

REPORT HIGHLIGHTS



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The National Institutes of Health Has Made Progress But Could Further Improve Its Closeout Process for Grants and Similar Awards

Why OIG Did This Audit

- Effective oversight of grant funds is crucial to the success of programs designed to improve public health and well-being.
- A 2020 OIG risk assessment identified over 4,000 open but expired grants at the National Institutes of Health (NIH). In addition, an OIG audit of NIH's National Cancer Institute found that 60 percent of the closed grants sampled in Fiscal Year (FY) 2019 did not submit final reports within 120 days of the end of the period of performance, as required.
- This audit examined whether NIH followed Federal requirements in closing awards during FY 2022 and took steps to address recipient noncompliance and improve its closeout process.

What OIG Found

- NIH did not follow Federal requirements to close awards within 1 year of the period of performance end (PPE) date for 22 of the 40 awards we judgmentally selected.
- NIH did not take corrective action to report recipient noncompliance into the designated integrity and performance system, as required.
- NIH made improvements to its organizational structure, monitoring program, and control activities in its closeout process for awards.

What OIG Recommends

We recommend that NIH:

1. formalize the recently implemented Final Research and Performance Progress Report monitoring control into NIH policy;
2. facilitate timely unilateral closeout within 1 year of the PPE date by: (1) implementing a policy that requires the unilateral closeout process be completed early enough to allow for final closeout within 1 year of the PPE date, and (2) providing additional training to staff involved in the closeout process to increase staff awareness (i.e., sending monitoring reports to ICs for awards eligible for unilateral closeout);
3. create policies and procedures for reporting award recipients in SAM.gov that do not submit the required final reports within 1 year of the award PPE date; and
4. retroactively report all recipients with unilateral closeout actions in calendar year 2023 in SAM.gov.

NIH concurred with two of our recommendations and provided steps they have taken or plan to take to implement our two remaining recommendations.