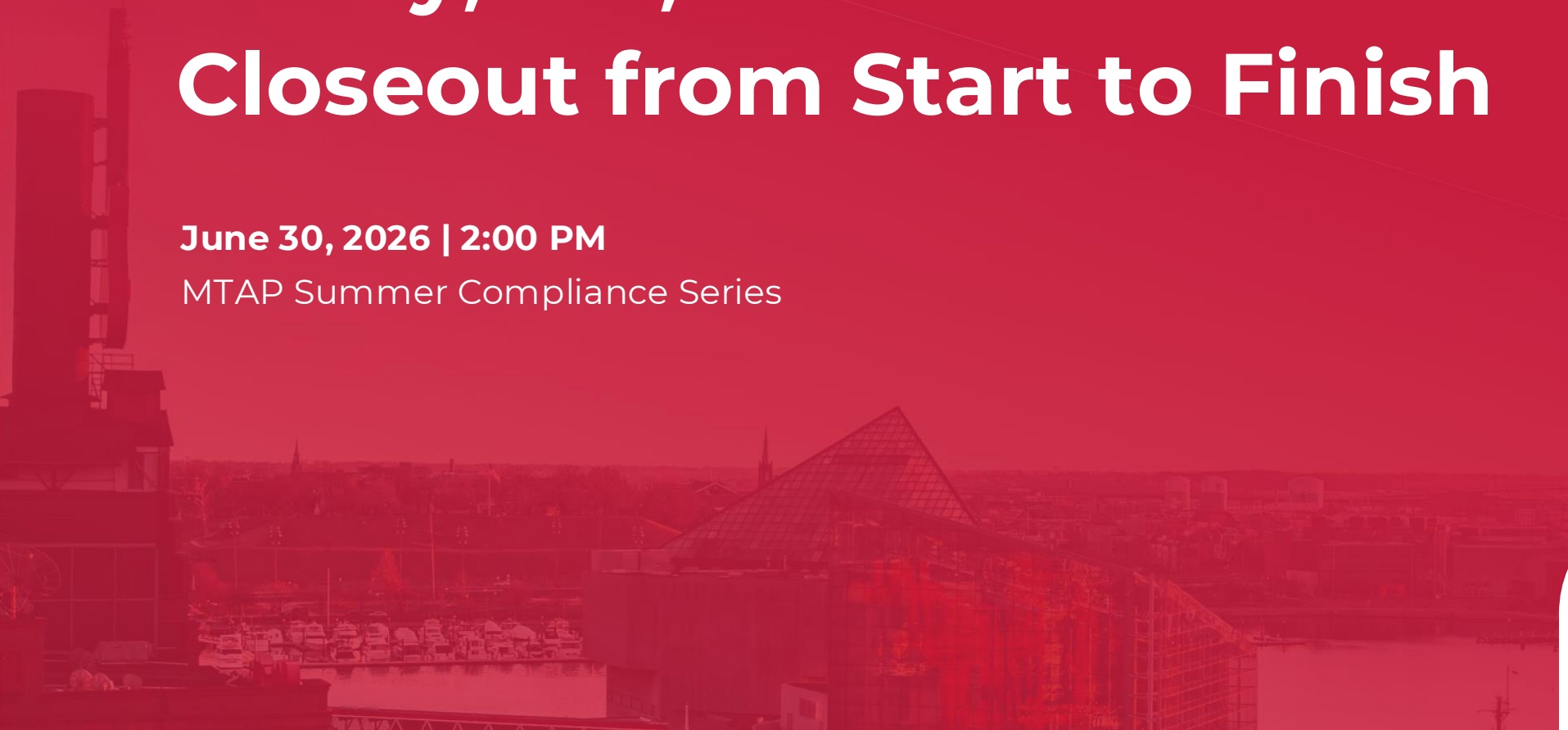
Ready, Set, Close Out: ARPA SLFRF Closeout from Start to Finish

June 30, 2026 | 2:00 PM

MTAP Summer Compliance Series



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Before We Begin

Session Details

- 60-minute interactive webinar
- Live Questions: Use the Q&A box at any time
- Chat: Share your answers to discussion prompts
- Polls: Respond when prompted
- Hear a real town about their real experiences

Summer Series Sessions

- Session 1: Ready, Set, Close Out (Today)
- Session 2: Audit-Ready, Audit-Worthy (Jul. 28th)
- Session 3: Document, Document, Document! (Aug. 25th)
- Session 4: Procurement Systems and Practice (Sep. 29th)

Resources

- Slides and Recording will be shared after the session
- MTAP website: dbm.maryland.gov/mtap
- Questions after today: MTAP Question Portal

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Agenda

1. Closeout 101: What It Is, Who It Applies To, and Key Dates
2. The Closeout Checklist: Five Steps Every NEU Must Complete
3. Your Experiences & Case Study: The Town of Millhaven
4. Post-Closeout Responsibilities and What Comes Next

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Opening Poll: Where Are You in the Closeout Process?

Respond using the poll panel now. There are no wrong answers!

A. We have already received our closeout invitation from Treasury

B. We indicated readiness in our last P&E Report and are waiting on Treasury

C. We are still expending funds and plan to close out at end of performance period (December 2026)

D. We are not sure where we stand - that is why we are here!

PART 1: Closeout 101

What it is, who it applies to, and the key dates you need to know

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What Is SLFRF Closeout?

The Official Definition

Closeout is the process taken by Treasury when it determines that all administrative actions and required work of the federal award have been completed.

What That Means in Practice

- Closeout is a standard part of every federal grant program, not just SLFRF
- Closeout has two distinct parts: the reporting (submitting your Final P&E Report and certifications in the Treasury Portal) and compliance (confirming your funds were spent correctly, your records are in order, and your subrecipients are wrapped up).
- Both parts matter and completing one does not mean the other is done. We will walk through each steps for both.

Important: *Closeout is not the finish line. It is the starting point of your post-award accountability period.*

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Key Dates at a Glance

Already Passed

- December 31, 2021: SLFRF funds first made available
- December 31, 2024: Obligation deadline – all funds must have been obligated

Expenditure Deadline

- December 31, 2026: All funds must be expended or returned to Treasury

Final Reporting & Closeout

- April 30, 2027: Final P&E Report due (120 days after end of performance period)
- April 30, 2027: Last date to report closeout administrative costs

Post-Closeout

- Five-year record retention period begins from date of final expenditure or fund return
- Treasury retains the right to request records throughout the retention period

Spending Your Funds Is Not the Same as Closing Out

This is one of the most common points of confusion, and it is worth making explicitly before we go further.

What You Might Assume

“We spent all our money and submitted our last P&E Report. We are done.”

What Is Actually True

- A closeout report is a separate, additional required report to annual or quarterly P&E reports
- You must indicate readiness for closeout on a P&E report in the Treasury Portal, and then wait for Treasury to open your closeout report, and then complete and submit your closeout package
- Until Treasury formally confirms your closeout, your award is still open, and your reporting obligations continue
- You still will have compliance requirements even after your closeout report is submitted!

Two Pathways to Closeout

Early Closeout (Now Available for Some Recipients)

- Treasury is opening early closeout for eligible recipients who have fully expended their SLFRF funds
- To be eligible: 100% obligated and expended, all reports submitted, no outstanding compliance issues, and selected 'Ready for Closeout' as part of the final step during the last P&E report
- Treasury is opening closeout reports (and notifying recipients of their opening) in phases - eligibility does not guarantee immediate report availability
- You may wait weeks or months after indicating readiness before receiving your invitation (which will come via email), always check the Portal under closeout reports!
- Once early closeout is completed, you will not have to submit any additional P&E reports

Standard Closeout (End of Performance Period)

- If you are still spending funds, or have not reported being ready for closeout, plan to close out through the April 2027 reporting cycle
- Expenditure deadline: December 31, 2026 - all funds must be expended or returned
- Final P&E Report due: April 30, 2027
- Both pathways lead to the same checklist - the steps do not change.

Quick Check-In Poll

True or False - respond in the poll:

"Once you receive your closeout invitation from Treasury and submit your final P&E Report, your SLFRF obligations are complete."

A. True - we are done once Treasury confirms closeout

B. False - there are post-closeout responsibilities that continue

We will discuss the answer in Part 3 of today's session.

PART 2: The Closeout Checklist

Reporting: Five steps every NEU must complete before closeout is finalized

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Step 1: Confirm Obligations and Expenditures

Before anything else, verify that your records match what Treasury sees in the portal.

- Log in to the Treasury Portal and confirm your SLFRF allocation is fully obligated and expended
- Verify the allocation amount matches your internal financial records and general ledger
- Confirm all reports show a "Submitted" status under the Compliance Reports tab
- If returning funds: confirm the amount is correct before initiating return
- If adjustments are needed: corrections to reported obligations can be made before closeout
    - No new obligations can be created after December 31, 2024, and re-obligations are only permitted under certain conditions

Tip: *Run a side-by-side comparison of your internal ledger against portal totals. Any mismatch must be resolved before you proceed.*

Step 2: Submit Your Final P&E Report

The last P&E Report you submit before closeout becomes your Final Report.

What to Confirm Before Submitting

- All expenditures and obligations are accurately reflected
- Your closeout-readiness indicator is checked "Yes" in the portal
- All Compliance Reports tab items show "Submitted" status
- If user roles or permissions prevent you from viewing reports, resolve access issues first

Reporting Schedule Reminder

- Annual reporters (most NEUs): continue your normal annual schedule until closeout is confirmed
- Do not skip a reporting cycle because you are waiting on a closeout invitation
- Refer to the SLFRF Compliance and Reporting Guidance (October 2025) and the April 2026 P&E Report User Guide for submission details

Step 3: Keep Your SAM.gov Registration Active

SAM.gov registration must remain active through the end of your federal award responsibilities - not just through closeout. It should also always stay active if you are interested in additional federal grants.

- Check your registration expiration date now - registrations expire annually and must be manually renewed
- Do not create a new account if your municipality already has one - renew the existing registration to avoid losing your history and access
- Assign or confirm your Entity Administrator - if that person has left, update the role before renewing
- If you have access issues, use GSA's incident ticket or live chat support - do not wait

Why This Matters: An expired SAM.gov registration can delay your closeout process and interrupt Treasury communications. This is one of the most common and most preventable closeout issues we see.

Remember: SAM.gov is separate from the Treasury Portal. Accounts are free to create and renew. There is no need to pay someone to do this on your behalf (which many companies will offer to do for a fee).

Resource: MTAP SAM.gov Registration How-To Guide (available at dbm.maryland.gov/mtap)

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Step 4: Update Your Treasury Portal Contacts

Maintaining accurate contacts is critical - even after closeout - to ensure you receive Treasury communications.

Three Roles to Confirm

- Account Administrator: Primary contact for portal access and account management
- Authorized Representative: The official who signs on behalf of your municipality
- Reporting Point of Contact: The staff member responsible for P&E Report submissions

Note: *One person can serve multiple roles and multiple people can hold each role, this ensures continuity in account access.*

Action Items

- Confirm all three roles are filled by current staff members - not former employees
- Verify email addresses and phone numbers are accurate and monitored
- Confirm login credentials work via Login.gov or ID.me
- If Account Administrator has changed, notify Treasury at SLFRF@treasury.gov as soon as possible

Step 5: Complete Subrecipient Closeout

If your municipality passed SLFRF funds to another organization, you have monitoring and closeout obligations.

- Confirm all required subrecipient monitoring has been completed and documented
- Obtain and retain final performance and financial reports from all subrecipients
- Retain evidence of subrecipient closeout in your SLFRF records

The Revenue Loss Exception

Expenditures under the Revenue Loss / Revenue Replacement category do NOT create subrecipient status for Treasury monitoring purposes.

If you used Revenue Loss funds to pay vendors for government services (e.g., public works, payroll), those are not subrecipients under SLFRF rules. See Final Rule FAQ 13.14.

Unsure whether a relationship is a subrecipient or contractor? We will cover this in depth in Bootcamp Session 4: Procurement Systems and Practice.

Revenue Loss Funds: A Few Special Rules

What Does NOT Apply to Revenue Loss

- Federal procurement standards (2 CFR 200.317-200.327) do NOT apply - follow your state and local procurement rules instead
- Equipment and property requirements (2 CFR 200.310-200.316) do NOT apply
- Program income requirements do NOT apply

Source: SLFRF Final Rule FAQ 13.15 and 13.16

What DOES Still Apply

- Record retention: five-year requirement applies to all SLFRF funds regardless of category
- Reporting requirements: P&E Reports required through closeout
- SAM.gov registration and portal contact updates apply to all recipients

Revenue Loss simplifies some requirements - but it does not mean no requirements. Local policy compliance and documentation are still expected.

What Happens If You Have Unspent Funds?

The Basic Rule

- Any funds not obligated by December 31, 2024 must be returned to Treasury
- Any funds not expended by December 31, 2026 (including pass-throughs to subrecipients) must be returned

If You Have Funds to Return

- Confirm the amount to be returned is correct before initiating the return in the portal
- Follow Treasury's designated instructions for returning funds - do not make payments without a formal request
- If funds remain at the start of closeout, follow the instructions Treasury provides in your closeout

Closeout Admin Costs Are Different

Administrative costs for closeout activities (audit prep, reconciliation, compliance documentation) may be incurred and reported through April 30, 2027 - even after the expenditure deadline

Source: SLFRF Final Rule FAQ 14.6

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Knowledge Check Poll

Which of these is required to complete SLFRF closeout? Select all that apply.

A. Confirm 100% obligation and expenditure in the Treasury Portal

B. Submit the Final P&E Report and ensure it reflects readiness for closeout

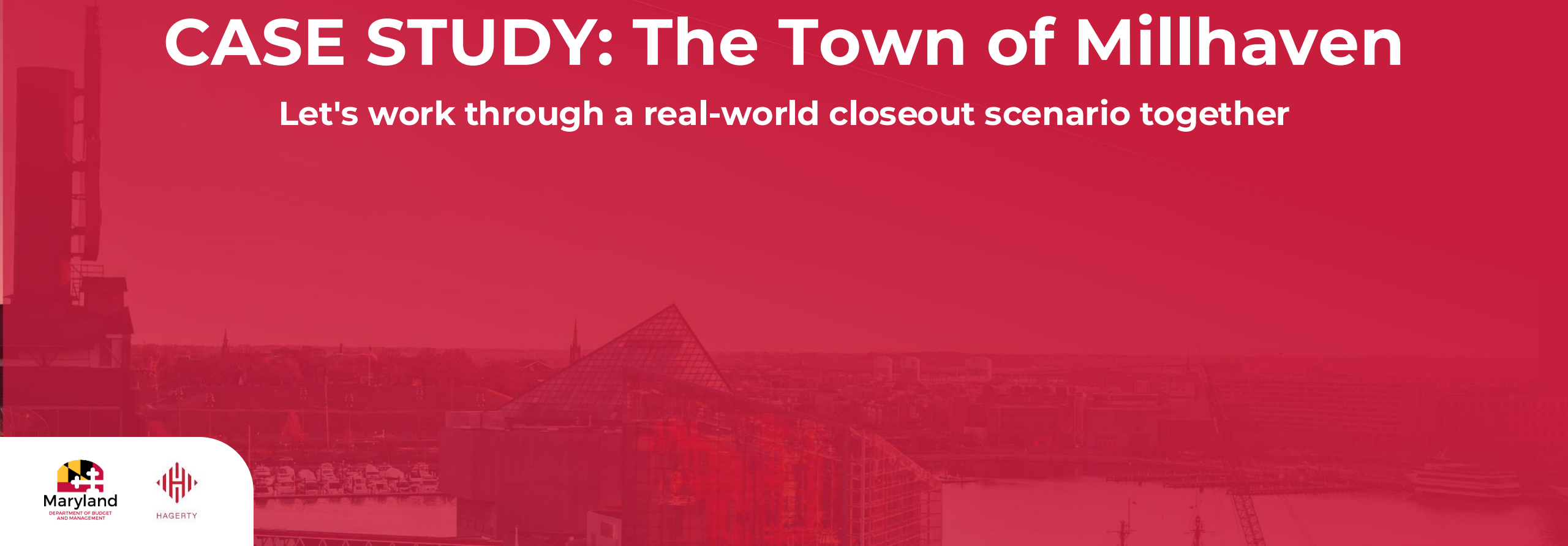
C. Maintain an active SAM.gov registration

D. Update Treasury Portal contacts (Account Admin, Authorized Rep, Reporting POC)

E. Complete subrecipient monitoring documentation (if applicable)

CASE STUDY: The Town of Millhaven

Let's work through a real-world closeout scenario together



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Meet the Town of Millhaven

Millhaven is a small Maryland town (population 1,200) that received $387,000 in SLFRF funds.

How They Used Their Funds

- $210,000 on water infrastructure improvements (contractor-led project, completed June 2025)
- $177,000 classified as Revenue Loss / Revenue Replacement for general government services

Where They Stand Today

- All funds have been expended as of December 2025
- Indicated "ready for closeout" in their most recent P&E Report
- Still waiting on Treasury to open their closeout window

At first glance, Millhaven looks ready. But a closer look reveals three issues they need to address before Treasury calls.

Millhaven: Three Issues They Did Not See Coming

Issue 1: Expired SAM.gov Registration

SAM.gov registration expired two months ago. The Entity Administrator who managed it retired in March and the account has no backup administrator assigned.

Issue 2: Stale Treasury Portal Contacts

The Account Administrator listed in the Treasury Portal is the same retired employee. Treasury sent a follow-up communication two weeks ago - no one received it.

Issue 3: Subrecipient Documentation Gap

The water infrastructure contractor submitted a final invoice - but Millhaven never documented final acceptance of work, and has no monitoring notes or sign-off on file. They assumed the paid invoice was sufficient.

Millhaven: Discussion Questions

Take 2 minutes to think through these questions. Share your thoughts in the chat!

Question 1

What is Millhaven's most urgent issue to fix before Treasury opens their closeout window - and why?

Question 2

Is the water infrastructure contractor a subrecipient or a vendor? What documentation should Millhaven have on file?

Question 3

What simple policy or procedure could have prevented all three of Millhaven's issues?

Question 4

Does the Revenue Loss classification affect any of Millhaven's documentation obligations?

Millhaven: Debrief and Key Takeaways

The Answers

- SAM.gov is the most urgent concern - an expired registration can halt the closeout process entirely. Renew immediately and assign a backup admin.
- Portal contacts: Update to current staff. A returned Treasury communication is a serious risk.
- Water contractor is a vendor, not a subrecipient - but Millhaven still needs documented final acceptance (sign-off, deliverable confirmation, monitoring notes).
- The infrastructure project was not coded as Revenue Loss, so the non-Revenue Loss reporting and compliance requirements apply.

The Bigger Lesson

Most closeout problems are not about the money - they are about the paperwork and the people.

- Assign a backup for every critical role
- Set a calendar reminder for SAM.gov renewal
- Do not assume Treasury knows when to reach you - keep your contacts current
- Document completion of work, not just payment of invoices

Resource: MTAP SLFRF Closeout Quick Guide and Closeout and Post-Closeout Responsibilities Guide

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REAL VOICES

Let’s hear from local towns on their experiences with ARPA Closeout

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PART 3: Compliance after Spending Completion

Your responsibilities do not end when Treasury closes your award

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Post-Closeout Is Not the Finish Line

Receiving closeout confirmation from Treasury is a milestone - not a release from all obligations.

What Continues After Closeout

- Record retention: Retain all SLFRF records for five years from the date of final expenditure or fund return (SLFRF Award Terms and Conditions)
- Treasury oversight: Treasury retains the right to request documentation and conduct reviews throughout the entire five-year retention period
- Audit authority: If a Single Audit identifies an issue after closeout, Treasury may require repayment even after the award is closed
- Responding to Treasury: Be prepared to respond promptly to any post-closeout inquiries or document requests

Remember: Audits are often initiated *after* closeout - not before. The five-year window is for auditors to look back.

What Happens After You Submit: The Treasury Review

- Treasury reviews submitted P&E Reports, the SF-425 (Federal Financial Report), and closeout certification for completeness and accuracy
- Treasury may reach out with questions or requests for additional documentation - respond promptly and retain copies of all correspondence
- If Treasury identifies issues, they will communicate next steps which may include corrections, return of funds, or a Corrective Action Plan
- If everything is in order, Treasury will confirm closeout acceptance - keep that confirmation as part of your permanent SLFRF record

After Confirmation

Post-closeout does not mean no more requirements - Treasury retains the right to request records and conduct reviews throughout the five-year retention period

Source: MTAP ARPA April Webinar; SLFRF Closeout and Post-Closeout Responsibilities Guide

Fraud, Waste, and Abuse: Know Your Obligations

If you suspect fraud, waste, or abuse involving SLFRF funds, you are obligated to report it - even after closeout.

What Is Reportable?

- Misuse of SLFRF funds for ineligible purposes
- Conflicts of interest in procurement or award decisions
- Knowingly providing false information on P&E Reports or in grant certifications
- Duplicate payments, phantom invoices, or contractor fraud

How to Report

- U.S. Treasury Office of Inspector General (OIG) Hotline: oig.treasury.gov/hotline
- Reports may be submitted online, by mail, or by phone - anonymous reporting is available

Familiarize your staff with OIG reporting procedures now. Post-closeout does not extinguish this obligation.

Final Poll:
How Are You Feeling About Your Closeout Readiness?

Respond using the poll panel. Be honest - this helps us know where to focus our support!

A. We are ready to go - checklist complete, records in order

B. Almost there - a few items to wrap up before we are truly ready

C. We have some work to do - today helped clarify our next steps

D. Starting from scratch - glad we joined today!

No matter where you are - MTAP is here to help. Submit questions anytime through our Question Portal at dbm.maryland.gov/mtap.

Coming Up: Session 2 - Audit-Ready, Audit-Worthy

Closeout and audit readiness go hand in hand. Session 2 will help you understand what auditors are looking for - and how to make sure they find everything in order.

Session 2 Will Cover:

- Do you need a Single Audit? Understanding thresholds ($750K vs. $1M) and the ACEE alternative
- The most common SLFRF audit findings - and their root causes
- Internal controls: the five-component framework every small town can apply
- The "48-Hour Audit Test" - could you produce your SLFRF file tomorrow?
- Case study: the Town of Riverside Creek and a procurement audit finding

Session 2 Date: **July 28th 2026**

REGISTER HERE!

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MTAP Resources for Your Closeout Journey

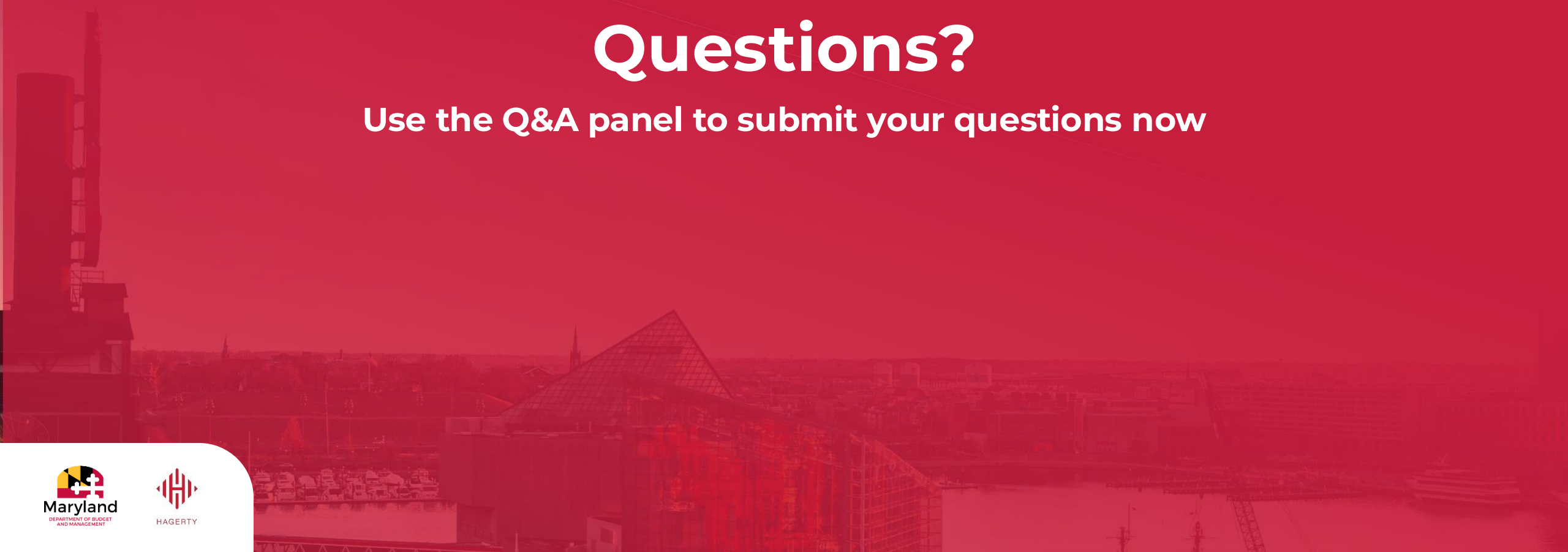
- SLFRF Closeout Quick Guide - step-by-step checklist for NEUs
- SLFRF Closeout and Post-Closeout Responsibilities Guide - detailed post-award obligations
- SAM.gov Registration How-To Guide - step-by-step registration and renewal
- Federal Documentation Retention Guide - five-year retention requirements and best practices
- Internal Controls General Guidance - building your control framework
- SLFRF Revenue Loss Compliance and Audit Readiness Guide

All resources available at: dbm.maryland.gov/mtap

Questions after today? Submit through the MTAP Question Portal

Questions?

Use the Q&A panel to submit your questions now



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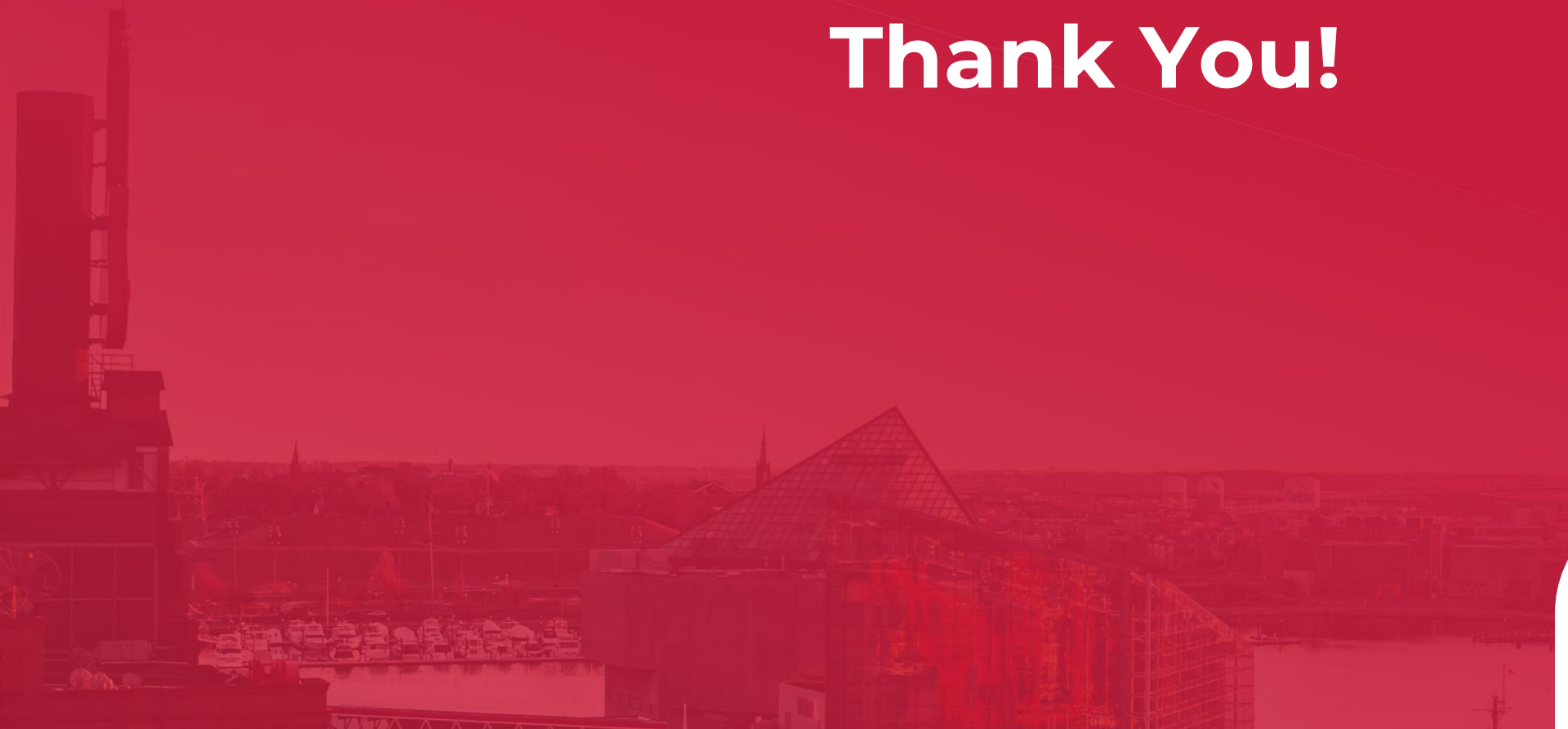
Thank You!



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