

# American Rescue Plan (ARP)

## Grantee Training for Closeout of IHBG-ARP and ICDBG-ARP Grants

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# American Rescue Plan (ARP)

- The ARP Act, signed into law on March 11, 2021, provides Indian Housing Block Grant (IHBG) and Indian Community Development Block Grant (ICDBG) funding to assist Tribes and TDHEs with:
  - Activities, Projects, or Programs to **Prevent** COVID-19.
  - Activities, Projects, or Programs to **Prepare for** COVID-19.
  - Activities, Projects, or Programs to **Respond to** COVID-19.
- The allowable activities included those that addressed short-, medium-, and long-term vulnerabilities to Tribal Communities resulting from the pandemic.



# ARP Closeout Training

This course is designed to assist all Tribes/TDHEs receiving funding under the American Rescue Plan to properly complete the grant closeout requirements. It will cover the following topics:

- IHBG-ARP Closeout Process and Reporting
- ICDBG-ARP Closeout Process and Reporting
- Program Income Property and Equipment Inventory Form
- Differences between IHBG-ARP and ICDBG-ARP Closeout Processes.



# IHBG-ARP Closeout

Streamlined Grant Closeout Process Checklist



# Closeout Checklist for IHBG-ARP

1

Assess Grant Progress and Project Completion.

90 days before POP End date or PYE

2

Prepare Final APR.

3

Prepare Final SF-425.

4

Send Closeout Package to AONAP.

5

Review, sign and return Closeout Agreement to AONAP.

After receipt of final APR and SF-425, AONAP will send Closeout Agreement for review and signature to close grant.

90 days after POP End date or PYE

*Note that this Checklist also applied to IHBG-CARES Closeout. See the ONAP Grantee IHBG-CARES/ARP Grant Closeout Checklist.*

# 1 Assess Grant Progress and Project Completion

Consider if the grant is ready for closeout:

1. **Is the project complete or on track** to be completed by the Period of Performance (POP) End Date or Program Year End (PYE)?
  - **If progress is delayed**, consider an IHP amendment to another eligible activity or new POP.
2. **Are all activities complete or accomplishments achieved?**
3. **Are all expenses paid?**
4. **Are all expenditures reflected correctly** in your financial records?

Note: the original POP End date for IHBG-ARP grants was 9.30.2025 and for IHBG-CARES it was 9.30.2024.



# 1 Assess Grant Progress and Project Completion

Consider if the grant is ready for closeout:

**5. Are the grant funds fully drawn down** or on track to be by the POP End date or PYE?

- If the project is complete but funds remain that cannot be used on eligible activities, notify your AONAP.
  - A grant agreement showing the remaining funds as a negative amount will be included with AONAP's Initiation of Closeout Letter.
  - This will return the remaining funds in LOCCS to HUD so you can close out the grant.

**6. Are there proceeds of sale** from property or equipment?

**7. Are you prepared** to draft the final APR and SF-425?





# 2

## Prepare Final APR

- Due 90 days from POP End Date or PYE
- Confirm all funds spent on allowable activities in the IHP.
- Report on all activities conducted and completed.
- Verify expenditures align with final SF-425 and accounting records.
- Verify grant balance is zero.
  - If funds remain, draw down and use for eligible activities or
  - Notify ONAP to prepare amended grant agreement to return the funds.



3

## Prepare Final SF-425

- Due 90 days from POP End Date or PYE
- Confirm all funds spent are recorded.
- Verify expenditures align with final APR and accounting records.
- Submit in GEMS.



4

## Send Closeout Package to AONAP

- Due 90 days from POP End Date or PYE
- IHBG-ARP Closeout Package should include:
  - Final APR
  - Final SF-425
  - *If applicable*, notice that you intend to return remaining funds to ONAP because they cannot be used on eligible activities. ONAP will prepare an amended grant agreement with negative amount and send to you with the closeout agreement for review and signature.

In response, AONAPs will send an IHBG-ARP Closeout Agreement for your review and signature.



5

## Review, Sign, and Return the IHBG-ARP Closeout Agreement:

Once the final APR and SF-425 are processed by ONAP, they will send an IHBG-ARP Closeout Agreement for review and signature.

The agreement states the Tribe/TDHE certifies:

- All funds were expended in accordance with terms and conditions of the award.
- The balance of funds in LOCCS or intent to return funds
- All costs incurred will be audited and disallowed costs shall be returned to HUD
- Program Income earned will be used for IHBG eligible activities.
- Record retention will be in accordance with 2 CFR 200.334 or the Tribe/TDHE record retention policy, whichever is longer.



5

## Review, Sign, and Return the IHBG-ARP Closeout Agreement:

The IHBG-ARP agreement also states:

- [PIH Notice 2021-11](#): IHBG-ARP Implementation Notice provided waivers of Useful Life and Low-Income requirement while units were used for emergency purposes.

However, after emergency use, useful life requirements apply in accordance with [24 CFR 1000.141-147](#) unless the units are disposed of or sold, in accordance with [24 CFR 1000.134 \(c\)](#).



# IHBG ARP Closeout Checklist Recap:

- 1 Assess Grant Progress and Project Completion**
- 2 Prepare Final APR**
- 3 Prepare Final SF-425**
- 4 Send Closeout Package to AONAP**
- 5 Review, Sign, and Return the IHBG-ARP Closeout Agreement**

*After ONAP receives the executed IHBG-ARP Closeout Agreement (and, if applicable, the executed amended grant agreement to return funds), they will issue a Final Grant Closeout Letter.*



# ICDBG-ARP Closeout

Streamlined Grant Closeout Process Checklist



# Closeout Process for ICDBG-ARP

1

Assess Grant Progress and Project Completion.

90 days before POP End Date

2

Review ICDBG-ARP Closeout Agreement.

60 days before POP End, AONAP will send draft Closeout Agreement for review with Initiation of Closeout Letter.

3

Prepare Final SF-425.

Once project complete or funds expended or POP End date

4

Prepare Final ASER.

5

Send Closeout Package to AONAP.

Due 90 days after POP End

*Note that this Checklist also applied to ICDBG-CARES Closeout. See **ONAP Grantee ICDBG-CARES/ARP Grant Closeout Checklist.***



# 1 Assess Grant Progress and Project Completion

90 days before POP End, Consider if the grant is ready for closeout:

1. **Is the project complete or on track** to be completed by the POP End Date?
  - If progress is delayed, consider an [amendment request](#) to change to another eligible activity or extend the POP End date.
  - Send requests 45 days before POP End. If the POP End Date passes, you will not be able to draw from LOCCS..
2. **Are all activities complete or accomplishments achieved?**
3. **Are all expenses paid, documented, and recorded?**



# 1 Assess Grant Progress and Project Completion

4. Are all expenditures reflected correctly in your financial records?

5. Are the grant funds fully drawn down or on track to be by the POP End Date?

- If the project is complete but funds remain that cannot be used on eligible activities, notify your AONAP.
  - A grant agreement showing the remaining funds as a negative amount will be included with AONAP's Initiation of Closeout Letter.
  - This will return the remaining funds in LOCCS to HUD so you can close out the grant.

6. Are there proceeds of sale from property or equipment?

7. Are you prepared to draft the final ASER and SF-425?



# 2

## Review the ICDBG-ARP Closeout Agreement:

60 days before POP End, AONAP will send an Initiation of Closeout letter, and ICDBG-ARP Closeout Agreement for review and signature.

The Closeout Agreement states the Tribe/TDHE certifies:

- All funds were expended in accordance with terms and conditions of the award.
- The balance of funds in LOCCS or intent to return funds.
- All costs incurred will be audited and disallowed costs shall be returned to HUD.
- Program Income earned will be used for ICDBG eligible activities.
- Record retention will be in accordance with 2 CFR 200.334

or the Tribe/TDHE record retention policy, whichever is longer.



## 2

### Review the ICDBG-ARP Closeout Agreement:

The agreement also states that per [PIH Notice 2021-22](#), waivers for New Construction and Purchase of Equipment were applied to ICDBG-ARP. Grantees will indicate whether:

- Real property will be disposed of or used for the approved purpose or an ICDBG eligible purpose for at least 5 years in accordance with [24 CFR 1003.504](#)
- Equipment will be disposed of or used in accordance with [24 CFR 1003.501 \(a\)\(6\)](#).



# ICDBG-ARP Purchase of Equipment

[PIH Notice 2022-12](#): ICDBG-ARP Implementation Notice included a waiver for the purchase of equipment:

Purchase of Equipment Regulatory Authority: 24 CFR §§ 1003.207(b)(1), 1003.201(c)(1)(ii)

Description: The purchase of equipment with ICDBG funds is generally ineligible under 24 CFR § 1003.207(b)(1), with some exceptions. Given the immediate need for medical and personal protective equipment, and other related equipment needed to help prevent, prepare for, or respond to the COVID-19 pandemic in tribal communities, HUD is waiving 24 CFR § 1003.207(b)(1) and authorizing the use of ICDBG-ARP funds for the purchase of equipment necessary to prevent, prepare for, or respond to COVID-19.

Equipment must be used for authorized program purposes, and any proceeds from the disposition of equipment will be considered ICDBG-ARP program income.

*Proceeds of Sale are considered ICDBG program income to be used for ICDBG-eligible activities.*

### 3

## Prepare Final ASER

- Due 90 days after program period of performance end date.
- Includes a narrative covering achievement of program outputs and goals.
- Grant balance in LOCCS should be zero.
- Verify any equipment and property program income.
- Verify the amount shown on the ASER ties to the SF 425 and accounting records.
- If changes were made the original grant, verify amendments approvals were obtained as required for:
  - Activities added/deleted.
  - Budget amendments exceeding 20%
  - Timeline or Period of Performance extensions.



# 4

## Prepare Final SF-425

- Due within 90 days of program period of performance end date.
- Confirm all funds spent are recorded.
- Confirm all funds spent are properly supported in your financial records.
- Verify the amount of funds remaining are zero.
  - If there are funds remaining:
    - Drawdown funds for eligible activities or
    - Notify ONAP to prepare for return funds with amended grant agreement.

Optional: Use the **ONAP Program Income Property and Equipment Inventory** to track program income from proceeds of sale.



# 5

## Send the Closeout Package to AONAP

Due within 90 days of Period of Performance End date.

The closeout package includes:

- Final ASER
- Final SF-425
- Executed ICDBG-ARP Closeout Agreement
- If you indicated intent to return remaining funds on the closeout agreement, ONAP will prepare an amended grant agreement with negative amount for review and signature.
- Optional: Program Income Property and Equipment Inventory





# ICDBG-ARP Closeout Checklist Recap

- 1** Assess Grant Progress and Project Completion
- 2** Review the ICDBG-ARP Closeout Agreement:
- 3** Prepare Final ASER
- 4** Prepare Final SF-425
- 5** Send the Closeout Package to AONAP

*After ONAP receives the executed ICDBG-ARP Closeout Agreement (and if applicable, executed amended grant agreement) they will issue a Final Grant Closeout Letter.*



# Differences between ICDBG-ARP and IHBG-ARP Closeout

- ASER vs APR: The final report for ICDBG-ARP is the ASER and it is the APR for IHBG-ARP.
- Period of Performance (POP) End Date: The POP End date for ICDBG-ARPs is based on the Implementation Schedule. For IHBG-ARP, it is 9.30.2025. *Note it is 9.30.2024 for IHBG-CARES.*

If your POP End Date passes before you amend, you will be unable to draw funds from LOCCS. Plan ahead; send amendment requests at least 45 days prior to your POP End date. You can Check your POP End Date for every grant in LOCCS.

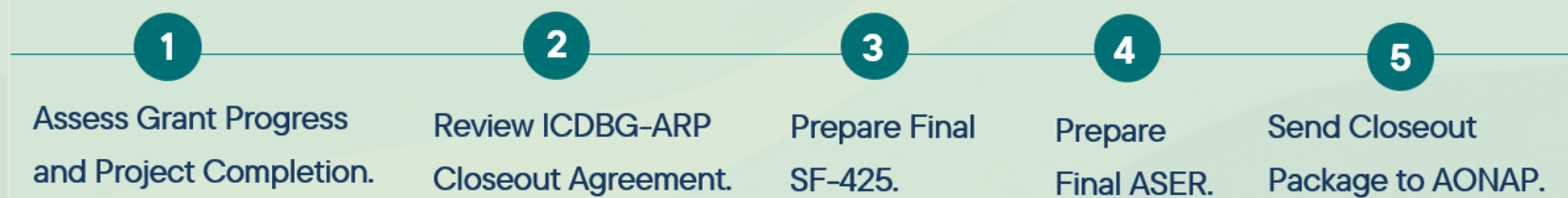
- To amend an IHBG-ARP, submit an abbreviated IHBG-ARP IHP as noted in the [GEMS Grantee User Guide](#) on [CodeTalk GEMS](#) Page.
- To amend an ICDBG-ARP, submit an amendment request as described in [PIH Notice 2021-22](#): Process for Amending ICDBG-CARES/ARP Grants.



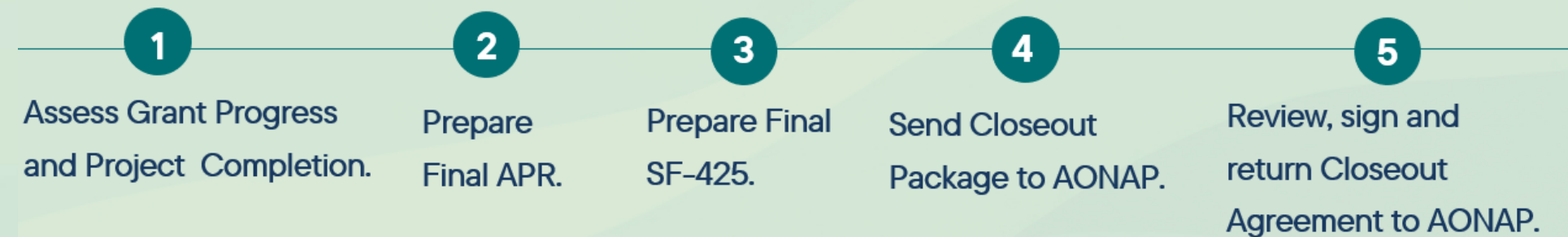
# Differences between ICDBG-ARP and IHBG-ARP Closeout

## Closeout Agreements:

For **ICDBG-ARP**, a closeout agreement is prepared and sent with ONAP's Initiation of Closeout Letter, 60 days before the POP End date, and is returned to ONAP with the closeout package.



For **IHBG-ARP**, ONAP does not send a closeout agreement until after the closeout package has been received, between steps 4 and 5.



# ONAP Program Income Inventory



Date  
Acquired



Acquisition  
Cost



Funding  
Source



Date of Sale



Proceeds of  
Sale

This optional worksheet helps you track program income from real property, personal property, and equipment that was purchased with grant funds and disposed of or sold prior to close out.



# Program Income Inventory

Track Program Income by listing any real property (land, buildings, housing units), personal property (mobile homes) or equipment (earthmoving, water/sewer) purchased with federal funds and sold before grant closeout. Note: single items over \$5,000 for IHBG and over \$25,000 for ICDBG.

Grant	Grant Number	Date Acquired	Cost	Property Description	Date Sold	Proceeds

The **ONAP Program Income Property and Equipment Inventory** will be included with the Initiation of Closeout Letters and Closeout Agreements for pandemic grants.

You are not required to use this form or include with the closeout package.



# Summary

- The Area ONAPs will notify the grantee within 60 days of the end of the period of performance to prepare for closeout.
- For IHBG-ARP, you can also closeout with a final APR.
- If the grant is not on track to close, consider amending the IHP or requesting an ICDBG amendment.
- Ensure that the final ASER, APR, and SF-425 aligns with your accounting records.
- Ensure that program income from the sale of any real or personal property or equipment purchased or improved with pandemic funds is accounted for as program income.



# Summary

- Ensure any property has been assigned an affordability useful life or has been sold.
- Ensure the Closeout Agreement is correct and signed by an authorized official.
- Submit the Closing Package to AONAP within 90 days from the end of the period of performance or the program year for IHBG.
- If the closeout package is not complete, AONAP will advise on what is needed to close.
- AONAP will use a Final Grant Closeout Letter once your closeout package is processed.
- Retain records for the at least 3 years from the final close date.



# Questions?

## Thank You!

