

Notice to Recipients of Coronavirus State and Local Fiscal Recovery Funds
U.S. Department of the Treasury
Compliance Reviews and Related Recoupment Efforts
March 25, 2025

Through this notice, the U.S. Department of the Treasury (Treasury) is informing recipients of Coronavirus State and Local Fiscal Recovery Funds (SLFRF) awards that Treasury intends to vigorously monitor recipients' methods of obligating funds by the December 31, 2024, deadline. Treasury is committed to recouping funds that recipients obligated or expended impermissibly, as well as to recapturing funds that they did not obligate by the deadline.

Many recipients have now provided reports covering obligations through the December 31, 2024, obligation deadline, while others soon will. Quarterly reporters were required to submit their latest report to Treasury by January 31, 2025, covering obligations through the obligation deadline. Annual reporters will submit their next report to Treasury between April 1 and April 30, 2025, covering obligations through the obligation deadline.

Treasury intends to take several actions in alignment with its commitment to recoup funds used impermissibly and to recapture funds not obligated by the deadline, including enhancing compliance checks on the obligation data submitted by recipients as part of its efforts to ensure taxpayer funds are used in accordance with program requirements. Recipients may receive Information Document Requests and will be expected to promptly comply with such requests.

In the coming days, Treasury also will begin sending "Financial Instructions to Return Unobligated Funds" to recipients that did not fully obligate their award funds by the deadline, based on the latest data available to Treasury. These instructions will:

- Inform the recipient how much it owes, based on its most recently submitted report.
- Provide a date by which funds must be repaid.
- Direct the recipient to Pay.gov for repayment options.

If a recipient does not repay the amount owed by the specified date, Treasury will establish a debt and follow standard debt collection policy and procedures in coordination with Treasury's Bureau of the Fiscal Service. Interest and penalties will accrue once the debt is established.