

## Treasury Now Accepting Cash Grant Applications

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The U.S. Department of Treasury is now accepting [online applications](#) for cash grants pursuant to Section 1603 of the American Recovery and Reinvestment Act.

The online application largely reflects Treasury's sample application published July 9th on its [web page](#). However, two additional documents have been provided to supplement the application materials:

- Additional guidance related to an independent accountant's attestation of eligible cost basis. This attestation is required for grant applications for which the eligible cost basis of the specified property exceeds \$500,000.
- Specific instructions related to an applicant's assignment in full of its right to receive payment of the cash grant in connection with project financing.

### Confirmation of Cost Basis

Applicants requesting payments of less than \$1 million and whose eligible cost basis is more than \$500,000 for a specified property must submit, with their application, a report of Agreed-Upon-Procedures (AUP) prepared by an independent accountant in accordance with attestation standards of the American Institute of Certified Public Accountants (AICPA). The purpose of this report is to provide independent confirmation of the eligible cost basis.

Applicants requesting payments of \$1 million or more for a specified property must submit an independent accountant's certification attesting to the accuracy of all costs claimed as part of the basis of the property. The certification must be conducted in accordance with the attestation standards established by the AICPA.

Specific instructions, the required format for the independent accountant's certification (in the case of payments of \$1 million or more), and the AUP and sample format for the cover letter for the independent accountant's report (in the case of payments of less than \$1 million). Note that this additional guidance indicates that a certified public accountant is expected to make the attestations described above.

### Assignments of Grant Proceeds

Recipients of payments under the Treasury grant program may assign the payment to a financial institution if all of the following requirements are satisfied:

- the payment is for \$1,000 or more;
- the payment is assigned to a bank, trust company or other financing institution, including any Federal lending agency;
- the assignment covers all amounts payable and is not subject to further assignment except that any assignment may be made to one party acting as agent or trustee for two or more parties who are participating in the financing; and
- the assignee files a written Notice of Assignment of the payment together with a true copy of the instrument of assignment with Treasury at the time the applicant completes an application for property that has been placed in service.

The assignee of the payment may submit the Notice of Assignment and a true copy of the instrument of assignment by email to

1603Assignments@do.treas.gov. The Notice of Assignment must include the Treasury Application Number ("TAN") assigned to the applicant by Treasury at the time the application was submitted, and the assignment of the payment to the assignee must meet the requirements of the federal Assignment of Claims Act. Both the applicant and its assignee must register with the Central Contractor Registry for the assignee to receive payment of the cash grant.

#### RELATED PRACTICES

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