§ 518.72 Subsequent adjustments and continuing responsibilities.

(a) The closeout of an award does not affect any of the following:

1. The right of the Federal awarding agency to disallow costs and recover funds on the basis of a later audit or other review.

2. The obligation of the recipient to return any costs due as a result of later refunds, corrections, or other transactions.

(b) Audit requirements in §518.26.

(c) Property management requirements in §§518.31 through 518.37.

(d) Records retention as required in §518.53.

(e) After closeout of an award, a relationship created under an award may be modified or ended in whole or in part with the consent of the Federal awarding agency and the recipient, provided the responsibilities of the recipient referred to in §518.73(a), including those for property management as applicable, are considered and provisions made for continuing responsibilities of the recipient, as appropriate.

§ 518.73 Collection of amounts due.

(a) Any funds paid to a recipient in excess of the amount to which the recipient is finally determined to be entitled under the terms and conditions of the award constitute a debt to the Federal Government. If not paid within a reasonable period after the demand for payment, the Federal awarding agency may reduce the debt by the provisions of paragraphs (a)(1), (2), or (3) of this section.

1. Making an administrative offset against other requests for reimbursements.

2. Withholding advance payments otherwise due to the recipient.

3. Taking over action permitted by statute.

(b) Except as otherwise provided by law, the Federal awarding agency shall charge interest on an overdue debt in accordance with 4 CFR chapter II, “Federal Claims Collection Standards.”

APPENDIX A TO PART 518—CONTRACT PROVISIONS

All contracts, awarded by a recipient including small purchases, shall contain the following provisions as applicable:


2. Copeland “Anti-Kickback” Act (18 U.S.C. 874 and 40 U.S.C. 276c)—All contracts and subcontracts in excess of $2,000 for construction or repair awarded by recipients and subcontractors shall include a provision for compliance with the Copeland “Anti-Kickback” Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 9, “Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in part by Loans or Grants from the United States”). The Act provides that each contractor or subcontractor shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise