

The following outlines the steps and documents necessary to remove funds from a sub.

### **Sub Notification**

Has the Sub been notified by the department that a de-obligation will take place? This is an important first step to protect the relationship.

A contractual modification to the existing agreement must be agreed upon between both parties before removing funds.

- **OCG Award Officer determines level of sponsor approval that is required.**
- **OCG Sub Officer initiates deobligation of existing sub(s).**

### **Deobligating Sub to Stop Work**

If you are deobligating a sub to stop work, the following is required:

- Marked Up SPO noting the amount of funds being de-obligated and the new period of performance
- Justification/reason for the deobligation

The Sub Officer will:

- Issue the contractual deobligation modification to Sub.
- Once modification has been agreed upon by both parties and fully executed, the Sub Officer will adjust the purchase order accordingly to remove the encumbrance

### **Deobligating Funds with Sub Continuing Work**

If you are deobligating funds and the sub is continuing work, the following is required by your Sub Officer:

- Revised Sub Budget
- Marked up SPO
- Justification/reason for the deobligation

Work with your Sub Officer to determine whether the Sponsor also requires the following documents:

- Revised Sub Budget Justification
- Revised Sub Statement of Work

### **Removing Funds Coordination**

The appropriate steps for the situations outlined above must be fully complete before removing funds from a Sub SpeedType.

The Sub Officer will inform the Contract or Grant Officer that the steps are complete and the Contract or Grant Officer will coordinate with CCO to move funds back to the main account via the [reallocation link](#).