



ADMINISTRATION FOR  
**CHILDREN & FAMILIES**

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## Low Income Household Water Assistance Program Information Memorandum

**IM#:** LIHWAP-IM-2023-01

**DATE:** March 15, 2023

**TO:** Low Income Household Water Assistance Program (LIHWAP) Grant Recipients

**SUBJECT:** Frequently Asked Questions on LIHWAP Deadlines and Close Out Activities

**ATTACHMENT(S):** N/A

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**Update:** This Information Memorandum (IM) applies to grant recipients that did not receive a No Cost Extension (NCE). Grant recipients that were approved for a NCE should refer to updated guidance issued in [LIHWAP IM-2023-04](#). The NCE extended the obligation deadline for LIHWAP funds from September 30, 2023, to March 31, 2024. Additional information about the NCE can be found in [LIHWAP AT-2023-07](#).

### Purpose

The purpose of this Information Memorandum is to provide Low Income Household Water Assistance Program (LIHWAP) grant recipients with guidance on upcoming program deadlines and close out activities.

### Background

Sections 7 and 8 of the [LIHWAP Supplemental Terms and Conditions](#) define the project period and liquidation deadline for LIHWAP grants. The project period for LIHWAP ends on September 30, 2023. The liquidation deadline is three months after the end of the project period, or December 31, 2023.

### Content

1. What is a project period?
  - a. The project period, which is the same as the obligation period or performance period, means the time during which the non-Federal entity may incur new obligations to carry out the work authorized under the Federal award. The Federal awarding agency or pass-through entity must

- include start and end dates for the period of performance in the Federal award.
- b. The project period for LIHWAP is from the initial date of the award through September 30, 2023. Grant recipients must obligate all funds by the end of the project period.
2. What is a liquidation deadline?
    - a. A non-Federal entity must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period (or as specified in a program regulation) to coincide with the submission of the final Federal Financial Report (FFR). This deadline may be extended with prior written approval from the HHS awarding agency.
    - b. The liquidation deadline for LIHWAP is December 31, 2023. Grant recipients must liquidate, or expend, all grant funds by this date.
  3. What is the liquidation period?
    - a. The liquidation period, which is the same as the close-out period, is October 1, 2023 through December 31, 2023. During this period, grant recipients should conduct regular close-out activities such as financial reconciliation, data collection, and other administrative activities.
  4. Are LIHWAP sub grant recipients subject to the same project period and liquidation deadline as grant recipients?
    - a. Yes, sub grant recipients must follow the same deadlines as grant recipients.
  5. Can funds be drawn down during the liquidation period?
    - a. Yes, grant recipients may draw down funds during the liquidation period so long as they were obligated prior to the project period end date of September 30, 2023.
  6. The final report for LIHWAP is due after the liquidation deadline of December 31, 2023. How should grant recipients pay for administrative costs associated with completing the report?
    - a. Grant recipients should budget and obligate funds for administrative costs prior to the project period end date of September 30, 2023. Grant recipients may submit a liquidation and Final Federal Financial Report (FFR) extension request to the Office of Grants Management (OGM) to access funds after December 31, 2023.
  7. How can grant recipients ensure access to administrative funds for completing the report that is due after the liquidation deadline?
    - a. Grant recipients should email a request to their Grants Management Specialist as soon as it is clear that a liquidation and Final FFR extension will be needed. The request should be submitted at least 15 days prior to the liquidation deadline to allow time for adequate review of the request. The written request should include the grant number, reason for the delay, the unliquidated obligation amount, and the anticipated timeframe for

liquidation and Final FFR submission, along with supporting documentation justifying the expenses were incurred within the period of performance under this grant. Some acceptable forms of documentation include: invoices, contract agreements, and internal financial documents such as spreadsheets or GL account detail. Once the liquidation extension is granted, the recipient may draw down funds at will prior to the new liquidation deadline. The new deadline for the Final FFR will also be updated in the Payment Management System (PMS).

8. May LIHWAP grant recipients make benefit payments on behalf of households after the project period ends?
  - a. Yes, benefit payments may be made during the liquidation period so long as the beneficiary's application was processed and approved by the project period end date of September 30, 2023.
9. When should grant recipients stop accepting new LIHWAP applications?
  - a. All LIHWAP applications must be processed by September 30, 2023 in order for funds to be obligated for a benefit payment on behalf of a household. Grant recipients should work internally to determine the last date they can accept applications to ensure all applications are processed by September 30, 2023.
10. What should grant recipients do with benefit payments that are returned to them after the project period deadline?
  - a. Benefit payments to water service providers may be returned to grant recipients for several reasons, such as if the account information was incorrect or the beneficiary moved and closed their account with the water vendor. If the grant recipient can determine why the benefit payment was returned and correct missing information, they may re-issue the benefit on behalf of the same household. If a grant recipient cannot re-issue the benefit payment on behalf of the household, the funds must be de-obligated and returned to the grant recipient's PMS account.

Thank you for your attention to these matters. OCS looks forward to continuing to provide high-quality services to OCS partners.

/s/

Dr. Lanikque Howard  
Director  
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