

Section 7.5: Award Suspension or Termination

PURPOSE AND POLICY

If a grant program manager has attempted to work with a subrecipient to address performance deficiencies but the subrecipient has failed to comply with the terms and conditions of the subaward, the grant program manager will need to escalate the matter. More serious sanctions would include suspension of award funding or terminating the subgrant. Uniform Guidance ([§200.339 Termination](#)) mandates that a subaward may be terminated in whole or in part under the following conditions:

- By the grantor or the federal funding agency if the subrecipient fails to comply with the terms and conditions of the subaward
- By the grantor or the federal funding agency for cause
- By the grantor or the federal funding agency with the consent of the subrecipient (the parties must agree upon the termination conditions, including the effective date and, in the case of partial termination, the portion to be terminated)
- By the subrecipient (under specific conditions contained within §200.339).