

Closeouts and Program Controls

Presented to: 2009 BIS ADO Fall Seminar

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Date: October 27-28, 2009



Federal Aviation
Administration



Closeouts

- **Certifies compliance with and adherence to specifications and procedures**
- **Summarizes:**
 - Project history
 - Eligible costs
 - Adherence to specifications
 - Corrective actions taken



The Closeout Report

- **Outlined in BIS ADO Grant Management**
- **Documents**
 - Project Summary
 - Executive Summary
 - Project documents
 - Administrative costs
 - Land costs
 - Engineering costs
 - Construction costs
 - Equipment costs



The Closeout Report

- **Documents**
 - Project photographs
 - DBE participation summary
 - Final inspection report
- **Include Final Test and Quality Control Report**
- **Construction Management Plan – submit before construction begins.**



Bottom Line

- **Not complex**
- **Show invoices or contracts for all expenses**
- **“If we can’t find it, it’s not eligible”**



Closeout Issues

- **Audits**
 - Too many inactive grants
 - Too many old grants
- **Obligation rates**
 - Tracking “burn rate” or rate of fund obligation
 - Driven by OMB policy



Requirements

- **Grant Assurances**
 - Requires timely payments (30 days)
 - Requires closing grant within 3 years
- **Federal Discretionary Policy**
 - Outlined in Federal Register, June 9, 1999
 - Influenced by
 - Number of open grants
 - Lack of timely payments
 - Failure to close grants for completed projects



New Process

- **Start of each fiscal year (October)**
- **Letter to consultants/states/sponsors**
- **Identify:**
 - Inactive grants (no payments for 9-12 months)
 - Grants with \$0 balances
 - Grants that are 3 to 4 years old



Report Requirement

- **Respond within 60 days**
- **Provide dates or explanations**
- **Inactive grants**
 - When next payment will be submitted
 - When closeout will be submitted
- **Grants with \$0 balance**
 - When closeout will be submitted
- **Old grants**
 - When closeout will be submitted



Next Steps

- **Evaluate response within 90 days**
- **Evaluate available documentation**
- **Determine appropriate action**
- **If Closeout is appropriate:**
 - Determine eligible costs based on available documentations
 - Submit final payment or closeout
 - Recoup overpayment if costs not justified

