



**Program Instructions**

**AIDD-PI-19-01**

**Issued: February 4, 2019**

**TO:**

Director, Designated State Agencies  
Executive Directors, State Councils on Developmental Disabilities  
Executive Directors, Protection & Advocacy Systems  
Chairpersons, State Councils on Developmental Disabilities

**Subject:**

Liquidation waiver process, eligibility, and instructions for unliquidated obligations at the end of the liquidation period for State Councils on Developmental Disabilities (DD Councils or SCDD) and Protection & Advocacy (P&A) grant awards

**Legal and Related References:**

42 USC 15001 et seq. Developmental Disabilities Assistance and Bill of Rights Act of 2000  
45 CFR 1326.2 Obligation of Funds  
45 CFR 1326.3 Liquidation of Obligations  
ACL issued Notice of Awards

**Related Information Memorandum:**

**ADD-IM-19-01:** Administrative Requirements of Federal Grant Funds pertaining to Obligation, Liquidation, and Date of Completion of Work Authorized

**Effective Date for Liquidation Waiver Requests:**

Federal Fiscal Year 2019

**Background:**

The Developmental Disabilities Assistance and Bill of Rights Act of 2000 (DD Act) allows State Councils on Developmental Disabilities (SCDDs) and the Protection & Advocacy for Individuals with Developmental Disabilities (PADD) an additional year after the fiscal year the grant is awarded to obligate and complete grant activities (42 USC 15022). A third year to liquidate and close out the grants are allowed by program regulations (45 CFR 1326.3). The liquidation period, for DD Councils and P&A grants, is the timeframe when all obligations made within the project period must be liquidated. It is important to be aware, that all obligations and work authorized must be completed by September 30<sup>th</sup> of the additional Federal Fiscal Year (FFY) after the fiscal year grant was awarded. Although the Protection & Advocacy for Traumatic Brain Injury (PATBI) and Protection & Advocacy for Assistive Technology (PAAT) grant programs are authorized under different statutes, the Administration for Community Living (ACL) applies the obligation and liquidation time periods as defined in the DD Act and corresponding DD Act regulations for the P&A PADD grant program.

A liquidation waiver may be issued for the liquidation of specific obligations; all other liquidations must be completed by the end of the FFY, as required by statute and programmatic regulations. Liquidation waivers are not designed to be annual requests and should be utilized in the limited circumstances described below. Repeated annual requests for liquidation waivers could lead to denial of liquidation waiver requests. The DD Act program regulations (45 CFR 1326.3) allow for liquidation waivers of federal funds at the discretion of the Secretary of the U.S. Department of Health & Human Services or his/her designee, in the following circumstances:

- When state/territory law impedes liquidation
- The amount of funds to be liquidated is in dispute

The Administration on Intellectual and Developmental Disabilities (AIDD) will also consider a liquidation waiver request when there is a Presidential declared disaster that prevents a grantee from liquidating funds.

AIDD notes that a state or territory having a different fiscal year than the FFY is not a valid request for a liquidation waiver.

#### **Liquidation Waiver Conditions for Eligibility:**

1. One of the below circumstances is met:
  - i. State law is impeding the liquidation of funds; or
  - ii. The amount of funds to be liquidated is in dispute; or
  - iii. A Presidential declared disaster prevents the grantee from meeting liquidation deadline, as approved by the Secretary of the U.S. Department of Health & Human Services or his/her designee.
2. Liquidation waivers will only be considered for grant awards in the final liquidation FFY.
3. Liquidation waivers will be for liquidation purposes only, and not for purposes of obligating funds.
4. All SF-270 and SF-425 financial reports must be current and submitted in the required format.
5. All State Plans/Statement of Goals and Priorities (SGP), amendments, and programmatic reports due before the liquidation waiver request deadline must be submitted in the required reporting format.
6. If the SF-270s, SF-425s, State Plans/SGPs, amendments, and programmatic reports are not current, the liquidation waiver cannot be processed. **Not having current programmatic and financial reports turned into ACL is grounds for denial.**

#### **Instructions for Submitting a Liquidation Waiver Request:**

1. The request for a waiver must be received by the AIDD Project Officer no later than 60 calendar days (August 1<sup>st</sup>) before the end of the FFY for which the request is made. If 60 calendar days falls during a non-business day, the due date is the closest preceding business day by 11:59 P.M. eastern time.
  - a. Requests received past this deadline will not be considered.

- b. However, if there is a Presidential declared disaster that prevents a grantee from meeting the liquidation deadline, the grantee should immediately submit a request for a liquidation waiver to their AIDD Project Officer.
2. The waiver request must be an official letter on grantee letterhead, scanned, and sent via email to the AIDD Project Officer and ACL OGM Grants Management Specialist.
3. The waiver request must be signed by:
  - a. Executive Director of the SCDD and Designated Stated Agency (DSA) for SCDDs; or
  - b. Executive Director of the SCDD in cases that the SCDD is its own DSA; or
  - c. Executive Director of the P&A grant program for P&As.
4. The waiver request must indicate that it has also been sent to:
  - a. The Chair of DD Council (for DD Councils), or
  - b. The Chair of the P&A Governing Board (for P&As).
5. The waiver request must include:
  - a. The ACL grant number;
  - b. The original date of the obligation(s) of funds with supporting documentation attached to demonstrate date of obligation(s);
  - c. The total amount that needs to be liquidated;
  - d. Justification with documentation as to how:
    - i. State law is impeding the liquidation of funds; or
    - ii. The amount of funds to be liquidated is in dispute; or
    - iii. A Presidential declared disaster prevents the grantee from meeting liquidation deadline.
  - e. Expected date of liquidation.

**Federal Review Process:**

1. AIDD Project Officers will ensure that liquidation waiver requests are received no later than 60 calendar days (August 1<sup>st</sup>) before the end of the FFY for which the request is made. If 60 calendar days falls during a non-business day, the due date is the closest preceding business day by 11:59 P.M. eastern time.
  - a. Requests received past this deadline will not be considered.
  - b. However, if there is a Presidential declared disaster that prevents a grantee from meeting the liquidation deadline, the grantee should immediately submit a request for a liquidation waiver to their AIDD Project Officer.
2. AIDD Project Officers will acknowledge receipt of Liquidation Waiver request.
3. AIDD Project Officers will determine eligibility, based on the above requirements, and make recommendations to the Secretary of the U.S. Department of Health & Human Services or his/her designee per 45 CFR 1326.3.
4. AIDD Project Officers will notify grantees if the required documentation is incomplete.
5. Grantees will have a time limited opportunity to submit corrected and/or completed documents as determined by AIDD.
6. AIDD Project Officers will notify grantees:
  - a. If the liquidation waiver has been approved or denied;
  - b. If approved, the deadline for the approved liquidation waiver; and

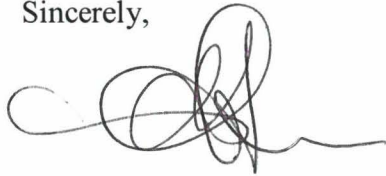
- c. Conditions of the waiver, if any.
7. All other grant liquidations must occur by the liquidation deadline, which is the end of the FFY (September 30<sup>th</sup>) two FFY years after the grant was awarded (45 CFR 1326.3(b)).
  8. If the liquidation waiver is not approved, funds will not be available after September 30<sup>th</sup>, of the FFY for liquidation and the grantee is responsible for meeting obligations.

ACL plans to conduct additional training in the near future.

**FOR MORE INFORMATION:**

For more information, please contact Andrew Morris in the ACL Office for Policy Analysis and Development at [andrew.morris@acl.hhs.gov](mailto:andrew.morris@acl.hhs.gov).

Sincerely,



Jennifer Johnson  
Deputy Director,  
Administration on Intellectual and Developmental Disabilities  
Administration for Community Living

cc:

Tanielle Chandler, Director, Office of Grants Management  
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William Kim, Grants Management Officer, Office of Grants Management  
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