



United States Department of Agriculture
Research, Education, and Economics

ARS **CSREES** **ERS** **NASS**

Policies and Procedures

Title: Closeout Procedures for Extramural Agreements

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Grants and Agreements Management Branch

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This revision incorporates new terminology reflecting the AFM reorganization into Business Service Centers.

Table of Contents

1. Purpose.....	3
2. Background	3
3. Policy	3
4. Responsibilities	4
5. Authorities.....	6
6. Definitions.....	6
Exhibit 1 - Sample Notification E-mail of Expiration and Request for Reports	7
Exhibit 2 - Sample De-obligation Letter.....	8
Exhibit 3 - Sample Closeout Letter.....	9

1. Purpose

The purpose of this document is to outline the responsibilities, policies, and procedures for closing out an extramural agreement.

2. Background

Closeout is an integral part of and the final step in, the agreement life cycle. Closeout activities may include:

- Processing any final payment requests or collecting overpayments made to the Cooperator/Recipient by ARS.
- Final assessment of the Cooperator's performance under the agreement through receipt of the final Performance Report.
- Final assessment of the financial status of the cooperative agreement through receipt of the final Financial Status Report.
- Providing final performance and financial status reports to the Sponsor as required by the terms and conditions of the agreement.
- The disposition of property and/or equipment (if applicable).
- Final reconciliation of the account(s) in the accounting system, which includes collecting payments on incoming accounts.
- Execution of closeout in the applicable payment system.
- Execution of a closeout action in ARIS/AIMS which may include, reducing the obligation and/or changing the termination date of the agreement.
- E-greening of the official file.

The agreement closeout process will require close coordination between the ADO, ARS PI, AO, BFO or BA, PA, and the PI and/or Sponsored Program's Office for the Cooperator, Recipient or Sponsor. **Close coordination between the functional experts is critical.**

3. Policy

The ADO is responsible for initiating and coordinating all closeout activities and ensuring that all activities are executed timely and properly. If the Cooperator/Recipient does not provide the required final reports or other documents within 180 days from the initial request, the ADO shall take unilateral action(s) to officially close the extramural agreement.

To begin the closeout process, the ADO, through the ARS PI, shall request the Cooperator to submit all final Financial Status and Performance Reports and any other project deliverables no later than 90 days after the completion, termination, or expiration of the project. If a final payment request is pending, it shall not be processed until all required final reports have been submitted by the Cooperator and accepted by the ARS PI.

When incoming funds are involved, the Agency must meet the Sponsor's financial and performance reporting requirements as outlined in the incoming agreement to facilitate closeout.

The ADO shall coordinate all closeout activities with administrative, program, and financial personnel, to ensure the reconciliation of obligation and disbursement information in HHS-PMS, the financial system and ARIS/AIMS for complete closure of extramural agreements. If a Federal obligation remains which has not been paid to the Cooperator, it shall be de-obligated in the accounting system and removed from HHS/PMS (if applicable). Any remaining balances from advances or overpayments held by the Cooperator shall be refunded to ARS within 90 days after the completion, termination, or expiration of the project (applies to outgoing agreements only). All reimbursable accounts must also be reconciled in the accounting system.

Finally, the ADO shall transfer or retire the official file of older hard-copied agreements to the FRC following closeout. All documentation related to the agreement must be maintained in E-green. Paper copies of E-greened files do not need to be sent to the FRC.

4. Responsibilities

ADO Responsibilities:

The ADO is responsible for initiating and coordinating all extramural agreement closeout activities.

Closeout activities include:

- Providing written notification to the ARS PI that an agreement is due to expire no later than 60 days prior to the agreement's expiration date.
- Determining if performance will continue under the agreement.
 - If performance is continuing, closeout is not necessary; however, an amendment to extend the period of performance must be executed. Agreements must not exceed the 5-year statutory limitation (7 U.S.C. 3318 (c)).
 - If performance is not continuing, closeout is necessary.
- The ADO will take the following steps:
 - Obtain or provide (for incoming agreements) the final FSR, Performance Report, and Payment Request (if applicable). **(Exhibit 1)**
 - Process final payment requests.
 - Reconcile the agreement's obligation and disbursement information with the final FSR and the accounting system.

Note: The ADO must work with the Service Center BFO/BA or FMAD to reconcile the systems and/or accounts.

- Initiate closeout in ARIS/AIMS.

Note: A de-obligation of funds and/or change to the agreement's termination date may be necessary to close out the agreement.

- Reconcile the agreement's authorization, disbursed, and charged amounts in the appropriate payment management system and initiate the system's closeout process.

Note: If utilizing HHS/PMS, the authorization, disbursed, and charged amounts must match in HHS/PMS before the agreement can be closed. Reducing the HHS/PMS authorization may be necessary.

- Ensure that any reimbursable accounts remaining open are reconciled and closed in the accounting system (if applicable).
- Make distribution of the fully-executed closeout amendment and De-obligation/Closeout Letter (**Exhibits 4 and 5**) to the:
 - Cooperator/Recipient
 - ARS PI
 - AO
 - PA
 - BFO to execute the closeout in HHS-PMS (if applicable)
 - NFC (with copies of FSR, HHS/PMS screens, and accounting system screens)
 - E-green file

ARS PI Responsibilities:

The ARS PI is responsible for:

- Obtaining or providing (for incoming agreements) final performance and financial status reports from the Cooperator/Sponsor and forwarding approved reports to the ADO.
- Obtaining final payment requests as applicable, and forwarding approved requests to the ADO for payment processing.
- Ensuring patent invention reports and requests to publish (ARS-115) are entered into the ARIS License and Invention and Research Doc. Modules, respectively. Refer to ARS/Office of Technology Transfer and ONP for further guidance.
- Verifying Cooperators invention disclosures are reported via i-Edison.
- Preparing and forwarding equipment and property disposition reports to the ADO.
- Notifying location and Area personnel that agreement is complete and all reports have been received and forwarded to the ADO.

AO/T Responsibilities:

The AO/T is responsible for working with the administrative personnel, as appropriate, to assist the ADO and ARS PI with the agreement closeout process.

5. Authorities

ARS must have statutory (programmatic) authority to participate in the following instruments: Non-Funded Cooperative Agreement, Specific Cooperative Agreement, Standard Cooperative Agreement, Incoming Agreements, i.e., Trust Fund Cooperative Agreement and Reimbursable Cooperative Agreement, Assistance-Type Cooperative Agreement, Grant, Research Support Agreement, Memoranda of Understanding. These agreements are awarded or accepted by ARS under the following authorities: 7 U.S.C. 3318(b); 7 U.S.C. 3318(c); 7 U.S.C. 3319a; and 7 U.S.C. 450a.

6. Definitions

A comprehensive listing of grants and agreements terminology is available on the ARS-AFM website. Click here to view: [Grants and Agreements Glossary](#).

/s/ Sherri L. Carroll

SHERRI L. CARROLL

Deputy Director

Financial Management and Agreements Division

3 Enclosures:

Exhibit 1 - Sample Notification E-mail of Expiration and Request for Reports

Exhibit 2 - Sample De-obligation Letter

Exhibit 3 - Sample Closeout Letter

SAMPLE E-MAIL OF EXPIRATION AND REQUESTS FOR REPORTS



United States Department of Agriculture

Research, Education and Economics
Agricultural Research Service

Date

Attention:

Name

Address (send via e-mail)

SUBJECT: Agreement No. xx-xxxx-x-xxx
Title
Principal Investigator

Dear:

Our records indicate the referenced agreement has expired/is due to expire on (Enter Date). To assist us in closing the file, please forward the information as indicated below:

- X Final Financial Status Report
- X Final Technical/Progress Report
- X Request for Final Payment/Final HHS Drawdown
- X Property Inventory Report and Assurance (as applicable)

If you should have any questions, please do not hesitate to contact me.

Sincerely,

NAME

Authorized Departmental Officer

cc:

ARS PI

AO

E-Green Agreement File



Address for Servicing ADO
An Equal Opportunity Employer

SAMPLE DE-OBLIGATION E-MAIL



United States Department of Agriculture

Research, Education, and Economics
Agricultural Research Service

Date

Attention:

Name

Address (send via e-mail)

SUBJECT: Agreement No. xx-xxxx-x-xxx

Title

Principal Investigator

Notification of Official Closeout

Dear:

Enclosed is a fully-executed copy of Amendment No. 1 of the referenced agreement which reduces the Federal obligation by \$xxx.xx, in order to de-obligate the remaining balance of unexpended funds. This is an administrative change which does not require your representative's signature. Accordingly, this agreement is hereby officially closed.

If you should have any questions, please do not hesitate to contact me.

Sincerely,

NAME

Authorized Departmental Officer

Enclosure

cc: (send via e-mail)

ARS PI

AO

BFO

PA

NFC

E-green File





United States Department of Agriculture
Research, Education, and Economics
Agricultural Research Service

Date

Attention:

Name

Address (send via e-mail)

Re: Agreement No. xx-xxxx-x-xxx
Title
Principal Investigator

Notification of Official Closeout

Dear:

Our records indicate the referenced Agreement expired on (Enter Date). We have received all final reports and final payment has been made. Accordingly, this agreement is hereby officially closed.

If you should have any questions, please do not hesitate to contact me.

Sincerely,

NAME

Authorized Departmental Officer

cc: (send via e-mail)

ARS PI

AO

BFO

PA

NFC

E-green File