



North Carolina Pandemic Recovery Office (NCPRO)

Technical Assistance (TA)

Administering Agency Session

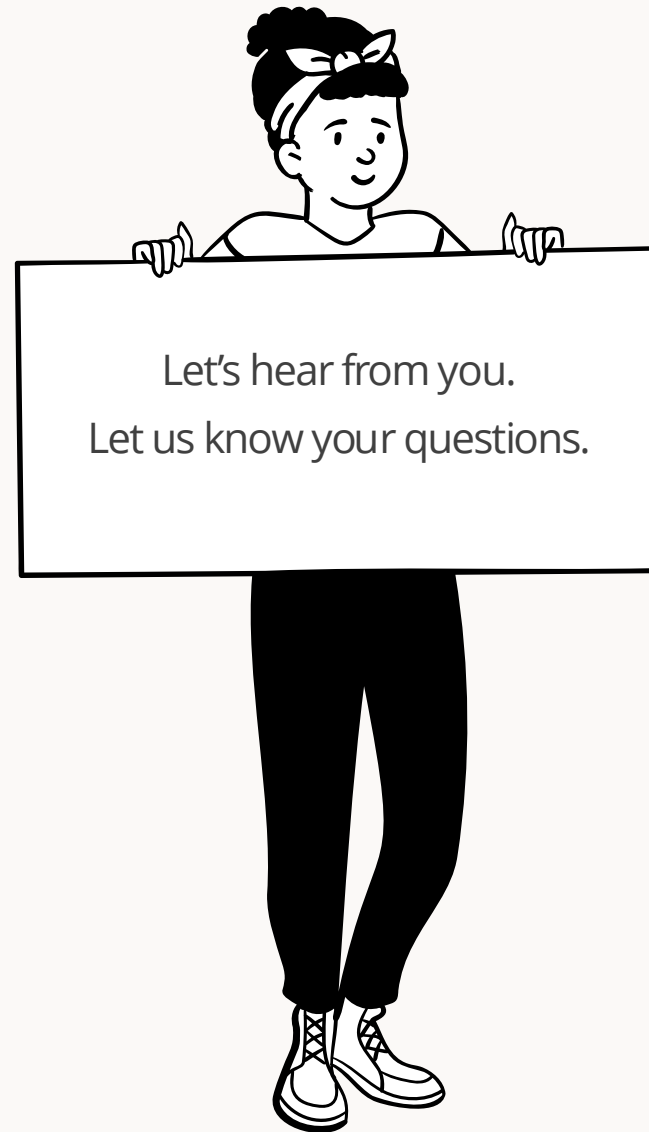
July 29, 2026



Administrative Closeout Costs

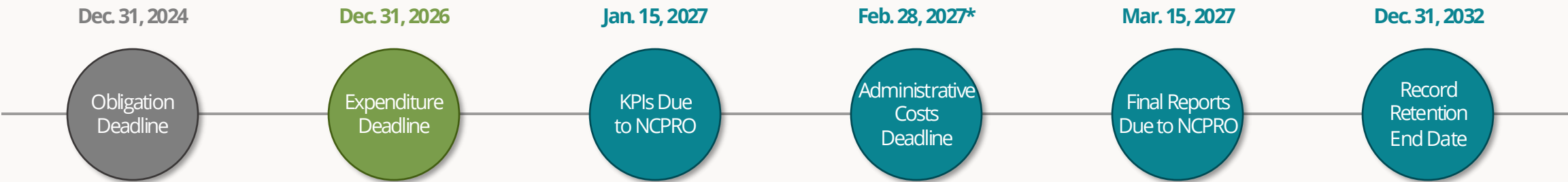
Agenda

- 1 Where We Are: State Fiscal Recovery Fund (SFRF) Timeline and Key Dates
- 2 Important Administrative Closeout Cost Deadlines
- 3 Allowable vs. Unallowable Administrative Closeout Costs
- 4 Common Risk Areas to Avoid
- 5 Three Actions to Take Now



Where We Are: SFRF Timeline and Key Dates

KPIs Due
to NCPRO



Administering Agencies		
Milestone	Date	Status
Obligation Deadline	December 31, 2024	Passed
Program Expenditure Deadline	December 31, 2026	Upcoming
KPI Submission to NCPRO	January 15, 2027	—
Administrative Closeout Cost Deadline	February 28, 2027*	—
Final Report Submission to NCPRO	March 15, 2027	—
Record Retention End Date	December 31, 2032	—

NCPRO will submit North Carolina’s final Project and Expenditure Report to the U.S. Treasury by **April 30, 2027**.

* Date subject to change
KPIs = Key Performance Indicators

Important Administrative Closeout Cost Deadlines



December 31, 2026 *Expenditure Deadline*

- Last date for an administering agency to expend **programmatic** costs.
- This is the last date for an administering agency's subrecipient(s) to expend SFRF funds (programmatic or administrative). After this date, subrecipients may not charge SFRF for any related closeout activities, including preparation of agency-specific reports.

February 28, 2027* *Administrative Costs Deadline*

- This is the last date administering agencies may charge **administrative** closeout costs to SFRF. After this date, agencies may not charge SFRF for any related closeout activities, including preparation of Final Reports for NCPRO.

You may not exceed your **Administrative Cost Rate** (found in your Award Agreement Section 4.1)

* Date subject to change
KPIs = Key Performance Indicators

Knowledge Check

True or False: It is *after* February 28, 2027. An administering agency still has unexpended SFRF funds. The agency can use these unexpended funds to cover admin costs related to closeout activities.

Answer: False

True of False: It is *before* February 28, 2027. An administering agency has unexpended SFRF funds but has already reached the 10% cap on admin costs. The agency has to return those unexpended funds and cannot use them for closeout tasks.

Answer: True



Allowable Administrative Closeout Costs After December 31, 2026

After the program expenditure deadline, administering agencies may incur limited costs to complete closeout activities. These allowable administrative closeout costs must be finalized by **February 28, 2027**.

Allowable administrative closeout costs include (per [Treasury FAQ 17.5](#)):

- ☒ Administration support
- ☒ Data security measures
- ☒ General Ledger review and reconciliation
- ☒ Compliance with reporting requirements
- ☒ Bank reconciliation matters
- ☒ Program policies and procedures preparation
- ☒ Internal controls compliance
- ☒ Single audit and program-specific audit matters
- ☒ Closeout processes for subrecipient, beneficiaries, and contractors

Important: Under [Treasury FAQ 17.5](#), recipients are considered to have all SFRF closeout costs obligated as of December 31, 2024. Administering agencies, however, must continue to identify and track SFRF expenditures. For Administering Agencies, eligible administrative activities must be properly documented, related to closeout activities, and completed by February 28, 2027. Once completed, administrative costs must be included in the final report to NCPRO by March 15, 2027.



Teams Chat: What costs (if any) is your administering agency expecting to incur after the expenditure deadline?

Items that are NOT Administrative Closeout Costs



Program work after the performance period ends



Ongoing costs (such as recurring vendor payments) that have been forgotten about



Purchase of equipment or supplies that can be used elsewhere



Covering unrelated budget shortfalls



Contingency or reserve amounts for possible future cleanup



Relabeling normal overhead as a direct closeout cost



Costs resulting from noncompliance or penalties associated with audit findings



Fines, penalties, interest, or late fees

Knowledge Check

True or False: An administering agency has several subrecipient projects. These subrecipients can use their SFRF dollars *after* December 31, 2026 to cover any remaining administrative tasks they must complete to closeout with my agency.

Answer: False

Multiple Choice: As an administering agency, what can I use remaining SFRF funds for if I have funding left after the expenditure deadline of December 31, 2026?

- A) Administrative Costs that are allowable and obligated, including: General Ledger Reviews, Bank Reconciliation Matters, Single-Audit and Program-Specific Audit Matters, Internal Control Matters, etc.
- B) Programmatic costs necessary to complete a remaining project deliverable under the SFRF-funded project.

Answer: A



Common Risk Areas to Avoid



**Using SFRF
administrative funds
for costs that do not
qualify as
administrative
expenses**



**Exceeding your
agency's allowable
administrative cost
limit**

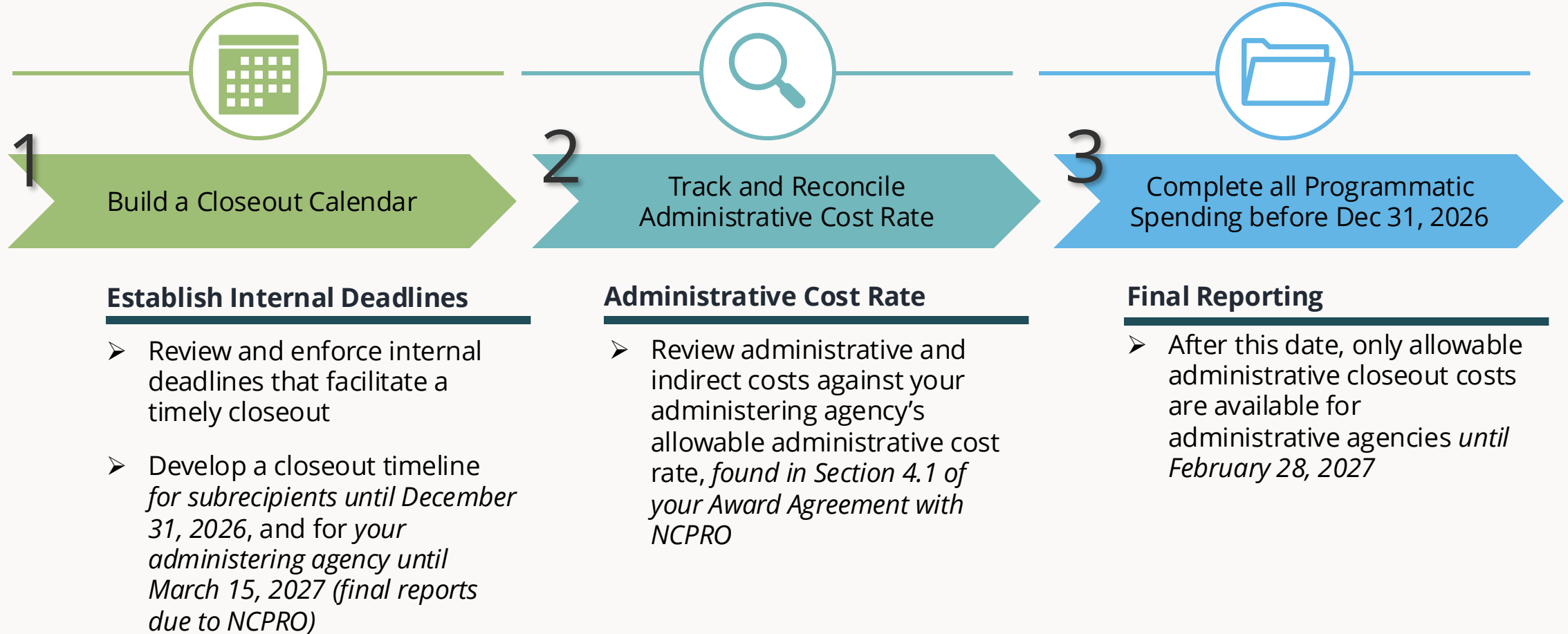


**Inadequate support
for the indirect cost
allocation
methodology or de
minimis rate
application**



**Waiting too long to
submit final invoices,
reports, or corrections**

Three Actions to Take Starting Today



Tip: A **template** will be shared with Administering Agencies following this presentation. The template will include **1)** an editable timeline for compliant closeout; **2)** a section for tracking your administering agency's administrative cost rate; and **3)** a section for documenting planned administrative closeout costs.

Upcoming TA Sessions

Here's what's ahead:

<u>Timeframe</u>	<u>Focus Area</u>	<u>Format</u>
July 2026	Subrecipient Closeout	Small Group
August 2026	Procurement at Closeout	
September 2026	Record Retention	
October 2026	Audit Readiness	
November 2026	Reconciliation	
December 2026	—	
January 2027	Closeout Support / Office Hours	Open
February 2027	Closeout Support / Office Hours	
March 2027	Closeout Support / Office Hours	

Q+A Session