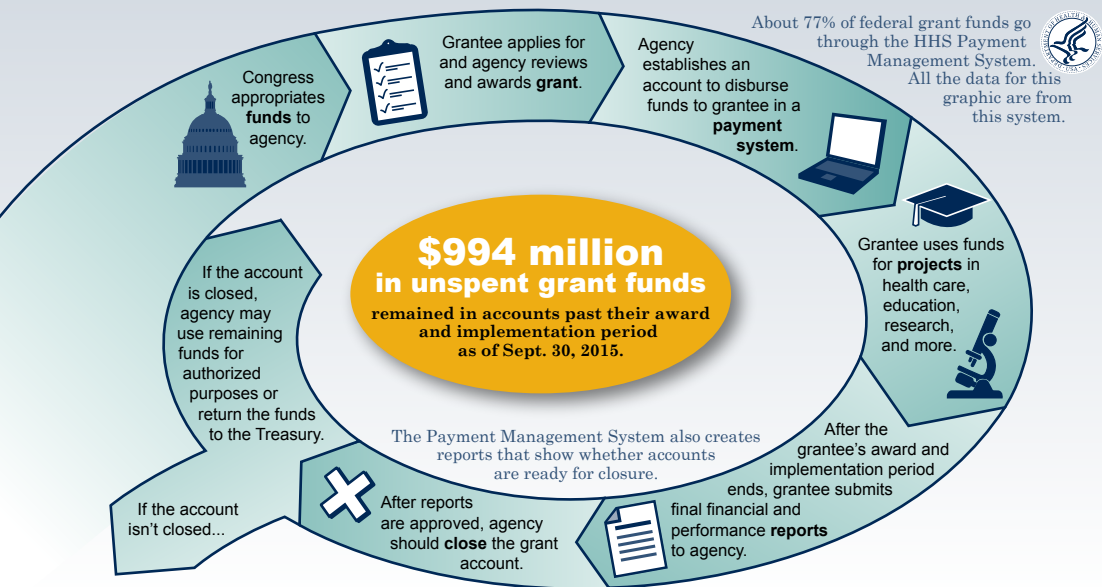


# Grant Closeout

What happens to unused federal grant funds?

AN OVERVIEW FROM GAO-16-362

## How do funds flow through the grant life cycle?



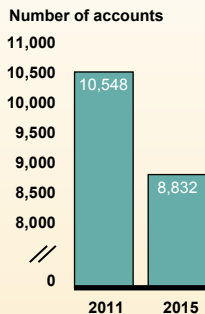
## Why do agencies say grant accounts are left open?

### Obstacles to Final Grant Reporting and Processing that May Impact Closeout

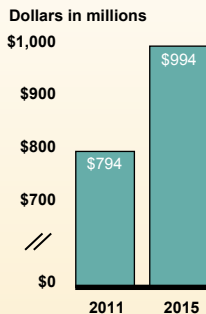
- Grantee under audit
- Grantee no longer in existence
- Grant projects that require multi-jurisdictional review
- Delayed technical deliverable
- Cost-sharing agreements/program income
- Disconnection between grant management and payment system
- Final indirect cost rate approval
- Manual report reconciliation process

## What's the situation with grant closeouts, and how has it changed?

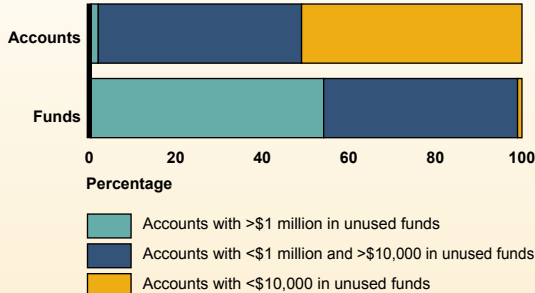
The number of accounts that could have been closed decreased by >1,700



While the total amount of funds remaining in these accounts increased by about \$200 million



As of Sept. 30, 2015, a small number of these accounts had large balances, while half of the accounts had relatively small balances.



Snapshots of Sept. 30, 2011 and Sept. 30, 2015

Even accounts with no money in them can incur fees if they aren't closed.

In September 2015:

- 5,906** Number of accounts with no money in them that the Payment Management System identified as ready for closure
- \$29,000** Approximate fees that these accounts incurred in September 2015

LOOKING FOR MORE INFORMATION?  
Visit [GAO.GOV/GAO-16-362](http://GAO.GOV/GAO-16-362)

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