

## Chapter 9: Subaward Closeout

### INTRODUCTION

This chapter establishes the policies and procedures controlling subaward closeouts. Section 9.1 describes conditions under which subawards are closed and the Office of Grants and Federal Resources (GFR) purpose and policies pertaining to grant closeouts. Section 9.2 describes the standard subaward closeout procedure and common exceptions. Section 9.3 describes administrative closeouts as a procedure that can be used when a subrecipient has failed to meet minimum financial or programmatic reporting requirements. Section 9.4 describes other closeout requirements or items for consideration during closeout.

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.

### PURPOSE AND POLICY

The subaward closeout process stated in this manual governs those actions that a grantor must take when the subrecipient and/or grantor determines that the subaward has ended or all applicable administrative actions and the grant program is completed. The defining features of the subaward closeout process are typically the final programmatic and financial reports for each subrecipient. Early closeouts occur when the subrecipient has expended all funds or completed the activities associated with the subaward prior to the official end date. Exceptions to the standard closeout process can be determined by grantor to remedy an administrative matter (such as the subrecipient is past the stated duration of time after the end date of the grant program) or as a remedial action against the subrecipient for cause (such as non-compliance or substantiated criminal activity).

### CLOSEOUTS PROCESS OWNER

Typically, the grant program manager working with a counterpart in his/her finance division is the process owner for grant closeouts and oversees all aspects of the process for the grant program. The grant program manager's responsibilities include, but are not limited to:

- Administering and enforcing the closeout policies;
- Resolving any conflicts or disputes pertaining to the grant closeout process; and
- Monitoring and tracking performance of the grant program in the grant closeout process.

### CLOSEOUT TIMEFRAMES

Timely and accurate subaward closings must be completed by the subrecipient and grant program manager. For those subaward programs that are federal pass-through or federally funded, Uniform Guidance requires a 90-day closeout ([200.343](#)). Additionally, Uniform Guidance requires passthrough entities provide subrecipients all information regarding the closeout of subawards that would include compliance with that 90-day timeframe. Therefore, pass-through entities should give consideration to any requirements that it might need to impose on subrecipients to meet the its reporting obligations to the originating source or funder.