

Ohio Department of Health
Grants Administrative
Policies and Procedures Manual

Chapter 400

Chapter: 400 Grant Closeout Requirements		Section (s): 400.0 – 400.6
Effective Date: 05/01/2003	Revision Date: 05/01/2003	Revision: #1

This Chapter provides policies and procedures to assist ODH Subgrantees during the program closeout process. ODH Subgrantees must submit final program and expenditure reports within **45 days after** the program end date. Each report must support the goals, objectives, accomplishments; funds received, disbursed or obligated, and unobligated cash balance of the grant. This policy applies to all ODH Subgrantees awarded federal or state funds.

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400.0

Closeout Process

Closeout is the process by which ODH determines that all applicable administrative actions and all required work or services have been completed and/or the funding period has ended. The program's approved beginning and ending dates, that determine the funding period, are identified on the NOA. The expiration is the end of a program's approved funding period for completing the planned programs objectives and/or obligating and expending all grant funds and program income. The program account for a program period is not closed until all obligations are liquidated or dissolved, ODH adjustments made, and the final cash balance is determined and reimbursed to ODH from the subgrantees or reimbursed to the subgrantees by ODH.

Each program is awarded for a specific period of time, usually a fiscal year, and is independent, for accounting purposes, of prior or subsequent grants to support the same activity. Therefore, a program's account cannot be closed until all obligations are liquidated, the cash balances are known, the Subgrantee Final Expenditure Report is submitted, and final cash adjustments are made by ODH. The subgrantee must return the balance by check made payable to the "Treasurer, State of Ohio"; the check should be mailed to the Ohio Department of Health, Attention: Revenue Section, P.O. Box 15278, Columbus, Ohio, 43215-0278. Include your 11-digit program number with all remittances.

A cash balance of twenty-five dollars (\$25.00) or less does not have to be refunded to ODH. Similarly, if cash due to the subgrantee is twenty-five dollars (\$25.00) or less, no reimbursement of funds will be made to the subgrantee.

400.1

Final Performance Report

All program performance reports must clearly identify the authorized program name and assigned program number. The **original and required number of copies** must be submitted to the ODH, Grants Administration, Central Master Files by the designated date listed in the corresponding RFP. This report should be prepared in accordance with programmatic instructions identified in the RFP.

400.2

Interim Closeout Expenditure Report

The fourth (4th) quarter expenditure report will be considered by ODH as an interim Final Expenditure Report. The fourth quarterly report must contain all expenditures to date and all outstanding obligations, which have not been paid by the subgrantee. The total amount of outstanding obligations on the fourth quarterly expenditure report is the maximum amount that can be listed as current expenditures upon submission of the Final Expenditure Report. All expenditure reports are submitted and reviewed by ODH consultants via GMIS.

400.3

Outstanding Obligations

An obligation occurs when funds are encumbered on a valid purchase order or requisition to cover the cost of purchasing an authorized item on or after the start date and up to the last day of the program period. Any funds not properly obligated by the subgrantee within the program period will lapse and revert back to ODH. Obligations listed on the interim report (i.e., fourth quarter expenditure report) must be liquidated within forty-five (45) calendar days after the end of the program period. The closeout and liquidation deadlines may be extended by ODH, with a written request via GMIS. The request must be received 30 days prior to the designated deadline.

Obligation or liquidation deadline extension requests will only be considered if the extension criteria established below are met by the subgrantee and the request for the extension is submitted to ODH for approval.

1. Financial and performance reports must be on file, current with ODH, and all identified financial issues resolved.
2. All special conditions attached to the NOA must be satisfied except those conditions that must be fulfilled in the remaining period of the program. This also includes the performance and resolution of audits in a timely manner.
3. A narrative must be submitted with the program extension request. Complete details must be provided, including the justification and the extraordinary circumstances, which require the proposed extension. The subgrantee must explain the effect of a denial of the request on the program.
4. ODH is expected to take action on any proposed extension request within 15 workdays after receipt of the request.

Invoices for Workers Compensation Insurance are generally issued twice in each calendar year. Subgrantees should only report obligations for Workers' Compensation Insurance in the period in which an invoice is received. Payments for Workers Compensation Insurance are to be reported in the program period in which the invoice is paid.

400.4

Final Expenditure Report

The Final Expenditure Report reflecting total expenditures for the grant period must be completed and submitted via GMIS within 45 days after the end of the program period. The information contained in this report must reflect the subgrantee's accounting records and supporting documentation.

The following shall be observed for all programs during the review and close out by ODH:

1. ODH shall process payments for the subgrantee for any allowable costs, not covered by previous payments, that are reported on the final expenditure report.
2. Any additional amounts of current expenditures or any additional outstanding obligations will not be accepted or paid with program funds.
3. The subgrantee shall have available and immediately refund to ODH any cash balance of program funds and program income.
4. ODH will invoice the subgrantee for refund of any cash balance due if the unobligated funds are not submitted in accordance with policies and procedures. If the balance is unpaid for 30 days after invoicing, a past due notification letter requesting payment will be sent. If the balance remains unpaid for an additional 30 days, a final notice will be sent notifying the agency director of ODH intent to certify the past due account to the Ohio Attorney General's Office for collection. If the balance is not received for an additional 30 days, the account is forwarded to Legal for processing and the agency is placed on the non-compliant agency list. With approval from the Director, payments will be withheld for the continuation grant and may be withheld for **all** grants with the department.
5. If the subgrantee disagrees with the amount of the invoice, they may appeal in writing to the Chief of the Office of Financial Affairs (OFA). The appeal must be received within 10 days of the date of the invoice. The Chief of OFA will review the request and any supporting documentation and either approve or deny the subgrantee's appeal in writing within 15 days of receipt of appeal. If the subgrantee disagrees with the determination, they may appeal directly to the Director. The appeal to the Director must be received within 10 days of receipt of the decision of the Chief, OFA. The Director will within 45 days appoint a hearing officer to review the appeal and any supporting documentation. The hearing officer will recommend to the Director to either approve or deny the appeal. The Director's decision in writing to the subgrantee will be final.
6. No payments on current grants with the subgrantee will be withheld nor any procedures to certify to the Ohio Attorney General for collection will be instituted while an invoiced amount is in the appeal cycle.

400.5

Outstanding Cash Balance from a Previous Program Period

Any subgrantee with an outstanding cash balance owed ODH from a previous program period will be subject to having continuation grant payments, or with the approval of the Director, payment of all grants held. In addition, any Agency with outstanding balances owed ODH and not satisfied as outlined in Section 400.4 Subgrantee Final Expenditure Report will be certified to the Ohio Attorney General's Office for purposes of collection and place in a High Risk Status.

The following constitutes a debt owed to ODH, and shall, if not paid upon demand, be recovered from the subgrantee agency or its successor or assignees by off set or other action as provided by law:

1. Any program funds paid by ODH in excess of the amount to which the subgrantee is determined to be entitled to, under the terms of the award,
2. Any unobligated balance of program income at the end of the funding period which, under the terms of the award, cannot be obligated after the end of the funding period,
3. Any royalties or other special classes of program income which, under the terms of the award, are required to be remitted to ODH,
4. Any amounts due ODH as a result of the sale, transfer, or salvage of program property, including patents and copyrights,
5. Any other amounts determined by ODH or the federal government to be due ODH under the terms of the award.

400.6

Equipment Inventory

The Subgrantees must maintain an accurate property record keeping system for program equipment costing \$300.00 or more. All equipment must be tagged or otherwise marked as ODH property, identifying the program and reported 45 days after the program end date, with the Subgrantees Final Expenditure Report, (Category C - Equipment). The subgrantee must provide a cumulative record of all equipment purchased in whole or in part with program funds for the entire program period. Information must include the following details:

1. Description of the Approved Budgeted Item
2. Serial Number of the Item
3. Inventory Number Assigned
4. Date Acquired/Purchased
5. Approved Annual Budget
6. Actual Expenditures/Cost
7. Date Disposed/Salvaged/Transferred