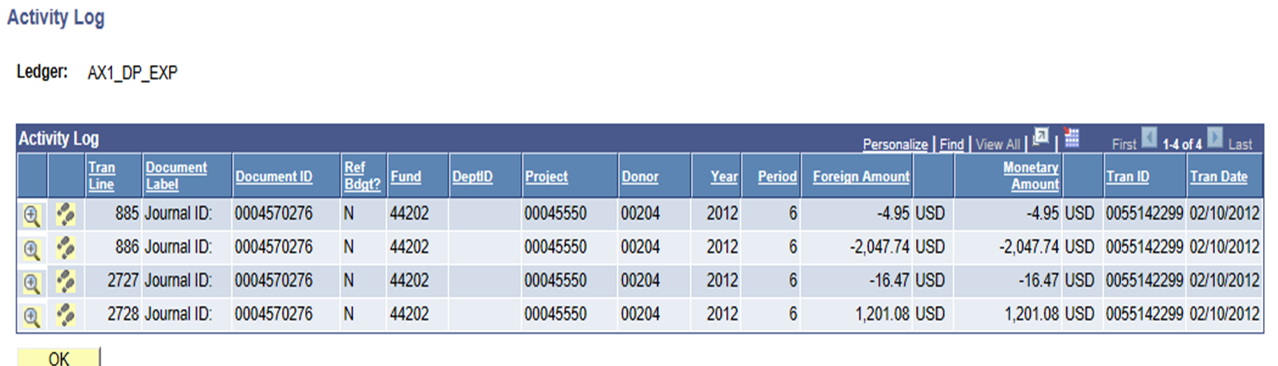
1. Run Budget Details to get the balance for AX1 ledger. Navigation: Main Menu > Commitment Control > Review Budget Activities > Budget Details.



Choose the blank year line and double click on the blank year line to get the report.



Click on yellow icon next to expense line to get the detail expenditure lines and download the result to excel. Prepare a pivot table by document ID, year, and amount. See the below table.

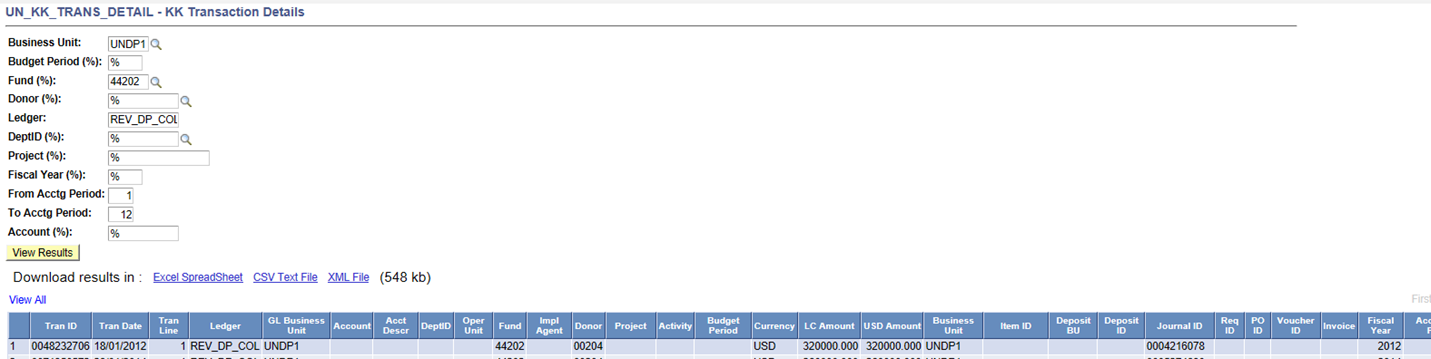


1. Run AAA report for detail analysis. Prepare a pivot table for 2012 opening balance as below.



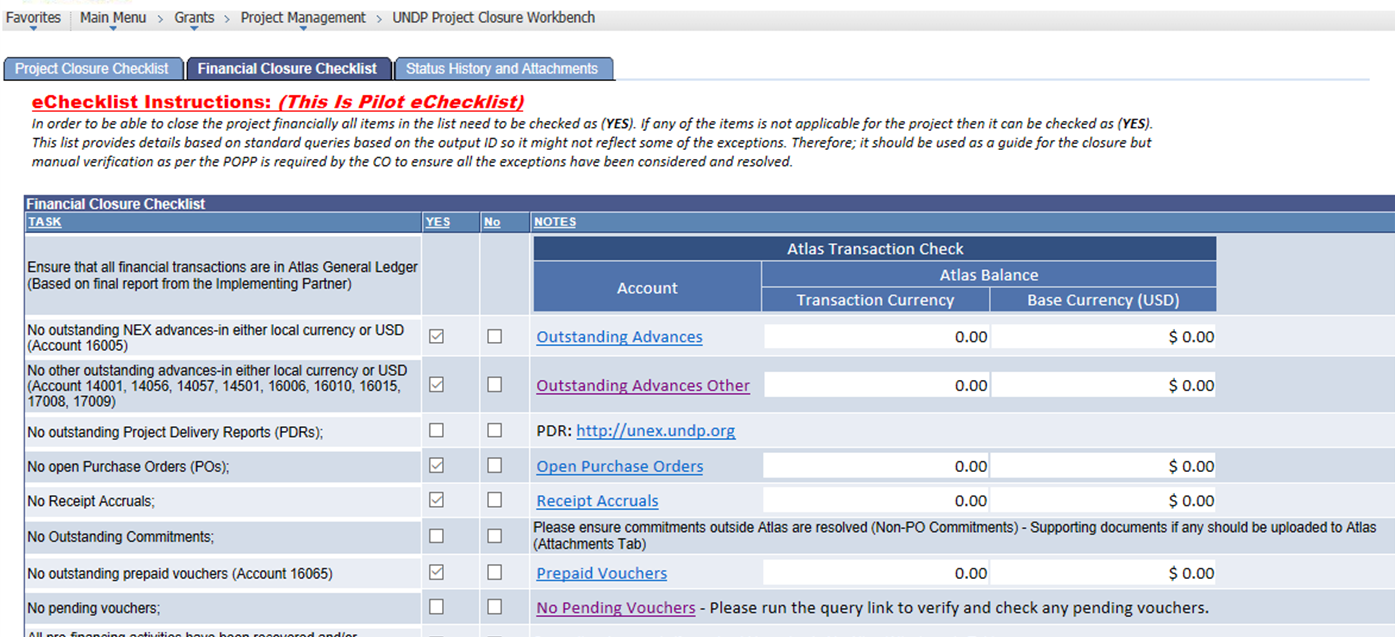
Green shaded items are 2012 opening balance, which is tally with Budget Detail Amount of AX1.

1. Then, prepare another pivot table (expenses plus assets only) to compare AX1 expenses by Transaction ID, year, and amount. Orange shaded amounts (in above table) are missing in AX1 report. They are from GLJE 4337763 and 4380243, which are posted in GL but not hit in KK ledger. In this situation, please send to PS Support to refresh the AX1 ledger to reflect the missing amounts. PS support will provide further instruction.
2. If a project has contribution received or transfer resources after 2012, please run Atlas Query UN\_KK\_TRANS\_DETAIL or UN\_KK\_TRANSACTION\_ACTIVITY



Download the result to excel. Prepare a pivot table Item ID/Deposit ID/Journal ID, Fiscal Year, and amount. Also prepare a pivot table from AAA similar as from KK detail. Then, compare two table results.

1. If a project has encumbrance, please click the yellow next to “Encumbrance line” in AX1 Budget detail. Download the data and prepare a pivot table by Document ID, year, and amount. For GL data, please go to project closure workbench “Main Menu > Grants > Project Management > UNDP Project Closure Workbench”. Click on “Open Purchase Orders”. The query “UN\_PS\_CLOSE\_OPEN\_PO” will pop up and run the query.



The final result for this example is as follow:



**---END OF DOCUMENT---**

1. * Please note that at this time, not all CO finance staff will have access to UNEX 2. Until this matter is resolved corporately, colleagues can request ‘access from UNEX 2 from OIMT who can provide ‘read only’ access in order to run reports from UNEX 2.

   [↑](#footnote-ref-2)