

GRANT PROCEDURES – CLOSEOUT

SUMMARY

The purpose of this policy is to establish grant closeout procedures to ensure compliance with applicable federal, state, and local regulations and the terms and conditions of the award.

Closeout is the process by which the federal, state, local, and/or private awarding agency or pass-through entity determines that all applicable administrative actions and all required work of the award have been completed by the grantee.

As federal agencies have codified and made specific amendment (i.e., exceptions) to their adoption of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards (i.e., 2 CFR 200), County Departments managing federally funded grants must locate the applicable regulations (e.g., HHS adoption of 2 CFR 200, with amendments, is codified in 45 CFR 75) and also refer to the grant's Notice of Award/grant agreement for grant specific requirements (e.g., grant specific terms and conditions and reporting due dates).

PROCEDURE

At the end of the period of performance, departments managing grants must perform the following actions (order may vary) to complete the grant closeout process:

- (a) Liquidate all financial obligations incurred by the end of the applicable period of liquidation (e.g., 90 or 120 days) after the period of performance as specified in the terms and conditions of the award unless an extension to this deadline is authorized by the awarding agency or pass-through entity.
- (b) Liquidate all dispatched Purchase Orders (PO), associated with the grant's ChartField, in INFORMS by processing a change order to reduce the outstanding PO amount to zero followed by an update to the PO to show "Complete" status¹.
- (c) Reconcile financial expenditures associated with the award; file all source documentation supporting expenditures; and process related journal entries in INFORMS, as applicable.
- (d) Reconcile the General Ledger accounts and process adjusting entries, as applicable, in INFORMS to bring the grant's Fund Balance to zero.
- (e) Submit all financial, performance, and other reports as required by the terms and conditions of the award by their applicable deadlines (e.g., 90 or 120 days) after the period of performance. Awarding agency may approve extensions when requested and justified by the Department managing the grant.
 - If applicable, the Department must provide the subrecipients of the award sufficient time (as agreed upon by the subrecipient and the Department), to submit all financial, performance, and other reports as required by the terms and conditions of the awards such that the Department has sufficient time to meet its reporting deadlines.

¹ A purchase order that has been "closed" from further activity will show a "COMPLETE" status in INFORMS. Must contact an ISD analyst to request for a status update to "COMPLETE".

- (f) If applicable, promptly (preferably by the end of the grant's liquidation period) request payment (drawdown) from the awarding agency.
- (g) If applicable, promptly refund any balances of unobligated cash that the awarding agency or pass-through paid in advance or paid and that are not authorized to be retained by the County for use in other projects.
- (h) Account for any real and personal property acquired with grant funds or received from the awarding entity in accordance with the terms and conditions of the award and applicable regulations.

Upon completion of the close out process, the County department managing the grant must inactivate the related Grant and Project(s) codes in INFORMS to preclude that a post closeout, unauthorized financial transaction is recorded under the grant's ChartField.

References:

Title 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal Awards

CONTACT(S):

Department/Division

Office of Management and Budget