

Grants Handbook

Version 2

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Chapter 1: General Information

1.1 Purpose

This Handbook serves as the basic reference and framework guide of how the Appraisal Subcommittee (ASC) administers its grant programs and should be used in conjunction with the 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

1.2 Applicability and Scope

The Handbook applies to all new ASC grants awarded starting with FY24.

1.3 Suspension

This Handbook supersedes the ASC Grants Handbook (2019) for all grants awarded in FY24 or later. However, the 2019 version of the ASC Grants Handbook will remain in effect for all legacy grants awarded in FY20 and 21.

1.4 Authorities

12 U.S.C. 3338(b)(4) and (5)

1.5 References

2 CFR Part 200- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (a.k.a. Super Circular)

1.6 Roles and Responsibilities

Under the leadership of the Grants Director, the ASC Grants Management Office (GMO) is responsible for the day-to-day responsibilities to manage and administer ASC Grant Programs. ASC approves the awarding levels for the ASC Grant Programs annually.

1.7 Acronyms and Definitions

Defined Acronyms

ALN (Assistance Listing Number) is a unique number assigned to identify a Federal Assistance Listing, formerly known as the Catalog of Federal Domestic Assistance (CFDA) Number.

AMC (Appraisal Management Company) is a person that:(i) Provides appraisal management services to creditors or to secondary mortgage market participants, including affiliates; (ii) Provides such services in connection with valuing a consumer's principal dwelling as security for a consumer credit transaction or incorporating such transactions into securitizations; and (iii) Within a given 12-month period, as defined in 12 CFR § 1222.22(d), oversees an appraiser panel of more than 15 State certified or State-licensed appraisers in a State or 25 or more State-certified or State-licensed appraisers in two or more States.

ASB (Appraisal Standard Board) is the Appraisal Standards Board (ASB) of the Appraisal Foundation (TAF) that writes, amends, and interprets the [*Uniform Standards of Professional Appraisal Practice \(USPAP\)*](#), which is referred to under the provisions of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA).

ASC (Appraisal Subcommittee) is a subcommittee of the Federal Financial Institutions Examination Council (FFIEC) that oversees the real estate appraisal regulatory framework for federally related transactions.

AQB (Appraiser Qualifications Board)- is the Appraiser Qualifications Board of the Appraisal Foundation that establishes the Real Property Appraiser Qualification Criteria, or the minimum education, experience, and examination requirements for real property appraisers to obtain a State license or certification.

BOT (Appraisal Foundation, Board of Trustees) is responsible for the governance of the Appraisal Foundation. The BOT appoints members and provides financial support and oversight to two independent Boards: the AQB and ASB.

FFIEC (Federal Financial Institutions Examination Council) is a formal interagency body empowered to prescribe uniform principles, standards, and report forms for the federal examination of financial institutions by the Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), the Office of the Comptroller of the Currency (OCC), and the Consumer Financial Protection Bureau (CFPB), and to make recommendations to promote uniformity in the supervision of financial institutions.

FIRREA (Financial Institutions Reform, Recovery, and Enforcement Act of 1989) is a United States federal law enacted in the wake of the savings and loan crisis of the 1980s. Title XI of FIRREA created the ASC.

GMO (Grants Management Office) is the group within ASC that is responsible for all aspects of the management and administration of the ASC Grants Program.

NOFA (Notice of Funding Availability) is a formal announcement of the availability or opportunity of Federal funding through a financial assistance program from a Federal awarding agency.

NGA (Notice of Grant Award) is the official legal document issued to the grantee that indicates a federal grant award has been made and funds may be requested to be used, and reported on, in the approved manner.

PMS (Payment and Management System) is a secure, online financial award payment platform operated by the Department of Health and Human Services (DHHS), Program Support Center (PSC). PMS supports the entire financial assistance payment process for both the awarding agency and Recipients. ASC uses the PMS to draw funds and do financial reporting.

SAM (System for Award Management) is the online system the federal government uses to manage all business with the federal government, including grants and cooperative agreements. All non-federal entities seeking grants from the federal government must be registered in SAM before receiving funds from Federal awarding agency.

TAF (The Appraisal Foundation) is a not-for-profit corporation under the laws of Illinois, which was authorized by Congress in 1989 under Title XI of FIRREA to maintain standards and minimum qualifications for the real property appraisal profession.

UEI (Unique Entity Identifier) is the unique number assigned to all entities who register to receive grants or contracts from the federal government. The US General Service Administration (GSA) issues these numbers from the System for Award Management (sam.gov).

USPAP (Uniform Standards of Professional Appraisal Practice) is the Uniform Standards of Professional Appraisal Practice that are the generally recognized ethical and performance standards for the appraisal profession in the United States. USPAP was adopted by Congress in 1989, and contains standards for all types of appraisal services, including real estate, personal property, business, and mass appraisal. Compliance is required by State-licensed and State-certified appraisers performing appraisals in connection with federally related transactions.

Defined Terms

Budget Period is the time interval from the start date of a funded portion of an award to the end date of that funded portion during which recipients are authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to [2 CFR § 200.308](#). ASC grants with a three-year period of performance will have three budget periods. Those budget periods will be the initial year or year one, year two, and year three.

Certified Appraiser is any individual who has satisfied the requirements for State certification in a State or territory whose criteria for certification as a real estate appraiser currently meets or exceeds the minimum criteria for certification issued by the AQB.

De-obligation is the process of downward adjustment of previously incurred obligations. Usually performed at grant closeout when a Recipient reports funds that will not be used towards the grant.

Federal Financial Report (FFR) is the Standard Form (SF) 425 that reports the summary of a Recipient's grant financial activity for the reporting period.

Federally-Related Transaction is any real estate related financial transaction which: (a) a federal financial institutions regulatory agency engages in, contracts for, or regulates; and (b) requires the services of an appraiser.

Grant is federal financial assistance to a non-federal entity to perform activities for the public good per Federal awarding agency's statute.

Grant Agreement is a legal instrument of financial assistance between a Federal awarding agency or pass-through entity and a non-Federal entity, consistent with [31 U.S.C. 6302, 6304](#).

Grant Lifecycle is the process of a grant from beginning to end. The major stages are pre-award, award, post-award, and closeout.

Ineligible Costs are costs that are not eligible for funding or credit to the grant. Another word for ineligible is unallowable.

Licensed Appraiser is any individual who has satisfied the requirements for State licensing in a State or territory whose criteria for licensing of a real estate appraiser currently meet or exceed the minimum criteria issued by the AQB.

National Registry is a list of State certified and licensed appraisers who are eligible to perform federally related transactions, of AMCs that are either are registered with and subject to supervision of a State appraiser certifying and licensing agency or are operating subsidiaries of a federally regulated financial institution. The registry is maintained by the Appraisal Subcommittee. Please note that there is a national registry for appraisers and a separate national registry for AMCs.

Noncompliance is the determination by ASC that the Recipient is not abiding or following the rules, terms and conditions, and/or regulations of the grant.

Non-Federal Entity (NFE) is a State, local government, Indian tribe, Institution of Higher Education (IHE), or nonprofit organization that carries out a Federal award as a Recipient or subrecipient.

Obligation is a legal commitment or liability of the federal government for the payment to the Recipient.

Period of Performance (POP) is the duration of time designated to the Recipient to complete all actions of the Grant Agreement. The POP may include one or more funded portions, or budget periods.

Progress Report (PR) is the report from the Recipient providing status of project activities of the approved grant scope of work. The ASC progress report (ASC-PR) is a fillable form that is submitted semiannually in the Payment Management System (PMS) along with the Federal Financial Report (FFR).

Recipient is an entity, usually but not limited to Non-Federal Entities that receives a Federal award directly from a Federal awarding agency. The term “Recipient” does not include subrecipients or individuals that are beneficiaries of the award.

State is any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, U.S. Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and any agency or instrumentality thereof exclusive of local governments.

State Appraiser Certifying and Licensing Agency is a State Agency established in compliance with Title XI of FIRREA and subject to oversight by the ASC, and which is responsible for: (1) for the certification and licensing of individuals who are qualified to perform appraisals in connection with federally related transactions and/or (2) registering and supervising AMCs.

Statement of Work (SOW) is a work plan or grant narrative that is the Recipient’s written description of how they will carry out the project requirements, which includes project milestones and deliverables.

Supplanting is the practice that a NFE deliberately replaces or reduces NFE funds for an activity, specifically because federal funds are available or expected to be available to fund that same activity.

Terms and Conditions is the list of rules and responsibilities that a Recipient agrees to follow when they accept a federal grant award.

Chapter 2: Grant Programs

2.1 The Appraisal Foundation (TAF) Grant

2.1.1 Introduction

Congress has tasked TAF for setting the standards and qualifications for the real estate valuation profession in the United States. They are directed by BOT and have two independent boards; the AQB and the ASB. ASC is responsible for monitoring and reviewing the practices, procedures, activities, and organizational structure of TAF.

2.1.2 Authority

12 U.S.C. 3338(b)(4)

2.1.3 Eligible Applicant

TAF is the only eligible applicant.

2.1.4 Purpose of this grant funding

ASC is authorized to make grants to TAF to help defray costs relating to the activities of the ASB and AQB. Specific priorities will be identified in the NOFA which will be explained in section 3.2 of this Handbook.

2.2 State Appraiser Regulatory Agencies Support Grants

2.2.1 Introduction

ASC’s authority to award States grants was established under the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) in 2010.

2.2.2 Authority

12 U.S.C. 3338(b)(5)

2.2.3 Eligible Applicant

The legal recipient in each State would be the State Appraiser Certifying and Licensing Agency (State Agency).

2.2.4 Purpose of this grant program

ASC makes awards to support the efforts of eligible State Agencies to comply with Title XI of FIRREA as amended by the Dodd-Frank Act, including the following two areas of support:

1. The complaint process, complaint investigations, and appraiser enforcement activities of such agencies; and
2. The submission of data on State licensed and certified appraisers and AMCs to the National Registries, including information affirming that the appraiser or AMC meets the required qualification criteria and formal and informal disciplinary actions.

In addition to the statutorily defined areas of support, ASC will use its authority to support the efforts of such agencies to comply with the statute by making grants that improve the State regulation of appraisers and AMCs. ASC may periodically identify additional activities it will fund to support these goals consistent with Title XI. Specific goals and priorities will be identified in the NOFA, explained in section 3.2 of this Handbook.

2.2.5 Supplanting

Supplanting is prohibited. ASC grant program is meant to supplement the State's efforts and not replace State appropriated funds.

Chapter 3: Pre-Award Procedures

3.1 Availability of Funds for Grant Programs

ASC funds its grant programs from fees paid by appraisers and AMCs to be on the National Registry of Appraisers and the National Registry of AMCs¹. While the funds come directly from fees, these monies are considered federally appropriated funds for the purposes of ASC's federal grants management practices. On an annual basis, ASC will establish the budget allocated for the ASC Grant programs during the September quarterly meeting. The final budget allocations will be included in the published Notice of Funding Availability (NOFA) and the ASC website.

3.2 Notice of Funding Availability (NOFA)

This is the official document that will list all the requirements of active ASC grant opportunities. It will follow all the requirements set forth in the [2 CFR § 200.204](#) *Notices of Funding Opportunities*.

¹ As authorized by Title XI § 1103(a)(3) and (a)(6), 12 U.S.C. § 3332(a)(3) and (a)(6) respectively.

3.3 Application Submission

Currently, there is not an electronic Grants Management System at the ASC. The NOFA will outline the requirements and process of submitting an ASC grant application for consideration. Recipients must have an active UEI from [SAM.gov](https://sam.gov). The UEI has replaced the Dun and Bradstreet (DUNS) number. ASC cannot award a Recipient without an active UEI number.

3.4 Application Review

The ASC GMO is the lead for all ASC grant applications. Specific application review criteria will be identified in the NOFA for each ASC Grant opportunity. Once applications are submitted to ASC, GMO staff will review the application and validate eligibility and completeness. Ineligible and incomplete applications will not be considered for funding. GMO will notify applicants in writing if an applicant is ineligible. If an application is eligible but incomplete, GMO will notify the applicant of the required information needed with an associated deadline in order to deem the application complete. GMO will coordinate with ASC Policy Managers and subject matter experts on the Statement of Work and budget submitted and review against the priorities and objectives set in the NOFA.

3.5 Conflict of Interest Considerations

A conflict of interest occurs when an individual or entity has private interests (self-serving) that could improperly influence, or be seen to influence, their decisions or actions in the performance of their professional duties. If during the grant application review phase, ASC staff identify any conflicts-of-interest, GMO will communicate the concern to the applicant and allow them an opportunity to address how they plan on managing or mitigating the conflict of interest. The applicant's response will be reviewed by ASC. If it is determined that a special condition needs to be placed on an award due to this review, it will be reflected in the terms and conditions of the grant award as a special condition as outlined in [2 CFR § 200.208](#) *Special Conditions*.

Chapter 4: Awarding Procedures

4.1 Roles and Responsibilities

4.1.1 Grants Management Office (GMO)

Serves as the ASC primary point of contact for all aspects of grant awarding, management, and administration. This office is under the leadership and direction of the ASC Grants Director.

4.1.2 Recipient Authorized Representative

The individual from the Recipient organization who is responsible for ensuring that all the requirements of the grant award are met. They or their designee will be the only ones that that can request changes or closeout of the grant award.

4.2 Initial Award Package

Once the award is made, GMO will send the Recipient an initial award package. This package contains the Notice of Grant Award and Terms and Conditions.

4.2.1 Notice of Grant Award (NGA)

The official legal notification to an applicant that they have been awarded an ASC federal grant. This notice will have all the elements required by [2 CFR § 200.211](#) *Information contained in a Federal Award*. The NGA must be signed by the ASC signatory official (ASC Executive Director) to be valid. The NGA will include the grant's Period of Performance, approved budget and any relevant terms and conditions.

4.2.2 Terms and Conditions

Lists all the rules, requirements, and responsibilities that the grant recipient must follow in accepting an ASC federal grant. This can include both general and special conditions.

4.3 Award Acceptance

To accept the grant award, the Recipient's authorized representative countersigns the NGA. The Recipient has 30 calendar days from receipt of the NGA to accept the award. Failure to accept the award runs the risk of ASC canceling the grant award and De-obligating funds.

4.4 Award Obligation

Once ASC receives the fully executed NGA, the Financial Manager will work with GMO to ensure that grant funding is loaded into the PMS for Recipient use. While these are three-year grant awards, the Recipient will be awarded the first year amount of the grant award. The Recipient would have to request subsequent budget years per the continuation award procedure outlined in 4.5 of this Handbook.

The Recipient must register for a PMS account which is a secure, online financial award payment platform operated by the Department of Health and Human Services (DHHS), Program Support Center (PSC). PMS supports the entire financial assistance payment process for both ASC and Recipients.

4.4.1 Obtaining a PMS Account

It is recommended that the Recipient's financial point of contact obtain the PMS account and not necessarily the authorized representative. The individual with the PMS account will be the one responsible for drawing down federal funds as well as submitting the required semi-annual reports and progress reports.

For individuals that have never accessed the PMS for an ASC grant, click [HERE](#) to download the New User Request Instructions PDF. Please note if the Recipient already has an existing PMS account for another federal agency, the Recipient will still need to register for access with ASC grant information. Recipients can also view PMS' Video on how to request new user access at <https://youtu.be/kdoqaXfiuI0> and find extensive information about and instructions for using PMS at [PMS User Guide | HHS PSC FMP](#)

[Payment Management Services](#). Allow up to four business days for the user access request to be processed by PMS after Supervisor listed on the request has submitted for approval. If a Recipient has not been contacted after four business days, reach out to the One DHHS Helpdesk for PMS Support and they can assist with general questions Monday-Friday, 7 am-9 pm EST. The Helpdesk may be reached at 1-877-614-5533, press option 3, or PMSsupport@psc.gov. The Self-Help Web Portal is available 24 hours a day, seven days a week, at <https://pms.psc.gov/support/help-desk.html>. Once the Recipient has successfully obtained the PMS account, please notify ASC GMO by emailing grants@asc.gov. GMO staff will ensure that funding is loaded and ready for drawdown for the Recipient.

4.5 Continuation Award Procedures

4.5.1 Continuation Award Request Requirements

To request additional funding for the subsequent budget period, which represents funding for the second or third year of the grants period of performance, the organization must submit a continuation award package to the ASC Grants Director, 60 calendar days before the start of the next budget period. The following forms must be submitted:

- **Application for Federal Assistance**, Standard Form (SF) 424 Face Page.
- **Budget SF 424A** will represent the total budget for this continuation budget period (line 1e), including the amounts carried over from the prior year (line 1c).
- **ASC Budget Narrative Worksheet** - It is recommended to begin with the budget narrative prior to completing the SF424A since calculations from the narrative worksheet will be used for the SF424A. As a reminder:
 - **Personnel & Fringe**: only employee's costs (not contractors) should be listed. Please include percentage effort and titles of State employees that will be charged to the grant. Contractors' costs should be added to the “contractual” line.
 - **Travel**: include the title(s) of employees (not contractors) and breakdown of how those costs were calculated (e.g., airfare, mileage, hotel, etc.). Contractor travel would not be included here. Contractor travel should be included in the “contractual” line.
- **Application Narrative** - There is not a standard form, however, a written narrative should be submitted. MS Word or a similar format is acceptable. Continuation grant narratives must include:
 - **Description of Progress**: Summarize progress on reaching the goals and objectives under the grant achieved during the previous one- or two-year budget period.
 - **Challenges**: Include any challenges encountered in the previous year and how the challenges were resolved.
 - **Plans for the Next Budget Period**: Describe grant activities for the upcoming year. Year 2 or 3 grant activities should align with the organization’s original application. If making changes to the objectives under the Grant, an explanation of those changes must be clear.

E-mail this continuation award package to the GMO inbox grants@asc.gov.

4.5.2 Continuation Award Package Review

GMO is the lead for the review of the continuation package. If there is anything missing or needing additional information, GMO staff will reach out. Once a complete package is received, the final approval of the Continuation Notice of Grant will be emailed to the Recipient.

4.5.3 Continuation Notice of Grant (NGA)

The continuation NGA is the official legal notification awarding funding for the subsequent year 2 or year 3 of the grant. The continuation NGA will be signed by ASC authorized signatory official or their designee. The Continuation NGA will include the appropriate amount available, the applicable budget year and the approved budget for that year.

Chapter 5: Post-Award Procedures

5.1 Standards for Financial and Program Management

Recipients should ensure that their financial management system complies with [2 CFR § 200.302](#) *Financial Management*. Federal grants funds should be drawn as needed to reimburse Recipient funds. Advance drawdowns should only be made if it complies with an established Recipient policy for advancing funds and comply with [2 CFR § 200.305](#) *Federal payment*. The Recipient will also be required to advise GMO if federal advance of funds will be made.

If a Recipient is a State, they are required to comply with 2 CFR § 200.302 (a). States must expend and account for federal funds in accordance with State laws and procedures to include the State's Cash Management Improvement Act (CMIA) Agreement. The State's financial management system should be sufficient to prepare reports as required by the terms and conditions of the grant as well as trace funds to a level of expenditure adequate to establish which funds were used for those expenditures.

5.1.1 Cost Sharing or Matching

Cost Sharing should comply with the requirements set forth in [2 CFR § 200.306](#) *Cost Sharing or Matching*. The Recipient should be able to accurately track how the match is being met.

5.1.2 Grant Revisions

If the Recipient needs to make a revision to the approved scope of work, budget, extend the Period of Performance (per [2 CFR § 200.308](#) *Revision of budget and program plans* and [2 CFR § 200.309](#) *Modifications to Period of Performance*); a signed request needs to be received from the Recipient's authorized representative to the ASC Grants Director. The request must include the following:

- The grant program, budget year, and grant award number
- The reason for the delay. This may include any details of the legal, policy, or operational challenges that prevent the final outcome of awarded funds by the current deadline.
- The status of all the activities.
- The amount of funds expended to date.
- The remaining available funds of the grant.
- A budget outlining how remaining grant funds will be expended.
- A plan for completion, including milestones and timeframes for achieving each milestone and position or person responsible for implementing the plan for completion.
- Certification that the activities will be completed within the extended period of performance.

Failure to submit the necessary information will result in GMO not being able to make a determination and will delay a response. Once the information is received, GMO will coordinate with ASC staff to make a determination. The ASC Executive Director will provide an official response to the revision request addressed to the Recipient's authorized representative.

5.1.3 Program Income

Program Income, as defined in 2 CFR § 200.1, is the gross income earned by the non-Federal entity that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance. Program income is prohibited.

5.1.4 Reporting Requirements

The Federal Financial Report (FFR, SF-425) and Progress Report (ASC-PR) are due semi-annually. The reports will be uploaded onto PMS as noted:

Reporting Period 04/01 to 09/30 is due 10/30

Reporting Period 10/01 to 03/31 is due 04/30

At the end of the Period of Performance, a final FFR and final Progress Report will be due at the end of the liquidation period (120 calendar days after the POP end date). The final Progress Report covers the entire project period of the grant and is due 120 calendar days after federal funds have been spent. Progress Reports cover these specific periods while the financial report is cumulative over the period of the grant.

5.1.5 Grant Monitoring

ASC has the responsibility to monitor and provide oversight of the grant per [2 CFR § 200.329](#) *Monitoring and reporting program performance*. ASC GMO staff will work with ASC Policy Managers to review and analyze the semiannual reports received by the Recipients. After our analysis, GMO staff may reach out to the Recipient to request

additional information or request a corrective action plan for items that need to be addressed. GMO staff track these requests until resolution. GMO staff will also review A-133 Single audits submitted in the Federal Audit Clearinghouse (FAC) as required per 2 CFR 200 Subpart F *Audits*.

GMO staff can also conduct onsite visits to review documentation, policies and procedures, and financial processes as deemed necessary. Notification and coordination will be made with GMO staff and the Recipient's authorized representative.

5.1.6 Actions to Address Non-Compliance

If the Recipient does not comply with any of the terms and conditions of the grant, ASC can explore all the options as detailed in [2 CFR § 200.339](#) *Remedies for noncompliance*. ASC will make a minimum of three notifications to the Recipient regarding a violation with the recommended remedy. Failure to remedy the grant non-compliance within the time specified in the notice will result in ASC taking action that can include termination of the grant and De-obligation of funding.

5.2 Cost Principles Compliance

Costs charged to the grant must be approved and allowable under all ASC grant policies as well as comply with [2 CFR 200 Subpart E](#) *Cost Principles*. The NOFA will have specific rules and considerations when it comes to allowable and unallowable costs for each of the grant program.

5.3 Procurement Standards

General procurement standards should be followed per [2 CFR § 200.318](#) *General procurement standards*.

5.3.1 States Procurement Standards

In addition to the general procurement standards, States must also follow their own procurement standards when using federal funds per [2 CFR § 200.317](#) *Procurement by States*. If a service or procurement action is not allowable under State funds, it is not allowable using a federal grant award. The State must treat the federal funding the same way it would treat State funding.

5.4 Property Standards

Grant must follow the standards set forth in [2 CFR §§200.310- 200.316](#) *Property Standards*.

5.4.1 Personal Property: Supplies and Equipment

Personal property is any property other than real property that is tangible, having physical existence, or intangible. Equipment is personal property that has a value of \$5,000 or greater. Supplies are personal property that has a value less than \$5,000.

5.4.2 Real Property

Real property means land, including land improvements, structures, and appurtenances thereto, but excludes moveable machinery and equipment. Real property is not an allowable expense for the ASC grant programs.

Chapter 6: Closeout Procedures

6.1 Roles and Responsibilities

6.1.1 Recipient

The period after the POP end date is the liquidation period. It is the first step in the closeout process. During this time, the Recipient is no longer allowed to perform actions of the grant. The Recipient can only work on closeout actions. That includes paying final invoices and preparing final reports for submission to ASC. If additional time is needed for closeout actions, a liquidation extension request can be made to the ASC Grants Director. The Recipient is responsible for submitting the final FFR and final Progress Report to ASC by the end of the liquidation period.

6.1.2 ASC GMO

GMO is the lead for ensuring that the Recipient submits all the final reports required by the end of the liquidation period. Once received GMO will work with ASC staff to ensure all activities of the grant have been met and comply with all terms and conditions of the award.

6.1.3 Financial Manager

The Financial Manager ensures unobligated Recipient grant funds are De-obligated from the grant and performs all closeout actions in the PMS system.

6.1.4 Executive Director

The Executive Director signs the closeout notification letter to the Recipient.

6.2 Closeout Process

6.2.1 Liquidation Period

At the end of the Period of Performance, the Recipient will enter into the liquidation period which is the first portion of the closeout period. The Recipient will have 120 calendar days to pay all final invoices and submit the request to closeout letter, final FFR, and final Progress Report to ASC via PMS. Grant activity is prohibited during the liquidation period except for these grant closeout activities. If additional time is needed for the liquidation period, a written request must be submitted to the ASC Grants Director with the details justifying an extension. If more time is requested to perform activities for the grant, then a Period of Performance extension must be requested (follow steps 5.1.2 Grant Revisions).

6.2.2 Request to Closeout Letter

Letter requesting grant closeout which must be signed by the Recipient's authorized representative. This letter should certify that all approved work has been completed and all eligible costs have been paid.

6.2.3 Final Federal Financial Report (FFR or SF425)

This is the final financial report for the grant. It must be marked as "final" on the form. The Recipient will record all the required financial information on this form. Please note that a final FFR cannot report any unliquidated obligations or have any cash on hand. This report is submitted in the PMS system.

6.2.4 Final Progress Report (ASC-PR)

This is the final Progress Report that will detail all the accomplishments of the grant. The report will have to be marked as "final" on the form. If additional space is needed, the Recipient can add an additional MS Word document to capture the additional text. The completed form should be uploaded as an attachment to the FFR on PMS.

6.2.5 ASC Receipt of Final Reports

ASC GMO will monitor for timely receipt of the final reports from the Recipient. If final reports are not received in a timely manner, ASC will make at least three attempts to obtain the required final reports. If final reports are not received, ASC will proceed to closeout the grant and will use the information from the last submitted reports to serve as the final reports. That could lead to all activities and charges past those last submitted reports to be deemed unallowable and due back to ASC. ASC can also report the Recipient to the OMB-designated integrity and performance system as being non-compliant.

6.2.6 ASC Grant Closeout

GMO will download the final reports from PMS and work with the Policy Managers and other ASC staff to review the final reports. If any questions or clarifications are needed, GMO will be the lead in gathering the information needed. ASC will work on De-obligating any unobligated funds and notify the Recipient in writing of the grant closure. ASC has an obligation to closeout the grant no more than one year from the end of the Period of Performance end date.

6.3 Retention Period

Recipients should comply with [2 CFR § 200.334](#) *Retention requirements for records*. Federal award records should be retained for a period of three years from the date of the submission of the final reports. However, if the Non-Federal Entity's requirements are more restrictive than three years, the organization must follow the more stringent requirement.

Chapter 7: A-133 Single Audit Resolution

7.1 Introduction

2 CFR § [200.501](#) *Audit Requirements* outlines responsibilities of federal grant Recipients as they pertains to the single audit requirements. Generally, Recipients that expend more than \$750,000 a year, are required to do a single audit. Please note that if the State Agency is included in the overall State single audit, that State audit meets the requirement. The single audits are to be uploaded into the Federal Audit Clearinghouse (FAC) on an annual basis.

7.2 Roles and Responsibilities

7.2.1 Recipient/Auditee

The Recipient/Auditee is responsible for ensuring that a single audit is completed if required. Results are to be uploaded to the FAC. If any finding is discovered by the auditors, the Recipient/Auditee is responsible for creating a Corrective Action Plan (CAP) to address the finding. The Recipient/Auditee is responsible for implementing the CAP to resolve the finding(s).

7.2.2 ASC GMO

Responsible for reviewing the CAP submitted by the Recipient/Auditee to ensure the plan satisfactorily addresses the finding(s). The ASC Grants Director drafts the Agency Response to the CAP (called the Management Decision Letter or MDL) for signature.

7.3 Process for Resolving ASC Findings

After the Recipient/Auditee ensures that the single audit is uploaded in the FAC along with any associated CAP, the Recipient/Auditee works on implementing the CAP. The ASC GMO reviews the single audit and any necessary CAPs to ensure that it adequately addresses the findings.