



**Open ARC Administered Grants
OIG Report 19-42**

September 30, 2019

Open ARC Administered Grants as of September 30, 2019

Summary

This report updates prior reports dealing with grants administered by ARC for which no payments have been made at least 24 months since grant approval, grants with expiration dates and remaining balances, smaller and zero balances. Overall, grants are administered in accordance with grant requirements and continued follow-up actions are recommended.

ARC.Net identified 14 grants approved prior to October 1, 2017 with no reported payments and balances totaling \$3,329,190, 38 grants with expired performance periods and balances over \$50,000 that totaled \$4,569,316 and 5 grants with smaller balances totaling \$46,142 and no payments at least one year previous.

Emphasis was placed on actions initiated with respect to grants included in the prior report dated March 31, 2019. This included grant extensions, payments and closeouts including deobligations of \$150,037.

Background

ARC.Net the ARC grant management system was the primary source of information for identifying grant financial and implementation status.

ARC policy specifies that States can request grant revocation if grant implementation is not started within 18 months of approval. Our reviews have concluded that few, if any, State requests for revocation are received and we have emphasized 24 months since ARC approval as a reasonable period for additional agency follow-up action on the grants with no reported expenditures.

Regulations also specify that project expenditures after the identified performance periods are ineligible for reimbursement. ARC policies provide a process for grantees to request and support an extension prior to expiration of initial performance periods.

The review was conducted in accordance with Quality Standards for Inspection and Evaluations.

Results

Table A identified 14 grants approved prior to October 1, 2017 with no reported payments and balances totaling \$3,329,190.

Table B identifies 38 grants with expired end dates and balances over \$50,000 totaling \$4,569,316. This is considered a significant issue based on policy that project expenditures identified after the performance period are ineligible for reimbursement. The absence of supported extensions results in expenditures being at risk including grants identified where payments were significantly after the identified performance period.

Table C identifies 5 grants with smaller balances totaling \$46,142 and last payments at least one year after previous payments.

Actions on prior reports included payments, closeouts, extended performance periods and deobligations of \$150,037.

Recommendations

- Follow-up action should be initiated on identified grants to determine potential actions including deobligations and use of funds for other priority projects.
- Emphasis should be placed on supporting grant extensions to better assure avoidance of ineligible expenditures.
- Grantees should be notified about requesting and supporting grant extensions prior to the identified end date.

Table A

ARC Administered Grants Approved Prior to September 30, 2017
with no ARC Payments as of September 30, 2019

(excludes CO, FHWA and LDD grants)

<u>Grant</u>	<u>Date approved</u>	<u>ARC funds</u>	<u>End date</u>
GA-17862	9/24/2014	\$158,000.00	2/15/2019
GA-18455	6/10/2016	\$195,105.00	6/30/2020
GA-18877	5/1/2017	\$30,000.00	4/30/2019
MD-18508	8/2/2016	\$20,079.00	6/30/2019
MD-18954	7/19/2017	\$72,162.00	8/31/2019
NC-18383	6/24/2016	\$20,000.00	12/31/2020
NC-18970	9/28/2017	\$50,000.00	6/30/2020
NY-18915	6/15/2017	\$191,195.00	9/29/2019
SC-18896	7/14/2017	\$250,000.00	2/24/2020
SC-18904	7/28/2017	\$250,000.00	8/1/2019
TN-19041	9/27/2017	\$50,000.00	6/30/2019
<u>VA-18996</u>	9/12/2017	<u>\$48,000.00</u>	9/30/2019
12		<u>\$1,334,541.00</u>	

Table B

Open ARC Administered Grants with Expired End Dates and Balances
over \$50,000 as of September 30, 2019

<u>Grant No.</u>	<u>Approved</u>	<u>ARC funds</u>	<u>ARC balance</u>	<u>End date</u>	
AL-18121-C3	4/23/2019	\$230,000.00	\$100,000.00	9/30/2019	
AL-18286	9/17/2015	\$1,714,640.00	\$359,722.18	9/30/2019	
AL-18289-C1	9/30/2016	\$168,700.00	\$87,570.00	9/30/2017	2/
AL-18834	3/28/2017	\$200,000.00	\$61,172.18	3/31/2019	2/
AL-19187	7/16/2018	\$220,817.00	\$220,817.00	3/31/2019	
AL-19553	12/12/2017	\$150,000.00	\$98,968.15	6/30/2019	
GA-17862	9/24/2014	\$158,000.00	\$158,000.00	2/15/2019	1/ 2/
GA-18010-C2	2/23/2018	\$87,760.00	\$87,760.00	9/30/2018	
GA-18010-C3	9/26/2018	\$150,790.00	\$150,790.00	9/30/2019	
KY-17060-C2	9/12/2017	\$168,944.00	\$70,037.14	9/30/2019	
KY-18588	9/23/2016	\$200,000.00	\$63,011.68	6/30/2019	2/
KY-18615-C1	8/1/2017	\$250,000.00	\$129,584.01	12/31/2018	
KY-18732	12/9/2016	\$727,621.00	\$618,212.41	9/30/2019	
MD-18502	8/29/2016	\$500,000.00	\$225,407.31	5/31/2019	
MD-18954	7/19/2017	\$72,162.00	\$72,162.00	8/31/2019	1/
MD-19106	1/12/2018	\$100,000.00	\$100,000.00	6/30/2019	
MD-19243-C1	2/27/2019	\$50,000.00	\$50,000.00	6/30/2019	
MD-19493	2/13/2019	\$90,000.00	\$86,709.00	8/31/2019	
MS-18953	7/27/2017	\$270,000.00	\$102,029.03	6/30/2018	2/
MS-19264	6/27/2018	\$115,521.00	\$115,521.00	8/1/2019	
NC-18068-C2	12/4/2017	\$90,000.00	\$77,800.00	9/30/2019	
NC-18644	9/14/2016	\$527,379.00	\$236,888.59	9/30/2019	
NC-18932	8/18/2017	\$300,000.00	\$126,398.50	7/31/2019	
NC-18970	9/28/2017	\$50,000.00	\$50,000.00	9/30/2019	1/
NC-19095	1/8/2018	\$100,000.00	\$51,435.64	9/30/2019	
NC-19096	12/7/2017	\$300,000.00	\$300,000.00	9/30/2019	
NY-18915	6/15/2017	\$191,195.00	\$191,195.00	9/29/2019	1/
NY-19157	4/13/2018	\$150,000.00	\$150,000.00	8/31/2019	
OH-19339	9/5/2018	\$50,000.00	\$50,000.00	8/31/2019	
OH-19377	9/18/2018	\$138,500.00	\$138,012.00	9/30/2019	
PA-18946	9/6/2017	\$100,000.00	\$100,000.00	5/31/2019	
PA-19046	9/12/2017	\$200,000.00	\$86,746.63	6/30/2019	
PA-19262	7/27/2018	\$100,000.00	\$100,000.00	9/30/2019	
PA-19280	9/21/2018	\$50,000.00	\$50,000.00	9/30/2019	
PA-19302	8/7/2018	\$100,000.00	\$67,479.93	8/31/2019	
PA-19322	9/5/2018	\$50,000.00	\$50,000.00	6/30/2019	
SC-18423	9/29/2016	\$250,000.00	\$63,352.11	1/31/2019	2/
SC-18904	7/28/2017	\$250,000.00	\$250,000.00	8/1/2019	1/
SC-19215	4/23/2018	\$250,000.00	\$69,175.88	8/15/2019	
SC-19218	6/1/2018	\$250,000.00	\$250,000.00	9/30/2019	

TN-15808-C2	6/20/2016	\$500,000.00	\$186,818.85	9/30/2018	
TN-16307-C6	8/20/2018	\$100,000.00	\$66,666.67	9/30/2019	
TN-18765	7/20/2017	\$281,019.00	\$215,607.80	7/31/2019	
TN-19041	9/27/2017	\$50,000.00	\$50,000.00	6/30/2019	
VA-17076-C5	9/21/2018	\$185,845.00	\$185,845.00	6/30/2019	
VA-18557	7/28/2016	\$500,000.00	\$50,000.00	6/14/2019	
VA-18994	9/28/2017	\$99,933.00	\$56,673.14	9/30/2019	
VA-19195	4/12/2018	\$75,000.00	\$75,000.00	3/31/2019	
WV-14334-C15	4/23/2018	\$125,000.00	\$125,000.00	4/30/2019	
WV-18736	1/9/2017	\$250,000.00	\$203,634.68	5/31/2019	
<u>WV-18827</u>	3/22/2017	\$150,000.00	<u>\$56,437.19</u>	3/31/2019	2/
52			<u>\$6,687,640.70</u>		

1/No payments for grants approved prior to 9/30/19

2/In prior report

Table C

Open ARC Administered Grants with Smaller Balances

<u>Grant</u>	<u>ARC funds</u>	<u>ARC balance</u>	<u>Last Payment</u>
AL-18080	\$100,000.00	\$10,000.00	7/18/2017
GA-18482	\$166,000.00	\$16,600.00	8/17/2018
MD-18018	\$25,141.00	\$10,338.00	8/6/2018
OH-18473	\$75,000.00	\$13,102.00	7/20/2017
OH-18598	\$23,985.00	\$4,302.00	5/30/2017
<u>TN-15697</u>	\$21,600.00	<u>\$1,800.00</u>	8/10/2018
6		<u>\$56,142.00</u>	