Dear [Insert name via mail merge]:

The U.S. Department of Education (ED) recently notified you that your grant(s) from the National Institute on Disability and Rehabilitation Research (NIDRR), or the Independent Living unit (IL) or the Assistive Technology unit (AT) of the Rehabilitation Services Administration (RSA), will be transferred from ED to the Administration for Community Living (ACL) in the U.S. Department of Health and Human Services (HHS), in accordance with the Workforce Innovation and Opportunity Act (WIOA), (Public Law 113-128). Specifically, the following grant will be transferred:

**Award Number:** (Inserted via mail merge)

**Grantee DUNS Number:** (Inserted via mail merge)

**Grantee Name:** (Inserted via mail merge)

To facilitate this transfer, you will be unable to access your grant funds in ED’s G5 system for a period of time. Beginning on February 24, 2015, your access to your grant funds will be frozen. You will again be able to access your funds, via HHS’ Payment Management System (PMS), on or before May 8, 2015. You will be permitted to draw down, in advance, funds necessary to cover your anticipated expenses during this freeze period. The amount drawn down must be reasonable and necessary to pay for allowable expenses under your grant. You are expected to retain the necessary supporting documentation to substantiate your expenditures during the freeze period. Funds may be drawn down any time on or before February 23, 2015. HHS will contact you during this freeze period regarding the exact date your funds will be available to you in PMS.

Included below are updates to ED’s initial email to you, an updated list of key dates, and a reiteration of suggested preparatory actions and useful additional information. Although all updates may not be relevant to you, ED encourages you to review each one.

**Updates**

* Transfer of NIDRR, IL, and AT Staff:

Employees of the NIDRR, IL, and AT programs transferred from ED to HHS on February 7, 2015. You will experience no change in program support as a result of this transfer. You may continue to contact program staff via their ED phone numbers and email addresses. As the transfer unfolds, program staff will inform you of their new contact information.

* Retaining Communication:

You are advised to retain communications issued by ED regarding WIOA transfer activities and advance drawdown information. This documentation may be needed for auditing purposes regarding your grant.

* Excess Grant Funds (e.g., rebates, refunds, excess cash) before the Freeze Period:

On or before February 23, 2015, excess grant funds may be returned to the appropriate grant account in G5. You also have the option to retain these funds and subtract them from the amount of funding you draw down for allowable expenditures under your grant during the freeze period.

* Excess Grant Funds (e.g., rebates, refunds, excess cash) after the Freeze Period:

If any of the funds drawn down prior to the freeze period remain when the freeze period ends, the grantee must expend those funds before it requests additional funds from HHS. Rebates and refunds received during and after the freeze period will be managed by HHS.

* Financial Reporting Responsibilities to ED:

Your grant will be closed at ED. In order to close your grant in accordance with ED procedures, you will need to submit a final Federal Financial Report (SF-425) that accounts for the funds drawn down during the period ED administered your grant. To facilitate this:

* + ED will issue to you an attachment to your Grant Award Notification (GAN) reflecting the total amount drawn down from the ED grant (from the initial award date through February 24, 2015, when the ED grants funds will be frozen). The remaining balance of your original grant will be transferred to HHS and issued to you as a new grant by HHS. You can expect to receive the attachment in March, after confirmation of the remaining ED grant balances is completed. The total amount of ED funds drawn down from G5 will be your “Total Federal Funds Authorized” amount on the SF-425 (line 10d).
	+ You must obligate all ED grant funds by September 30, 2015. All obligated funds must be expended (liquidated) by December 30, 2015.
	+ Final SF-425 reports, excluding funds transferred to and awarded by HHS, are due to ED by December 30, 2015. If you expend your remaining ED funds prior to September 30, 2015, ED encourages you to submit your final SF-425 report as soon as possible after the remaining funds are expended. Details on how to submit this report will be sent to you in a future communication. If you currently submit your SF-425 report electronically through the RSA Management Information System (MIS), you will submit your final report through the MIS, even once the grant is transferred to HHS.

At the end of the freeze period, HHS will issue you a new grant for the balance of ED funds transferred to HHS. The grant awarded by HHS will be subject to HHS’ reporting requirements.

**Updated Key Dates**

* Monday, February 23, 2015

This is the last day to draw down ED grant funds from G5.

As noted above, this is also the last day to return funds to G5.

Note: Funds drawn from a grant account in G5 generally must be deposited in interest bearing accounts unless certain conditions exist. Governmental grantees may retain $100 interest earned on advances each year and non-governmental grantees may retain $250 interest earned on advances each year.

* Tuesday, February 24, 2015

Your access to any remaining funds for the grant listed above will be frozen in G5.

* Tuesday, March 3, 2015

ED will electronically send you a memo indicating the remaining balance for the grant listed above. The authorized representative for the grant will confirm or contest the balance with ED. Procedures for confirming or contesting the balance will be included in the memo.

* Monday, March 9, 2015

This is the deadline to confirm or contest the balance of your grant. If you do not respond by this date, ED will treat your lack of a response as an agreement with the balance specified in the memo sent on March 3, 2015. If you contest the balance, ED will work with you to reconcile the difference.

After you confirm your grant balance, ED will issue you an attachment to your GAN reflecting the final ED grant amount.

* On or before March 30, 2015

This is the projected completion date for the transfer of your grant from ED to HHS.

* On or before May 8, 2015

Anticipated date by which HHS will issue new grants and make funds available in PMS. During the freeze period, HHS will provide you with additional information regarding the exact date when your funds will be available.

* Wednesday, September 30, 2015

This is the deadline to obligate all remaining ED grant funds drawn down from G5.

* Wednesday, December 30, 2015

This is the deadline to:

* + Expend (liquidate) all obligated ED grant funds, and
	+ Submit your final SF-425 report to ED. Details on how to submit this report will be sent to you in a future communication.

**What Should You Do To Prepare for the Transfer?**

ED recommends that you:

* Calculate your expected funding needs during the freeze period and draw down the funds to meet these needs on or before February 23, 2015. The amount drawn down must be only for allowable expenditures under your grant, and must reasonably reflect the actual expenditures anticipated during the freeze period.
* Complete and submit the following forms by March 15, 2015. Submission directions are included on the forms.
	+ [HHS Direct Deposit Sign-Up Form](http://www.dpm.psc.gov/grant_recipient/new_grantee_information/hhs_1199a.aspx)
	+ [PMS Access Form](http://www.dpm.psc.gov/grant_recipient/guides_forms/ffr_user_form.aspx)
* Review informational and training materials offered by HHS on GrantSolutions and PMS:
	+ [GrantSolutions](http://www.acl.gov/Funding_Opportunities/Grantee_Info/Grantee_Resources.aspx)
	+ [PMS](http://www.dpm.psc.gov/training/grant_recipient_training.aspx?explore!%0d%0a%20r.event=true)

**Additional Information**

This transfer affects your current new or continuation grant(s) that you received in 2014 and 2015, including any funds that were carried over from a prior budget period(s), as applicable. Please note that ED monitored excessive drawdown of funds by transferring grantees through January 27, 2015. If one or more of your grants was identified as having excessive funds drawn, ED will contact you to resolve the issue. If we determine that you made excessive draws on a grant, we will require you to refund that grant account by the amount we determine was excessively drawn. You will have until February 23, 2015 to refund your grant account.

Historical information on your grant will still be accessible in G5 after the transfer.

ED and HHS will contact you with additional information throughout the transfer process. If you have specific questions regarding the transfer, please contact the ED WIOA Transition Team at wioatransition@ed.gov. You may also contact your NIDRR, IL, or AT program officer with questions.