

CHAPTER 5-240 CLOSING A REGULATORY GRANT

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5-240-00 What does this chapter do?

This chapter describes what you, a state or tribal recipient of a regulatory assistance agreement, and we, the Office of Surface Mining Reclamation and Enforcement (OSMRE) must do to close a regulatory grant or cooperative agreement.

5-240-10 Where do these requirements come from?

The requirements for closeout procedures come from the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, at [2 CFR 200 subpart D](#).

5-240-20 When do we close out a regulatory grant?

- A. We normally close out regulatory agreements no later than 180 calendar days after the end of the performance period. The first 90 days allow you to report to us. The remaining 90 days allow us to complete the closeout process.
- B. We may close regulatory agreements without an audit. However, we may take additional administrative action after closeout if a subsequent audit identifies any findings or questioned costs.
- C. We will not close an agreement until you have paid all allowable costs and we have deobligated all unexpended funds.
- D. We will not close an agreement if it is in litigation or under appeal.
- E. If we terminate an agreement, we will not close it until all termination actions have been completed.

5-240-30 When is your closeout package due?

- A. Your complete closeout package is due to us 90 days after the end of the performance period of the agreement.

- B. If you have made every reasonable effort to send a complete closeout package within 90 days but cannot meet the due date, you may request and we may approve an extension. You must send us a written request with a justification explaining why you need the extension. You must submit interim performance and financial reports to us following the requirements in chapter [5-230](#). We will notify you of our approval along with any interim steps that we may require.

5-240-40 How can you submit these reports?

- A. You may send hard copy reports with original signatures by mail.
- B. Alternatively, you may submit reports by e-mail. The forms must include the name and title of the authorized official who signed them and the date signed, and you must maintain the original signed forms in your files.

5-240-50 What information must you submit to close out a regulatory grant?

A complete closeout package for a regulatory agreement includes the following information:

- A. Final Financial Report ([SF-425](#)). See [Chapter 5-230](#) for more information on your financial report.
 - 1. You must report all program income in accordance with the cost sharing option, using program income to meet your required non-Federal match. You may use excess program income by the addition option, increasing the budget for your regulatory program. See [Chapter 2-210](#) for more information on program income.
 - 2. You cannot show any unliquidated Federal obligations on your final report. You must pay all obligations before we can close the grant.
- B. Final performance narrative report. See [Chapter 5-230](#) for information on your program narrative report.
- C. Report of government property, if you acquired or held property under this grant. Report property on the Tangible Personal Property Report ([SF-428](#)) that allows for any other inventory format acceptable to our awarding office. Your inventory must list all equipment or real property acquired under this grant or transferred into this grant from previous regulatory grants. You must notify us whether you transferred the property to the subsequent regulatory grant or disposed of the property.
- D. Report of Federally-owned property, if you have any. You must provide a separate list of all Federally-owned property provided to you for use under this grant. Use the Tangible Personal Property Report ([SF-428](#)) that allows for any other acceptable property list. You must request that the property be transferred to a subsequent grant or properly disposed.

5-240-60 How will we review your information and close your grant?

Our awarding office will review the closeout package and determine if it is complete and acceptable. If the closeout package is not acceptable, we may return it to you with an explanation of what you should do to complete or correct it, ask you for additional information, or take other actions to resolve the problems. After we receive an acceptable closeout package, the awarding office must complete the following actions within 60 days.

- A. Review the closeout package and the grant.
 - 1. Verify that we have added all known changes to the grant by appropriate revisions or amendments.
 - 2. Resolve any grant suspensions, withholding of funds, disputes, and violations of grant clauses and assurances with you.
 - 3. Write a brief evaluation of your performance under the grant and keep it in our official grant file.
 - 4. Reconcile the inventory of Federally-owned property to our records, and approve the transfer to a subsequent agreement.
 - 5. Verify that the grant and the file are complete. We will use a checklist to document this step.
- B. Process the final grant action to de-obligate any unexpended funds.
- C. We will send you a written notice that we consider the grant to be closed, and remind you of the record retention and access requirements in [Chapter 2-260](#).