
DWD Policy 2024-09, Change 1: United States Department of Labor Grant Award Closeout

To: Indiana's Workforce System
From: Indiana Department of Workforce Development (DWD)
Date: August 21, 2025

PURPOSE

To provide closeout procedures to DWD staff and administrators of Federal grants, including timely and accurate completion of all administrative actions and required work associated with the Federal grant award.

CHANGE 1 SUMMARY

This policy was updated to include record retention requirements guidance to align with 2 CFR 200.334.

RESCISSION

DWD Policy 2024-09, Change 1 *United States Department of Labor Grant Award Closeout*

REFERENCES

- 2 CFR Part 200-230, and 344
- 2 CFR Part 667
- 2 CFR Part 2900
- TEGL 12-22 *Award Closeout Process for Expired Grants and Agreements*
- TEGL 28-10 *Federal Financial Management and Reporting Definitions*
- DWD Policy 2024-12 *Property Management and Surplus Property*
- DWD Policy 2024-11: *Allowable Costs for Federal Grant Awards*

DEFINITIONS

Grant award closeout is the completion of the grant life cycle and the official end of the grant.¹

Grant award closeout period refers to the period of 90 (grants awarded before November 12, 2020) or 120 (grants awarded after November 12, 2020) calendar days following the expiration of the grant period of performance. This period is used to liquidate remaining obligations under the grant and to prepare and transmit final financial and program documents.

¹ 2 CFR 200.1.

NOTE: This policy cites the Uniform Guidance as updated in 2024. These revisions to the Uniform Guidance apply to all federal grant awards issued on or after October 1, 2024, including any amendments to grant awards that result in the award of additional funds and/or any incremental funding awarded by the United States Department of Labor Employment and Training Administration (ETA) on or after October 1, 2024.

CONTENT

DWD will submit all financial, performance, and other reports no later than the end of the grant award closeout period unless an extension has been requested and approved. All applicable administrative actions and required work must be completed by the relevant deadline. Administrative costs after the period of performance that are associated with closeout are allowable.² If closeout costs are incurred, they must be liquidated prior to the due date of the final report and charged to that final budget period.

Closeout Notification

The grant award closeout process begins once an award expires or has been terminated. A Department of Labor (DOL) Closeout Unit Resolution Specialist (CRS) will initiate the closeout process by sending a notification to DWD's signatory official via DOL's grant tool.³ The CRS should send the notification within seven (7) days of the period of performance end date.⁴

Requesting an Extension

If the 90- or 120-day timeline cannot be met for submitting the required closeout documents, DWD must submit an extension request to the CRS as soon as possible. The request must include a written detailed justification of why a closeout extension is needed. The request will be considered and approved on a case-by-case basis.⁵ DWD's Chief Administrative Officer, or a representative thereof, will collaborate with program staff to determine whether to request an extension and will send the formal extension request to the CRS as needed.

Charges After the Grant Expires

DWD may charge the grant allowable expenditures incurred during the funding period.⁶ No additional costs may be incurred after the expiration of the grant except for closeout costs. DWD must liquidate expenditures (pay bills) properly incurred during the award and has 90 or 120 calendar days to do so.⁷ Any costs incurred after the expiration of the grant are unallowable as direct costs.⁸

An example of allowable liquidation of expenditures is the payment of staff salaries accrued during the period of performance, but for which pay day falls after the end date of the grant.

² 2 CFR 2900.

³ TEGL 12-22.

⁴ TEGL 12-22.

⁵ 2 CFR 200.344(c).

⁶ See DWD's *Allowable Costs for Federal Grant Awards* policy for more information.

⁷ 2 CFR 200.344.

⁸ 2 CFR 200.

DWD cannot deviate from established personnel and payroll policies to accrue more salary expenses during closeout.

DOL requests DWD to report on all financial transactions on an accrual basis. An accrued expenditure⁹ is defined in the ETA-9130 form instructions and in TEGL 28-10 Federal Financial Management and Reporting Definitions as “costs for goods or services received regardless of whether payment has been made.”

Grants have direct¹⁰ and indirect¹¹ costs. Under the OMB cost principles,¹² direct costs are those that can be identified with a particular final cost objective (i.e., a particular award, project, service, or other direct activity of an organization). Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a particular final cost objective. After direct costs have been determined and assigned directly to grant awards or other work as appropriate, indirect costs are those costs that cannot be readily assignable to a cost objective or benefits multiple cost objectives. A cost may not be allocated to a grant award as an indirect cost if any other cost incurred for the same purpose, in like circumstances, has been assigned to a grant award as a direct cost.

Examples of indirect costs may include depreciation or use allowances on buildings and equipment, the costs of operating and maintaining facilities (overhead), top management personnel, finance operations, HR, payroll, and general administration and general expenses. Ordinarily, allowance for these types of costs will have been included in the indirect cost pool and funded through the application of the approved negotiated indirect cost rate across all Federal grant awards.

Required Closeout Process and Documents

DWD Finance leads the closeout process, coordinates with program staff to complete all required actions and submits all applicable documents by the applicable deadline.¹³

Process

- Verify that all required reports have been completed and submitted.
- Determine whether payments or refunds need to be made.
- Refund any balances of unobligated cash that was paid to DWD in advance or paid to DWD and is not authorized to be retained.¹⁴ All fund returns are to be submitted electronically through the Payment Management System (PMS) operated by the U.S. Department of Health and Human Services via the same method as a drawdown (<https://pms.psc.gov/grantrecipients/returningfunds-interest.html>) or Pay.gov (<https://www.pay.gov/public/form/start/177233981>).
- If the PMS document to which DWD is attempting to apply the refund is closed or expired, do the following:

⁹ See 20 CFR 667.107(2)(e) for additional information on period of availability.

¹⁰ 2 CFR 200.413.

¹¹ 2 CFR 200.414.

¹² 2 CFR 200, 220, 225, 230.

¹³ 2 CFR 200.344.

¹⁴ 2 CFR 200.344.

- Send an email to etaARteam@dol.gov requesting that the grant be re-opened for a refund/return of funds that needs to be processed. Include the full PMS grant number that includes the sub-account, such as AB12345-XY0.
- Once the grant is re-opened, DWD will receive a confirmation email after which DWD may submit the refund against the PMS grant.
- If there are questions regarding the return of funds or DWD no longer has access to PMS, contact the U.S. Department of Labor/ETA Office of Financial Administration at etaARteam@dol.gov for further assistance.
- Liquidate all financial obligations incurred under the Federal grant no later than 90 or 120 calendar days, whichever is applicable, after the grant's period of performance end date.¹⁵
- If services or goods have not been rendered or received prior to the expiration of the grant, then any liquidation of existing obligations can NOT occur. The only liquidation that occurs during closeout is the liquidation of accrued expenditures¹⁶ – goods or services rendered or received during the period of performance.
- Account for property acquired with the grant award.¹⁷
- DWD must account for all equipment and supplies by completing a Property Certification Form for all equipment with a current fair market value of \$10,000 or more per unit and any remaining supplies with an aggregate value of \$10,000 at closeout.¹⁸ Equipment is defined as tangible nonexpendable personal property including exempt property charged directly to the award having a useful life of more than one year and an acquisition cost of \$10,000 or more per unit.¹⁹ Supplies are defined as tangible personal property other than those described under Equipment with a total aggregate value of \$10,000, regardless of the length of its useful life.²⁰ The disposition of equipment must follow the guidelines specified in DWD's Property Management and Surplus Property policy.
- Acquisition of Real Property is prohibited under these grants; therefore, the items in question would fall under equipment or supplies.

Under the award closeout process clarified in TEGL 12-22, DWD is no longer required to complete a Closeout ETA-9130 financial report. Instead, the final quarterly ETA-9130 report will be used as the closeout report.

Submitting the Documents

- DWD must register in PMS to prepare, submit, and certify the reports.
- The FINAL ETA 9130 must be submitted through the Payment Management System (PMS). Mark Box 6 as "Final."
- Submit a detailed statement of costs through the DOL grant management portal or email the closeout specialist.

¹⁵ 2 CFR 200.344.

¹⁶ 2 CFR 2900.15.

¹⁷ 2 CFR 200.344.

¹⁸ TEGL 12-22.

¹⁹ 2 CFR 200.1.

²⁰ 2 CFR 200.1.

- The Statement of Costs must be consistent with the cost categories contained in the SF-424A budget.
- Submit the current Negotiated Indirect Cost Rate Agreement/Cost Allocation Plan, if applicable.
- Submit a Government Property Inventory Certification through the USDOL grant management portal or email the closeout specialist. This may include an Inventory List.
- Submit other documents as required under the grant terms and conditions or as requested by the CRS.

For more information, visit http://www.doleta.gov/grants/grant_closeout.cfm.

Record Retention Requirements²¹

The recipient and subrecipient must retain all Federal award records for three years from the date of submission of their final financial report or until all litigation, claims, and/or findings have been resolved. For awards that are renewed quarterly or annually, the recipient and subrecipient must retain records for three years from the date of submission of their quarterly or annual financial report, respectively. Records to be retained include but are not limited to financial records, supporting documentation, and statistical records.

Subrecipient Grant Closeout

DWD acts as a pass-through entity for several USDOL grants. All subrecipients receiving USDOL funds from DWD must be prepared to contribute to the closeout process as requested by DWD. Subrecipients must also be aware of and abide by any closeout processes described in their notice of award.

ACTION

All DWD staff and administrators of Federal grants must adhere to this guidance.

EFFECTIVE DATE

Immediately.

ENDING DATE

Upon rescission.

ADDITIONAL INFORMATION

Questions regarding the content of this publication should be directed to policy@dwd.in.gov.

²¹ 2 CFR 200.334.