

12. AWARD CLOSE-OUT

An award expires at midnight local time on the date which is listed on the last approved amendment (CD-451) as the "Extend Work Completion Date To" date or on the original Financial Assistance Award document (CD-450) as the "Award Period." Immediately following the expiration of an award, steps must be taken to ensure that activity is complete and that DOC and the recipient have met all requirements imposed by applicable laws, regulations, OMB circulars, and award terms and conditions. General procedures for award close-out are contained in 15 CFR § 14.71 and 15 CFR § 24.50.

A. Responsibilities Proper award close-out is required for all DOC financial assistance awards.

1. The Grants Officer has overall responsibility for ensuring that the award is properly closed-out and the necessary documentation is included in the official award file. Once all documentation has been received and no further action is required, the Grants Officer shall notify the recipient in writing, with a copy of the notification to the Program Officer, that the grant has been satisfactorily closed.
2. The Grants Officer or designee is responsible for notifying the recipient when the award is close to completion, and for reviewing and evaluating the final financial, performance, property, and patent reports, as applicable.
3. When applicable, the Grants Officer will provide the recipient with instructions for disposition of property loaned to the recipient by the Federal Government or purchased by the recipient with grant funds.

B. Unobligated Funds.

1. If at the completion of an award period, the recipient has an unobligated balance of funds on hand, those funds shall be returned to the Federal Government immediately. If the funds are not returned by the recipient in a timely manner, an account receivable may be established and billed to the recipient. Interest, penalties, and administrative charges shall be assessed, as appropriate.
2. Recipients with outstanding accounts receivable established (e.g., to collect unobligated funds) are subject to debt collection procedures at Chapter 14, Section C., of this Manual.

C. Deobligation of Funds Within ninety (90) calendar days of receipt of the final SF-269, "Financial Status Report," showing no unliquidated obligations, the Grants Officer shall notify the Finance/Accounting Officer to deobligate the unobligated balance of funds not disbursed to the recipient. No funds will be deobligated unless requested by the Grants Officer.

D. Retention of Records.

1. Generally, a recipient is required to retain records relating to a particular grant for three (3) years from the date of submission of the accepted final financial report. In cases where litigation, claim or an audit is initiated prior to expiration of the three-year period, records must be retained until completion of the action and resolution of any issues associated with it or the end of the three-year retention period, whichever is later. (See 15 CFR § 14.53 or 15 CFR § 24.42 for specific records retention requirements.)

2. In cases where a recipient will no longer be in operation after a grant has been completed, the operating unit shall require the recipient to:

a. Identify where records pertaining to the grant project will be located for the required three (3) year retention period; and

b. Provide appropriate assurances of government access thereto.