

Section 9.1: Conditions for Subaward Closeout

PURPOSE AND POLICY

There are three types of closeouts: Standard closeouts, administrative closeouts and for-cause closeouts.

The standard closeout is a process that involves the consent and participation of both the subrecipient and grantor and follows the standard procedures outlined in this section. Standard grant closeouts can be initiated only for subawards with no active items such as a reimbursement request, monitoring issue, or open site visit.

Administrative closeouts are initiated by the grantor to resolve administrative matters that require the closing of the grant with or without consent of the subrecipient.

For-cause closeouts are similar to administrative closeouts as they are initiated by the grantor. These types of closeouts are initiated because of a circumstance(s) that arises concerning the subrecipient and its ability to comply with either its application and/or the subaward terms and conditions.

A standard closeout may be initiated by the subrecipient at any time but are usually initiated when:

- The subaward has reached a stated duration of time (typically 90 days) after the end date of the grant program (the expenditure deadline date), and programmatic and financial requirements of the grant program have been met by the subrecipient.
- The subrecipient has completed the grant program requirements of the subaward and has expended all of its subawarded funds in advance of the end date of the grant program.
- The subaward is closed because the originating funding source has expired or closed.

An administrative closeout may be initiated by the grant program manager when:

- The subrecipient is unable or unwilling to complete closeout requirements. In some cases this would include failure to submit required final reports.
- If a subrecipient is past the stated duration of time (typically 90 days) after the end date of the grant program (the expenditure deadline date).

A for-cause closeout may be initiated by the grantor at any time due to the following:

- The subrecipient is found to be noncompliant with the terms and conditions of the subaward, including its application's scope of work.
- Post-award, the subrecipient withdraws from further participation in the grant program.

Additional information

In addition to the information included in this chapter, grant program managers should review the State of Arizona Accounting Manual (SAAM) Topic 70, Section 35: [Close-outs and Records Retention When the State is the Grant Recipient](#) for information that may be relevant to their program/grant's close-out procedures.