

October 23, 2012

Closeout of Office of the National Coordinator for Health Information Technology Grants and Cooperative Agreements

NOTES: Grants Management Advisories (GMAs) provide guidance for Office of the National Coordinator for Health Information Technology (ONC) grant and cooperative agreement recipients in selected areas based on ONC's receipt of recurring questions or other factors. Their purpose is to provide a common interpretation for all ONC recipients of how ONC will apply existing policy as reflected in award terms and conditions. They do not replace or modify award terms and conditions.

The following information is provided as a supplement to Grants Management Advisory (GMA) 2011-2, Use of Unobligated Balances under Grants and Cooperative Agreements dated January 31, 2011, and Supplement #1, dated December 28, 2011, Requests for No-Cost Extensions under ONC Grants and Cooperative Agreements. That GMA and Supplement #1 remain in effect and should be used in conjunction with the information below.

This revised GMA supersedes the original version of GMA 2012-05.

ISSUES:

When is my award ready for closeout?

What actions am I required to take as part of closeout?

What should I do if I have any difficulty meeting the timeframe for submission of closeout documentation?

What will happen if I fail to provide the required documentation?

KEY POINTS:

- Closeout occurs following the ending date of the project period, as shown in your latest Notice of Grant Award (NGA), which we call the expiration date or completion date.
- We will assume that your award is ready to begin the closeout process as of the expiration or completion date unless, for awards that have not been terminated, you formally request a project period extension through ONC's on-line portal at least 60 days in advance of that date. If we approve the request, then we will issue an amended NGA that includes a new project period ending date, and closeout will begin after that date. If we do not approve the request, the award will end as scheduled.
- You and your subrecipients or contractors may not incur costs after the end of the project period as shown in the latest NGA (which includes any approved extension).
- We may send you reminders, but you are responsible for meeting closeout requirements and for keeping us informed of any potential or actual issues that may affect closeout.

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- Within 90 days following the end of the project period shown on your NGA, you must submit the following reports to ONC:
 - A final report of expenditures on the SF 425, Federal Financial Report (FFR) (http://www.whitehouse.gov/omb/grants_forms/). This is the same form that we have required you to submit on an annual basis. You must complete line items 1 through 9, 10.d through 10.h, and 13, and, as applicable, line items 10.i through 10.o, 11, and 12. (See below for the timing of the Federal cash report [line items 10.a through 10.c] submitted to the Payment Management System).
 - ◆ The final report must include any expenditures since the end of the reporting period covered by your last annual report. For example, if your project period ends on 3/31/13, your last annual report included expenditures through 9/30/12, and your final report, which is due no later than 6/30/13, must include expenditures from 10/1/12 through 3/31/13.
 - ◆ This report must show “0” for unliquidated obligations. “Unliquidated obligations” differ from the “unobligated balance of Federal funds.” Do not submit the report if you still have obligations to liquidate at the end of the 90-day period. In this case you must request an extension of the due date for the report.
 - ◆ You must report the exact unobligated balance of Federal funds because we will issue a final NGA that will deobligate those funds and show an adjusted Federal and non-Federal share.
 - A final performance report completed in accordance with instructions provided by your ONC project officer (PO).
 - A final Section 1512 American Recovery and Reinvestment Act (ARRA) report completed in accordance with instructions provided by ONC.
 - A final tangible personal property report using the SF 428B, Tangible Personal Property Report, Final Report, even if you have not purchased such property under the award or plan to continue to use the property after closeout, as permitted by 45 CFR 74.34(c) or 92.32(c).
 - You are responsible for closing out any subawards or contracts under your award in a timeframe that allows you to submit your final reports to ONC by the required due date.
 - If you will be unable to complete any or all of the above-specified reports by their due date, your authorized organizational representative must provide a written request for an extension of the due date (an e-mail is acceptable for this purpose) to the grants management specialist named on your NGA that specifies (1) which report(s) will be delayed; (2) why you will not be able to meet the due date; and (3) the date by which you expect to be able to submit the report(s). Please note that ONC is not required to approve your request.

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- If we do not receive your reports by the end of the 90-day period or any approved extended due date, we will consider your reports to be delinquent, which may affect future awards involving your organization or the Project Director. Any actions that we take based on the delinquency do not relieve you of the requirement to submit the required reports.
- Once we receive and review your reports, we will advise you of the need for any revisions or corrections requiring resubmission and, if we require resubmission of a report(s), establish a new due date.
- After a reasonable period if we still have not received acceptable reports, we may unilaterally close out the award based on information that you previously submitted or that we are aware of through our monitoring. If we plan to unilaterally close out the award, we will notify you of our intention. Once we have unilaterally closed out an award, we will not make any adjustments that you request.
- You also are required to submit other reports as follows:
 - *Federal cash report.* If you receive advance payments, you will need to submit a Federal cash report using the SF 425 (lines 10a. through 10.c) to the Payment Management System on the normal quarterly schedule. Using the example above, if your project period ends on 3/31/13, you would report final federal cash information for your award by 4/30/13.
 - *Single audit under Office of Management and Budget (OMB) Circular A-133.* If you are required to have an OMB Circular A-133 audit, it is based on your fiscal year, not the period covered by your ONC award. Therefore, you may have that audit performed sometime after we close out your award. We have the right to recover any disallowed costs determined as a result of an audit completed after closeout.
- You are not accountable for any program income you may earn after the end of the project period. However, if you earned it before the end of the project period, but received it after the end of the project period, you are required to adjust the final FFR to reflect that income and use the income as specified in our closeout letter to you.

RECIPIENT RESPONSIBILITIES:

- Advise ONC as soon as you know that you may need an extension of the approved project period in order to complete project activities.
- Submit required reports within the specified time frames to the designated office or website, and ensure that they are complete and accurate.
- Do not wait until the reports are due or the due date has passed to make a request for extension of a report due date.
- Fully justify any request for extension of a report(s) due date.
- Promptly respond to any ONC request for revision or correction of a report.

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REFERENCES:

45 CFR 74.34(c), 74.70, 74.71, 74.72, and 74.73

45 CFR 92.32(c), 92.50, 92.51, and 92.52

OMB Circular A-133

HHS Grants Policy Statement

CONTACT:

If you have any questions concerning this GMA, contact your grants management officer.