



ADMINISTRATION FOR
CHILDREN & FAMILIES

Office of Community Services | 330 C Street, S.W., Washington, DC 20201
www.acf.hhs.gov/ocs

Low Income Household Water Assistance Program Action Transmittal

AT#: LIHWAP-AT-2023-07

DATE: July 28, 2023

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

SUBJECT: Option to Request a No Cost Extension

ATTACHMENT(S): [NCE Request Template](#)

Purpose

This Action Transmittal (AT) provides LIHWAP grant recipients with information and instructions for requesting an optional six-month no-cost extension (NCE) for LIHWAP funding awarded under the Consolidated Appropriations Act, 2021 (CAA) and the American Rescue Plan Act 2021 (ARPA).

Background

The Office of Community Services (OCS) is offering grant recipients an optional six-month NCE. The NCE was identified as the best option to ensure LIHWAP serves as many eligible households as possible.

The goal of the NCE is to give LIHWAP grant recipients and local agencies additional time to enroll households and obligate and liquidate their funding.

OCS has heard from several grant recipients that an additional six months will help them fully expend their award by giving local agencies more time to enroll eligible households.

No Cost Extension (NCE)

Eligible LIHWAP grant recipients have the option to request a six-month extension for one or both funding sources CAA and/or ARPA for their LIHWAP grant award. The extension allows grant recipients additional time to complete program activities but does not include additional

funding. The six-month NCE will extend the obligation deadline for LIHWAP funds from September 30, 2023, to March 31, 2024. The liquidation deadline will be extended from December 31, 2023, to June 30, 2024.

As a reminder, the LIHWAP obligation and liquidation deadlines also apply to subrecipients of LIHWAP funding. Therefore, local agencies cannot obligate funding on behalf of eligible households and can no longer enroll households after the obligation deadline.

Grant recipients that are approved for an NCE for one or both sources for their LIHWAP awards will only be required to submit one final program report for both funding streams (CAA and ARPA). The NCE final report due date is July 31, 2024.

Grant recipients that chose not to request a NCE will retain the original obligation and liquidation deadlines of September 30, 2023, and December 31, 2023; with the final report due on February 29, 2024.

NCE Eligibility

LIHWAP grant recipients are eligible for a NCE if the following conditions are met:

1. There is no change in the scope of activities performed during the extension period.
2. The grant recipient has submitted all required program reports.
3. The recipient has a clean audit opinion for both compliance and its financial statement on its latest Single Audit, and there are no alerts for the recipient issued by Office of the Inspector General.
4. The grant recipient has drawn down LIHWAP funds or submits a justification describing why they were unable to drawdown funds and a plan of action to address the barrier(s) that prevented them from drawing down funds initially.

How to Request an NCE

LIHWAP grant recipients that would like to request an NCE must submit an official request letter that is signed by the Authorized Official. A draft request letter is attached to this correspondence.

The letter should be sent to LIHWAPReports@acf.hhs.gov no later than 11:59pm (ET) on August 21st. **However, we encourage grant recipients to submit their letter as soon as possible.**

Please copy your program specialist on the email submission.

OCS will respond to all NCE requests within 10 business days of receiving the request. Grant recipients who are approved for an NCE should expect an updated Notice of Funding Award, with an extended period of performance, by September 29, 2023.

LIHWAP Forecast

Upon approval, each grant recipient will receive an updated LIHWAP Forecast that is prepopulated with current expenditures based on OCS records from the Payment Management System (PMS). This prepopulated form will be sent to each grant recipient from their LIHWAP program specialist. Grant recipients will complete the form by entering the forecasted amount of LIHWAP funds they plan to expend each month during the extension period (through March 31, 2024).

Prioritizing Obligation and Expenditure from LIHWAP Consolidated Appropriations Act (CAA) Funding First

LIHWAP grant recipients received two awards based on two separate authorizations: the Consolidated Appropriations Act, 2021 and the American Rescue Plan Act of 2021. In [LIHWAP-AT-2023-04](#), OCS encouraged LIHWAP grant recipients to prioritize spending from the CAA funding first.

All LIHWAP grant recipients should continue to draw down the total amount of remaining Consolidated Appropriations Act funding first.

Additional information on LIHWAP closeout activities can be found in [LIHWAP IM-2023-01 FAQs on LIHWAP Deadlines and Close Out Activities FY2023](#)

Please reach out to your [LIHWAP program specialist](#) if you have any questions related to this AT and/or requesting an NCE for your LIHWAP.

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

/s/

Dr. Lanique Howard

Director

Office of Community Services