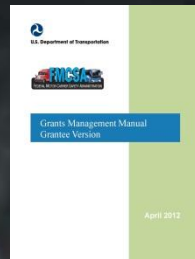




Grants Management Grantee Manual Training



Grant Close-Out – Module 8

Chapter 7



Objective

- By the end of this module, you should be able to successfully:
 - Identify proper award close-out procedures, to include:
 - Final Report/Invoice Submission, Review and Reconciliation Process
 - Requirements for Equipment and Real Property Disposition
 - Close-out Amendment Process
 - Post Close-Out Audit Report Actions





U.S. Department of Transportation



Grant Close-out Overview





Grant Close-Out Overview

- Award close-out is required for all FMCSA financial assistance awards – Prompt close-out is important
- When does a grant officially close?
 - When FMCSA releases the grantee from any further responsibility under the grant
- Key Federal Grant Close-out Policies
 - 49 CFR Part 18 /19
 - OMB Circular A-110 – 2 CFR 215.71 and OMB Circular A-102





Grantee Steps for Final Close-out

- Submit all required quarterly performance/progress and financial reports
- Submit final voucher and verify that financials reconcile
- Account for all required cost sharing, if applicable
- Dispose of equipment/property properly
- Correct all non-compliant areas
- Certify that all sub-grant awards have been properly closed-out

Note: FMCSA will verify all above items during final close-out





FMCSA Final Close-out Responsibilities

- Send 90 day notice of close-out to grantee
- Ensure all necessary documentation is received
- Reconcile and approve SF-270, SF-425 and SF-PPRs
- Verify proper property disposition or plans for further property use
- Issue "No Further Claims Letter"
- Issue Close-out amendment





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Final Invoice/Report Preparation





Final Invoice Preparation

- Prepare a final invoice to include all remaining costs chargeable to the grant
 - Expenses must be within the project period
 - All expenses must be allowable, reasonable and allocable
 - Reconcile with the SF-425
- If total payment amount is less than grant total obligated, FMCSA will de-obligate remaining funds

All financials must reconcile prior to grant close- out





Final Invoice Preparation/Reconciliation

- Compare the final SF-270 and the final SF-425

Final SF-270		Final SF-425	
Name	Line #	Name	Line #
Federal Payment Previously Received	11h	Cash Receipts	10a
Non Federal Share	11f	Recipients Share	10j
Federal Share	11g	Federal Share of Expenditures	10e

Note:
FMCSA won't accept the final financial report and issue the Close-out Amendment until finances and financial records reconcile





Final Report Preparation

- Prepare the final quarterly reports (SF-425 and PPR)
 - Provide status information for the final quarter of the grant performance period
 - Provide a cumulative account of all grant activity throughout the entire period of performance
 - Reconcile with the SF-425
 - Are complete, accurate and represent all work conducted and paid for through the grant and matching funds.



Final Report Review

- FMCSA will consider the following things when reviewing the final reports:
 - Have all of the Quarterly Progress Reports been submitted? Were they complete? Do they represent all of the activity?
 - Have all of the Quarterly Financial Reports (FFRs) been submitted? Does the final SF-425 reconcile with the final SF-PPR?
 - Is all Cost Share/State match and/or MOE covered?
 - The match requirement should be complete, as well as MOE.





Final Report Review, Continued

- Did they meet all their milestones?
- Make all their purchases?
- Fulfill the goals of the grant?
 - The grantee should have met or exceeded all of their original objectives and fulfilled the goals of the grant and if not explained why.
 - If they didn't expend all funds or expected purchases, they should explain why, to inform subsequent applications.





Close-out Amendment Process





Close-out Amendment Process

- Any grant that expires on or after January 1, 2011 must have an amendment.
- Any grant, regardless of origination date, that has a balance remaining must have a deobligation amendment.
 - For both parties to acknowledge that no further financial claims can be made on the grant
 - Documents that final documents were received, reviewed and approved and reconciliation has occurred





Close-out Amendment Process

- Pre-FY11 award amendments are manual paper amendments – post-FY11 award amendments are in GrantSolutions
- Close-out amendments could have "0" funds or require the de-obligation of funds
- Grantees are responsible for sub-grantee close-out





Property and Equipment Disposition





Equipment Use, Management & Disposition

- Title to equipment acquired with Federal funds becomes the grantee's property and responsibility upon purchase
- Grantee is responsible for how sub-grantees use property
- Use of equipment
 - States – for the stated purpose of the grant for at least the period of performance of the grant
 - Local, non-profit and educational grantees – for the stated purpose of the grant for "as long as needed"





Equipment Use, Management & Disposition, Continued

- Disposition
 - All grantees must submit an SF-428 Disposition Request/Report Form to the Grant Manager, **if disposed during the period of performance of the grant, and,**
 - If State law requires for State grantees; and
 - If the equipment is valued at \$5,000 or more for Non-State Grantees





Equipment Disposition Summary

	States	Local Governments	Non-Profits, Educational
Use	In accordance with State Law, with use caveat.	Must be used for the purpose for which it was acquired “as long as needed,” regardless of whether project is still supported by federal funding. 49 C.F.R.§ 18.32(c).	The project or program for which it was acquired as long as needed, whether or not the project or program continues to be federally funded
Management	In accordance with State Law, with use caveat.	Grantee must maintain records, inventory, etc. until disposition.	Grantee must maintain records, inventory, etc. until disposition.
Disposition	In accordance with State Law, with use caveat.	When no longer needed for the original project or purpose, equipment must be sold or retained and compensated	When no longer needed for the original project or purpose, equipment must be sold or retained and compensated





Post Close-out Activities





Post Close-Out Audit

- FMCSA Grant Managers will:
 - Review post close-out A-133 Single Audit reports
 - Determine whether corrective actions are required
 - Follow-up on corrective action plans until resolved.





Wrap-Up and Knowledge Check





Summary

- Now that you have completed this module, you should be able to:
 - Identify proper award close-out procedures, to include:
 - Final Report/Invoice Submission, Review and Reconciliation Process
 - Requirements for Equipment and Real Property Disposition
 - Close-out Amendment Process
 - Post Close-Out Audit Report Actions





Check Your Knowledge

- Module 8 Knowledge Check
- Module 8 Knowledge Check Answers

