

Closeout Under FEMA Awards: OMB Revisions

FEMA declarations and federal awards issued on or after November 12, 2020 are subject to major revisions to the federal closeout rules found at 2 C.F.R. § 200.344.

OMB Revisions

The Office of Management and Budget (OMB) revised sections of *OMB Guidance for Grants and Agreements* found in *Title 2 of the Code of Federal Regulations*, and these revisions are applicable to FEMA declarations and federal awards issued on or after November 12, 2020 unless specifically indicated otherwise. These revisions include changes to the federal closeout standards, which govern how federal award recipients and subrecipients must closeout a federal award.

This Fact Sheet does not contain an exhaustive list of the revisions. FEMA award recipients and subrecipients are encouraged to review the [“Federal Register Notice 2020-17468”](#) and [“Reference Document for Federal Register Notice: 2020-17468”](#) for comprehensive information on the revisions to OMB Guidance for Grants and Agreements.

New Rules and Major Revisions

Closeout requirements are no longer found at 2 C.F.R. § 200.343; they are now located at 2 C.F.R. § 200.344. Some of the changes to recipient and subrecipient requirements include the following:

Closeout Period (2 C.F.R. § 200.344(a))

Recipients must submit, no later than 120 calendar days after the end of the period of performance all financial, performance and other reports as required by the terms and conditions of the award (previously 90 days).

Subrecipients must still submit closeout reports to the pass-through entity no later than 90 calendar days, or an earlier agreed upon date, after the end of the period



of performance.

Liquidation Period (2 C.F.R. § 200.344(b))

Recipients and subrecipients must liquidate all financial obligations incurred under the award no later than 120 calendar days (up from 90 days) of the end date of the period of performance as specified in the terms and conditions.

Standard Closeout (2 C.F.R. § 200.344(g))

If a recipient submits closeout reports in a timely manner, the federal awarding agency must make every effort to complete closeout actions within one year of the period of performance ending, unless otherwise directed by an authorizing statute. This includes actions in the grants management and payment systems.

Administrative Closeout (2 C.F.R. § 200.344(h))

If a recipient or subrecipient does not submit all closeout reports in a timely manner, the federal awarding agency must proceed to administratively close out the award within one year of the period of performance end date with the information available.

Reporting Material Noncompliance with Closeout Requirement 2 C.F.R. § 200.344(i)

If the recipient or subrecipient does not provide all closeout reports within one year of the period of performance end date, the federal awarding agency must report the recipient's or subrecipient's material noncompliance with the terms and conditions of the award with the OMB-designated integrity and performance system (currently FAPIIS).

Federal awarding agencies may also pursue other enforcement actions per § 200.339.

DISCLAIMER: This Fact Sheet is intended to provide general information and is not inclusive of every rule with which FEMA award recipients and subrecipients may need to comply. For more information about FEMA awards, please visit www.fema.gov/grants. If you have any questions, please contact FEMA-GPD-Policy@fema.dhs.gov.

