

Issued To: Nationwide Agreement Community

Issue Date: February 2022, via e-mail

Subject: **UPDATED** De-obligation Policy for Cooperative Agreements, Grants, and Interagency Agreements **(Supersedes all previous guidance)**

COOPERATIVE AGREEMENTS AND GRANTS (Currently in ezFedGrants):

For unobligated balances (to include cancelled/terminated agreements), **regardless of the amount**, the following steps should be followed/taken:

- A **final** SF-425 that reflects the appropriate unobligated balance (**block h**) is **still required** for review/approval in ezFedGrants and is necessary prior to de-obligation.

***Please Note:** It is the responsibility of the Grants Specialist (GS) and Program Manager (PM) to verify that the de-obligated amount listed on the **final SF-425 (block h)** matches the **open balance** amount listed in ezFedGrants, the **unobligated amount** on the ULO report, and **unobligated amount** listed in 5 (b) of the Closeout Report. If there are any discrepancies with this information, it needs to be corrected **before** a closeout is initiated. Once an agreement is closed in ezFedGrants no other actions can be taken on that agreement.

COOPERATIVE AGREEMENTS AND GRANTS (Currently in ACMS)

For unobligated balances (to include cancelled/terminated agreements), **regardless of the amount**, the following steps should be followed/taken:

- A **final** SF-425 that reflects the appropriate unobligated balance (**block h**) is **still required** for review/approval is necessary prior to de-obligation.
- An email to Minneapolis requesting this balance be de-obligated along with the ACMS Screenshot.

***Please Note:** It is the responsibility of the GS and PM to verify that the de-obligated amount listed on the **final SF-425 (block h)** matches the **unobligated amount** on the ULO report and **unobligated amount** listed in 5 (b) of the Closeout Report. If there are any discrepancies with this information, it needs to be corrected **before** a closeout is initiated.

INTERAGENCY AGREEMENTS (ACMS)

When APHIS is the requesting agency (**providing funding to another USDA agency**), make sure the performing agency confirms that they have reduced the Sales Order (SO) BEFORE processing the de-obligation to reduce the Purchase Order (PO).

For any unobligated balances an email to Minneapolis requesting this balance be de-obligated, with the following documents attached:

- Email from the Cooperator confirming that their SO has been reduced (when APHIS is the requesting agency)
- ACMS Screenshot

DEOBLIGATIONS AND ACMS

For all ACMS de-obligations (interagency agreements, cooperative agreements, and grants) the de-obligation amount **MUST** be posted in ACMS, and a screenshot attached to the request in order for the de-obligation to be processed. ACMS must reflect the same information posted in FMMI, as this will update USAspending.gov when the de-obligations pertain to cooperative agreements and grants. These figures are periodically reviewed by the Department for consistency, and the awarding office will be asked to explain and correct any variances.

AUTHORIZED DEPARTMENTAL OFFICER'S DESIGNATED REPRESENTATIVE (ADODR)/PROGRAM MANAGER (PM) RESPONSIBILITIES

The ADODR/PM plays a pivotal role in ensuring that the work has been completed and that all the charges are properly assessed, particularly when multiple FMMI codes and programs are funding the agreement. That individual is responsible for notifying the GS regarding the status of the agreement, e.g., completion of the work. The ADODR/PM is also responsible for notifying the budget analysts (for each code charged) of the need for changes in funding levels for their accounts against which the agreement is charged. The ADODR/PM also notifies the GS of the change in funding level and the associated impact on the statement of work and budgets for each affected account. This process occurs before changes are made and any such changes in funding that affect the work plan/statement of work and budgets must be **approved by the Signatory Official (SO) in advance**. Through proper monitoring, this type of information should be known earlier in the agreement cycle.