

Relief Funding (ARP ESSER and ARP Homeless) Revised Liquidation Extension

Frequently Asked Questions

Updated April 4, 2025

Per the letter received from Secretary McMahon on March 28, 2025, the U.S. Department of Education (ED) modified the liquidation period to end on **March 28, 2025, at 5:00 p.m. ET**. ED will consider an extension to the liquidation period on an *individual, project-specific basis*. ED has the authority to approve liquidation extension requests for properly obligated funds upon review of a written request made by the Tennessee Department of Education (department) on its own behalf or on behalf of LEAs. Final approval of a grantee's written request will be based upon the specific facts and circumstances in accordance with 2 CFR § 200.344(b).

All ARP ESSER & ARP Homeless funds must still have been fully obligated by **Sept. 30, 2024**. The regulations at 34 C.F.R. § 76.707 govern when an obligation of Federal funds by a State or an LEA occurs. Specifically, for services or assistance provided through a contract, the obligation is made on the date that the State or subgrantee makes a binding written commitment to obtain the services, work, or products. For rental or lease of real or personal property, the obligation is made when the property is used.

Helpful Resources

[ED ESF Funding Letter March 28, 2025](#)

[ED ESF Funding Letter Email March 28, 2025](#)

[ED ESF Funding Email April 3, 2025](#)

[Davis Bacon Overview](#)

Questions & Answers

1. How does an LEA resubmit a late liquidation request?

LEAs that wish to reapply for late liquidation must submit their request through a Data and Information tool in ePlan. The Tennessee Department of Education (department) will then make requests to ED on behalf of the LEA.

2. When will LEAs be able to submit their requests?

The updated liquidation extension request tool will reopen in ePlan>Data and Information>2026>ARP ESSER Liquidation Extension Request **or** APR Homeless Liquidation Extension Request on **April 15, 2025**. LEAs with previously approved liquidation extension requests who wish to reapply must submit their requests to the department **no later than May 30, 2025**.

3. How long will the liquidation extension period last?

An LEA may request *up to* 14 months past the close of the liquidation period (including the Tydings period), allowing LEAs to liquidate funds until March 28, 2026. The department recommends that LEAs consider what is a realistic timeline to drawdown these funds.

LEAs **must** indicate the requested timeframe for the extension of each project in their request. If the exact date is not known, please indicate a realistic timeframe for completion that includes time for invoice payments and reimbursement requests submitted to the department.

4. What is the last day a liquidation extension can be requested?

Requests for extension may be approved for a period of up to 14 months to March 28, 2026, but ED has encouraged LEAs to ensure this date is realistic and aligns with the services provided.

5. Do LEAs have to provide fiscal documentation showing funds were obligated by Sept. 30, 2024?

Obligation documentation was uploaded in the original liquidation extension request. Only newly added projects will require uploads in the revised request.

6. What types of supporting documentation should LEAs upload?

Examples of supporting documentation include purchase orders, executed contracts for services, and other documents supporting a delay in receiving services.

7. What types of projects will be considered for liquidation extension?

See the examples listed below for an overview of the types of projects that may be allowed liquidation extension. **Please note** that late liquidation requests must be aligned to specific projects, contracts, or other expenses based on properly obligated funds.

| YES | NO |
|--|--|
| Contract for ongoing tutoring services | Employee pay & benefits |
| Contract for ongoing mental health services | Travel (lodging, mileage, per diem) |
| A non-employee to administer ESSER programs | Solely needing more time to expend funds |
| Ongoing professional development services | |
| Receipt of goods or services (ex. bus, HVAC installation, final work on a remodel project) | |

8. Does Davis Bacon still apply with the liquidation extension?

Yes. Davis Bacon requirements must be followed with any applicable projects. Please see [this overview](#) for more information on Davis Bacon requirements.

9. Does approval from the department guarantee approval from ED?

No, approval from the department does not guarantee approval from ED. ED has stated that approval will be based on “an individual project-specific basis” at the discretion of the Secretary of Education.

10. Our LEA has already submitted a request for reimbursement from the department but has not yet received it. Do we have to reapply for an extension? Do we have to resubmit our reimbursement request?

If the LEA has not received reimbursement from the department, they should reapply. Once ED has approved the updated extension request, the LEA can resubmit their reimbursement request.

11. Our LEA had a reimbursement request accepted and paid. How do we know if the department requested reimbursement from ED for those expenditures?

All ARP ESSER reimbursement requests submitted between March 4 to March 28, 2025, have been paid and submitted to ED. LEAs will not need to reapply. All ARP Homeless requests must resubmit since none of these requests were approved.

12. Our LEA does not wish to reapply for a liquidation extension. What are our next steps?

Within the ePlan instrument, LEAs that do not wish to reapply for a liquidation extension should select the option stating, “No, we no longer wish to apply for an extension and prefer for funds to be returned to the U.S. Department of the Treasury.” Those LEAs that choose not to reapply and wish to return their funds must then complete the Release of Funds instrument by going to ePlan>Data and Information>2025>Release of Funds.

13. Our LEA has received reimbursement from the department for some projects but not others. Do we have to reapply for all projects in our liquidation extension request or just the ones for which we have not received reimbursement?

LEAs need only reapply for those projects for which they have not received a full reimbursement from the department. Please note that the LEA must have received its funds for reimbursement from the department, not just approval.

14. We are concerned that some of our previously approved projects may not get approved when we reapply. Can we change our request?

Yes, LEAs reapplying for liquidation extension may change their requests to remove and/or add different projects that were properly obligated by Sept. 30, 2024, and are necessary to mitigate the effects of COVID-19 on American students’ education. Some requests (i.e., capital projects) may require additional justification for extension.

15. Are there some projects that are more likely to be approved than others?

Yes, ED has indicated that projects directly tied to student achievement, such as tutoring, are preferable. Justification for other projects, such as HVAC upgrades for cleaner air or capital projects, will be considered and should include information signifying how those projects affect student learning and achievement.

16. We plan to request extensions for previously approved projects. Can we copy information from the original instrument?

Yes, on the funding page of the updated instrument, LEAs have the option to “Copy Previous Fiscal Year Details.” Please note that additional information will also be required for these projects.

17. We would like to request an extension for a portion of our remaining funds and return the rest. Can we do this, and if so, how?

Yes, LEAs can reapply for extensions and only include the projects and amounts they wish to be considered. LEAs must then complete the Release of Funds form in ePlan for the remaining funds.