



**pennsylvania**  
DEPARTMENT OF EDUCATION

# Program Closeout

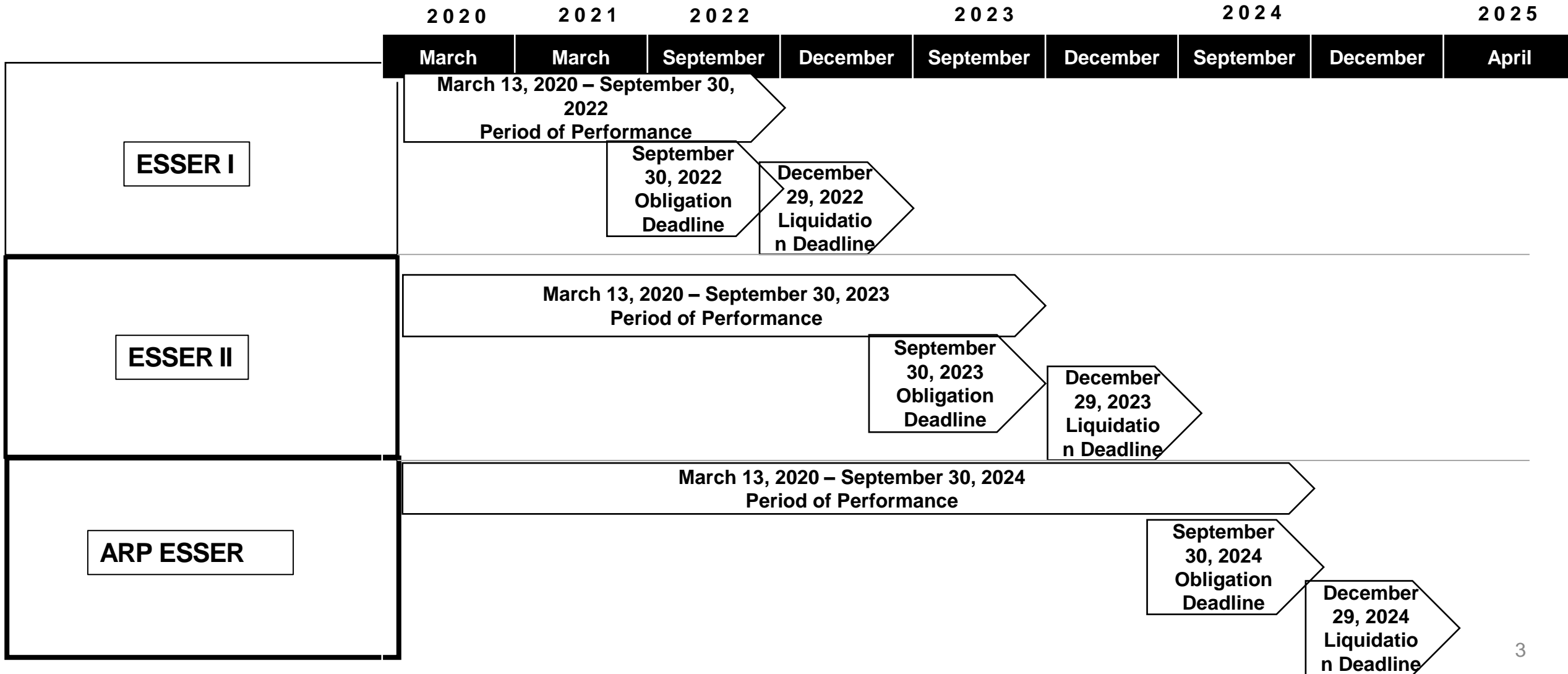
# Closeout: Through the lens of 2 CFR 200

2 CFR 200.344 (a-i) closeout requirement apply to non-federal entities using Federal funds. While you should familiarize yourself with these, the items that apply to you as a Subrecipient are highlighted in **yellow**

| <u>Reference</u> | <u>Title</u> | <u>What You Need to Know</u>  |
|------------------|--------------|---|
| § 200.344 (a)    | Closeout     | A subrecipient must submit to the pass-through entity, no later than 90 calendar days (or an earlier date as agreed upon by the pass-through entity and subrecipient) after the end date of the POP, with financial, performance, and other reports as required by the terms and conditions of the Federal award. |
| § 200.344 (b)    | Closeout     | Unless extension is approved, financial obligations must be liquidated no later than 120 days following end of period of performance  |
| § 200.344 (c)    | Closeout     | The Federal awarding agency or pass-through entity must make prompt payments to the Subrecipient under the Federal award being closed out   |
| § 200.344 (d)    | Closeout     | The Subrecipient must refund any unobligated cash from advance payments from the pass-through entity  |
| § 200.344 (e)    | Closeout     | The pass-through entity must make a settlement for any upward or downward adjustments to the Federal share of costs after closeout reports are received.  |
| § 200.344 (f)    | Closeout     | The Subrecipient must account for any real and personal property acquired with Federal funds or received from the Federal government  |
| § 200.344 (g)    | Closeout     | When a Subrecipient completes their closeout requirements, the pass-through entity must complete their closeout actions no later than one year after the end of the period of performance   |
| § 200.344 (h)    | Closeout     | If the Subrecipient does not submit reports in accordance with this section, the Federal awarding agency must proceed with information available for closeout within one year of end of the period of performance   |
| § 200.344 (i)    | Closeout     | If the Subrecipient does not submit their reports in accordance with this section within one year of the end of the period of performance, the Federal awarding agency must report the Subrecipient's failure to comply with the terms and conditions of the award  |

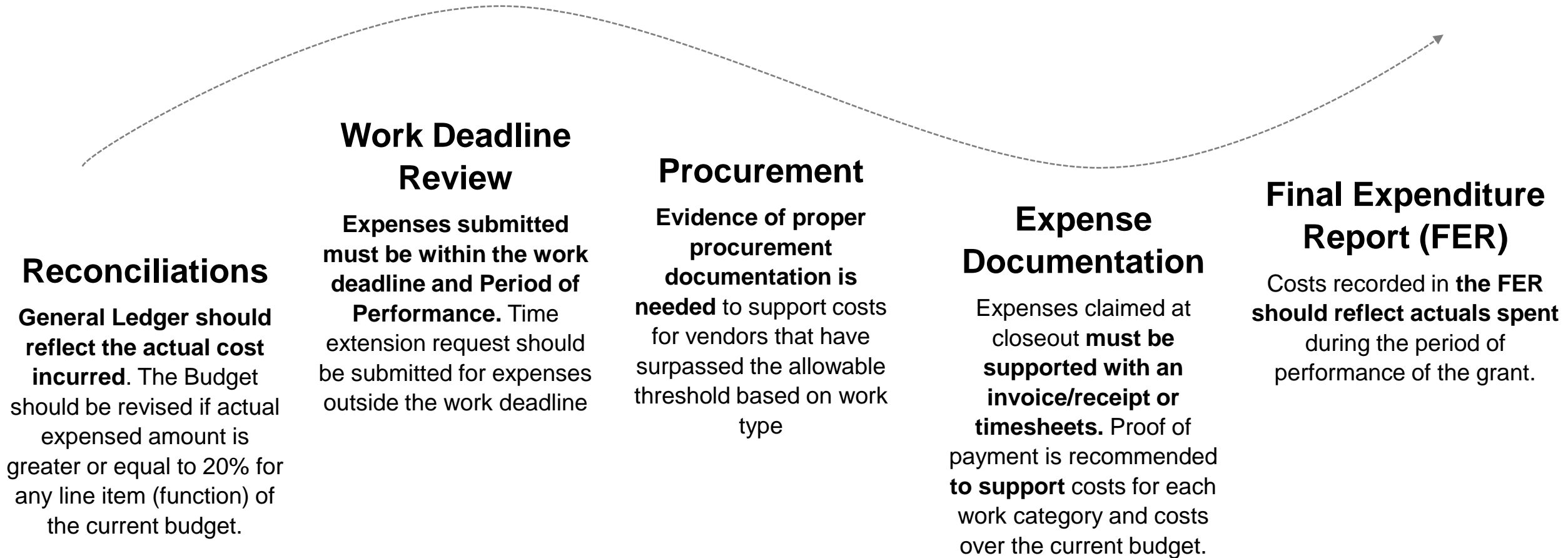
# ESSER Grant Closeout Timelines

The complete timeline of important dates throughout the span of the ESSER grant lifecycle.



# Closeout Process

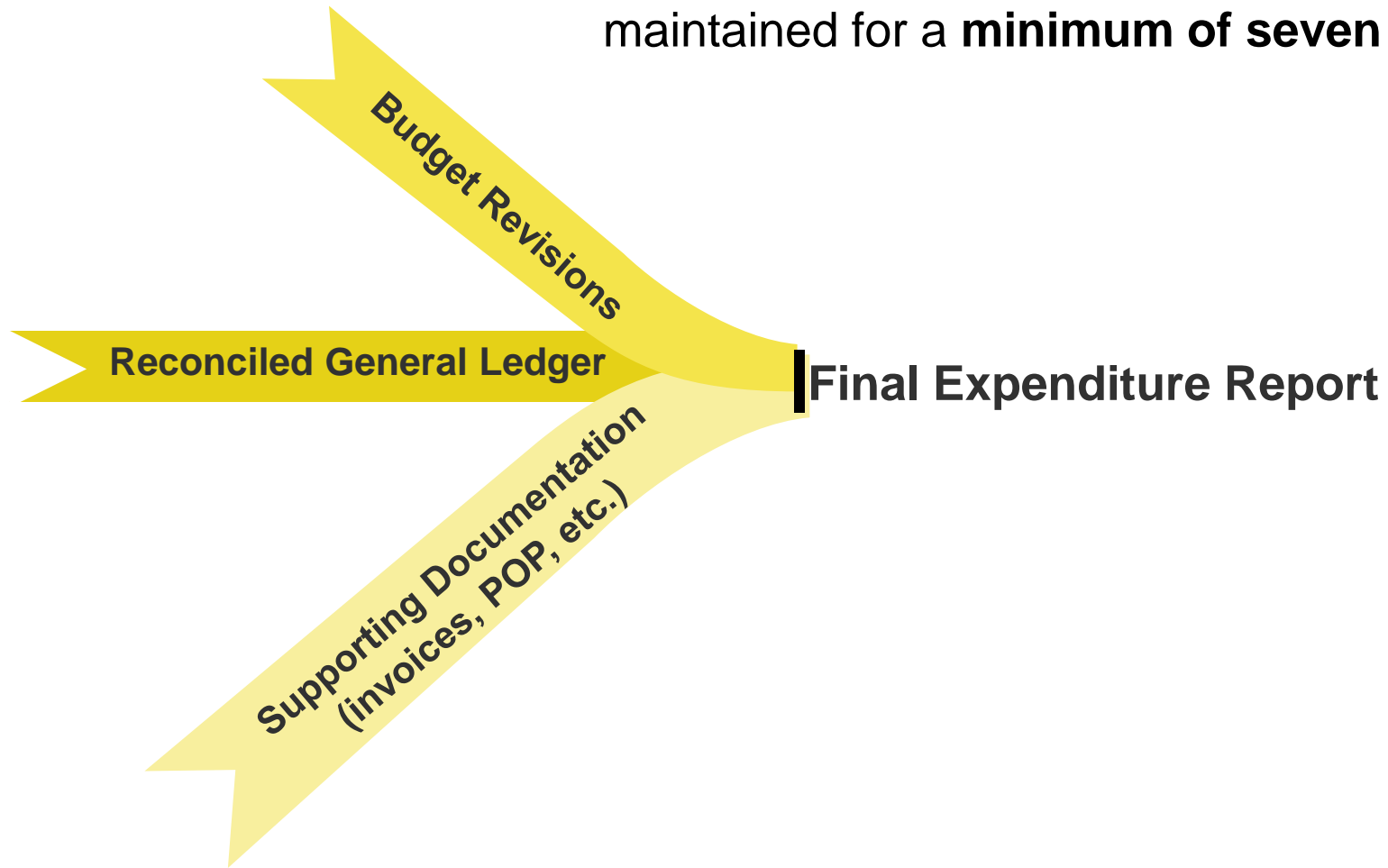
The following processes must be completed for closeout



Closeout Review Checklist is provided to guide preparers/reviewers on closeout

# Final Expenditure Report (FER)

The Final Expenditure Report is a document to close projects and approve final payments. The **FER MUST equal to the total expenses claimed in the General Ledger**, and should be supported by the current/revised budget, and documentation retained such as - invoices, payroll, proof of payment (POP), procurement etc. The Commonwealth of Pennsylvania requires supporting documentation to be maintained for a **minimum of seven years**.



**Important Note:** The Final Expenditure Report is only the tip of the grant closeout process.

# Final Expenditure Report (FER) Procedures & Requirements

Review the following, procedures, requirements and checklist before completing the FER

## FER Ready Checklist

**Is my project Closeout Ready & can I submit FER?**

- Are the funds expended?
- Are you within 30 days of funds being expensed or within 30 days of the grant liquidation deadline (whichever comes first)?
- Have you reconciled your General Ledger to reflect actual costs of expenses using supporting documentation?
- Are expenses dated within the scope and work deadline? If not within the deadline, did you submit a time extension?
- Is your actual cost for any function code greater or equal to 20% of the budget? If so, have you submitted a budget revision?
- After FER reconciliation, is there an overpayment? Have you remitted funds back to PDE?

[Click here for FER Guide](#)

# Common Observations and How to Address Them

| OBSERVATION  | REGULATORY GUIDANCE                         | RISK   | RECOMMENDED ACTION  | NEXT STEPS  |
|--|---|--|---|---|
| <b>Final Expenditure Report Not Submitted</b>              | <b>2 CFR 200.344</b>                        | Failure to comply with reporting deadlines outlined in the terms and conditions of the subaward can result in loss of the Subrecipient's ESSER funding.  | Complete your Final Expenditure report for the program you are closing out.   | The Subrecipient must implement procedures for timely and accurate reporting of Final Expenditure Reports (FER). The financial information reported in the FER must accurately reflect internal reporting information according to the Manual of Accounting and Financial Reporting For Pennsylvania Local Educational Agencies and the PA Chart of Accounts. |
| <b>No Budget Revision Submitted</b>                        | <b>Pennsylvania Department of Education</b> | Failure to report actual financial expenditure information for Federal grant programs could result in loss of the Subrecipient's ESSER funding.  | Create a budget revision for any variances over or under 20 percent for each function code line item.   | The Subrecipient must implement procedures for timely and accurate reporting of Final Expenditure Reports, budget modifications, and other reporting requirements. If circumstances require the re-opening of previous reports, please identify and contact the Regional Coordinator or Technical Administrator for your associated IU.                       |
| <b>Final Expenditure Report Not Supported by Subledger</b> | <b>2 CFR 200.403(g)</b>                     | Failure to comply with financial reporting requirements as outlined in the Manual of Accounting and Financial Reporting For Pennsylvania Local Educational Agencies and the PA Chart of Accounts can result in loss of the Subrecipient's ESSER funding. | Reconcile ledger amounts to reflect actual expenditure information and revise your Final Expenditure Report to align with the claimed amounts on your ledger. | The Subrecipient must implement procedures for timely and accurate reporting of Final Expenditure Reports (FER). The financial information reported in the FER must accurately reflect internal reporting information according to the Manual of Accounting and Financial Reporting For Pennsylvania Local Educational Agencies and the PA Chart of Accounts. |

# Common Observations and How to Address Them

| OBSERVATION  | REGULATORY GUIDANCE     | RISK   | RECOMMENDED ACTION   | NEXT STEPS  |
|--|-------------------------|--|--|---|
| <p><b>FER Does Not Match GL at Object Code Level</b></p> | <p>2 CFR 200.403(g)</p> | <p>Failure to report actual financial expenditure information for Federal grant programs could result in loss of the Subrecipient's ESSER funding.</p> | <p>Reconcile ledger amounts to reflect actual expenditure information and revise your Final Expenditure Report to align with the claimed amounts on your ledger.</p> | <p>The Subrecipient must implement procedures for timely and accurate reporting of Final Expenditure Reports consistent with internal accounting ledger information. If differences and/or errors in reporting information exist, please identify and make retroactive corrections for consistent reporting. You may also contact the Regional Coordinator or Technical Administrator for your associated IU.</p> |
| <p><b>FER Total is Greater than GL Total</b></p>         | <p>2 CFR 200.403(g)</p> | <p>Failure to report actual financial expenditure information for Federal grant programs could result in loss of the Subrecipient's ESSER funding.</p> | <p>Reconcile ledger amounts to reflect actual expenditure information and revise your Final Expenditure Report to align with the claimed amounts on your ledger.</p> | <p>The Subrecipient must implement procedures for timely and accurate reporting of Final Expenditure Reports consistent with internal accounting ledger information. If differences and/or errors in reporting information exist, please identify and make retroactive corrections for consistent reporting. You may also contact the Regional Coordinator or Technical Administrator for your associated IU.</p> |
| <p><b>FER Total is Greater than GL Total</b></p>         | <p>2 CFR 200.403(g)</p> | <p>Failure to comply with the terms and conditions of the subaward could result in loss of the Subrecipient's ESSER funding.</p>                       | <p>Reconcile ledger amounts to reflect actual expenditure information and revise your Final Expenditure Report to align with the claimed amounts on your ledger.</p> | <p>The Subrecipient must implement procedures for timely and accurate reporting of Final Expenditure Reports consistent with internal accounting ledger information. If differences and/or errors in reporting information exist, please identify and make retroactive corrections for consistent reporting. You may also contact the Regional Coordinator or Technical Administrator for your associated IU.</p> |



# Question 1

Which section of 2 CFR 200 covers closeout?

- a) 2 CFR 200.403
- b) 2 CFR 200.320
- c) 2 CFR 200.344 \*
- d) 2 CFR 200.318

# Question 2

At closeout, if total actual expenses do **not** equal FER totals. What action needs to be taken?

- a) No action needed, the general ledger does not affect the FER
- b) Reconcile actual expenses and make the required corrections to each corresponding report \*
- c) Copy and paste Budget amounts to General Ledger and adjust FER
- d) Revise the FER to match the budget not written to actuals

# Question 3

At closeout, Budget Revisions are **required** when?

- a) Expenses in the General Ledger is 15% less than the current budget
- b) Expenses in the General Ledger is equal to or greater than 2% of the current budget
- c) Expenses in the General Ledger is equal to or greater than 20% of the current budget \*
- d) At no circumstances should the budget be revised

# Contact/Mission

For more information on the (the topic of the presentation) please visit PDE's website at [www.education.pa.gov](http://www.education.pa.gov)

*The mission of the Department of Education is to ensure that every learner has access to a world-class education system that academically prepares children and adults to succeed as productive citizens. Further, the Department seeks to establish a culture that is committed to improving opportunities throughout the commonwealth by ensuring that technical support, resources, and optimal learning environments are available for all students, whether children or adults.*