

# Federal Relief Funds for Staffing & Textbooks

## FAQ & Period of Performance Overview

This document, based on federal guidance, contains questions and answers regarding staffing and the purchase of textbooks and materials using relief funds. For additional questions beyond what is covered in this document, please contact your [relief team divisional coordinator](#).

### FAQs

#### Staffing

1. **Can a local education agency (LEA) use ESSER 3.0 to pay for staff through the 2024-25 school year?**

Services provided by an employee are considered obligated when the services are rendered, or the work is performed [34 C.F.R. § 76.707(b)]. Under this same provision, an LEA may not use relief funding to pay the salary of an employee who is administering the program after Sept. 30, 2024, since the obligation of funds for an employee does not occur until the work is performed. Thus, payroll expenses for employees of the state or subgrantee may only be charged to the grant for services provided through the end of the obligation period (Sept. 30, 2024 for ESSER 3.0).

#### Textbooks

2. **Are textbooks an allowable expense for relief funds?**

Generally, textbooks are an allowable expense as there is no “supplement, not supplant” provision for relief funding in CARES, CRSSA, or ARP. Federal funds are typically not allowable for purchases that would replace (supplant) state/local funds in providing general educational services, such as textbooks.

3. **Our LEA's adoption cycle for textbooks will be six years. Can we pay for purchases for the full six-year cycle with relief funds?**

An LEA may only pay for the textbooks and any supplemental materials or supplies that accompany the texts that will be received during the period of performance for the respective grant. See the table after Question 7 for period of performance dates.

4. **Why can't an LEA use ESSER 3.0 funds for a total of six years if it pays the total amount up front?**

Federal guidance specifies that grant funds may not be used for activities outside of the period of performance (2 C.F.R. § 200.344). Materials, supplies, and/or services received after January 2025 would be outside of the period of performance for ESSER 3.0 and would not be allowable.

5. **If an LEA pays for textbooks with relief funds, does the LEA have to get a shorter-term agreement?**

An LEA may enter a multi-year agreement/contract, adhering to any applicable caps on duration. The LEA would need to use a funding source other than ESSER for the time outside of the period of

performance. Relief funds may be braided (in combination) with state and local education funds to support agreements/contracts.

**6. If an LEA pays from two different funding sources, does the LEA have to get separate quotes?**

The department advises you to consult with your local finance department regarding quotes and invoices. Federal guidance would not require you to obtain two separate quotes; an LEA could braid/combine funds to purchase textbooks. Braiding occurs when different funding streams are used together to leverage the support provided for the different needs of educators and students while maintaining documentation to support the charging and allocation of costs to multiple separate funding streams or programs. For more information on braiding funds, please reach out to [Jerri.Nave@tn.gov](mailto:Jerri.Nave@tn.gov).

**7. Can our LEA purchase a stockpile of consumables to be used during the duration of our adoption period?**

No. Costs must be incurred during the approved budget period; therefore, you may not prepay for items and stockpile for use outside of the grant period of performance [2 C.F.R. § 200.403(h)].

## Period of Performance Overview

The table below outlines the dates of obligation and liquidation of funds:

Grant	Obligation	Recommended Liquidation
ESSER 2.0	Sept. 30, 2023	Dec. 15, 2023*
ESSER 3.0	Sept. 30, 2024	Dec. 15, 2024*

*\*Recommended deadline to ensure funds are reimbursed in ePlan for adequate time for grants to close. The Tennessee Department of Education (the department) is awaiting guidance from the U.S. Department of Education (ED) on the extension of liquidation for ESSER 2.0 and ESSER 3.0. Extension of liquidation will provide an additional 14 months for LEAs to draw down these funds, which will extend the period of performance for each grant.*

**Obligation:** ESSER funds are obligated when the LEA commits those funds to specific purposes (e.g., contracts, services, subscriptions, materials) (34 C.F.R. § 76.707). Funds are not obligated until the LEA commits the funds to specific purposes.

**Liquidation:** To liquidate an obligation, the purchased item or service has occurred, and payment has been made to the vendor or provider. A grantee must liquidate all obligations incurred under the award no later than 120 days after the end of the funding period or as specified in a program regulation (34 C.F.R. § 80.23).

**Note:** Please reference the examples table on the next page for relevant scenarios.

Grant	Example		Obligated/ Liquidated	Allowable?
ESSER 2.0	Consumables for the 2023-24 school year are ordered on June 19, 2023.	Purchase is made with the vendor prior to the obligation deadline of Sept. 30, 2023.	Obligated	Yes
ESSER 2.0	Consumables are delivered on July 27, 2023, and paid for on Aug. 12, 2023.	Payment is made for services rendered prior to Dec. 15, 2023.*	Liquidated	Yes
ESSER 2.0	An LEA wants to spend its remaining ESSER 2.0 funds, so consumables are ordered for the 2024-25 school year on Nov. 16, 2023.	Commitment is made with the vendor <u>after</u> Sept. 30, 2023.	Obligated	<b>No, these funds were obligated after the deadline of Sept. 30, 2023. Additionally, LEAs may not prepay for items and stockpile for use outside of the period of performance.</b>
ESSER 3.0	Math textbooks are ordered on March 20, 2023, to be used starting in the 2024-25 school year.	Commitment is made with the vendor prior to the obligation deadline of Sept. 30, 2024.	Obligated	Yes
ESSER 3.0	Textbooks are received on May 25, 2024, and payment is made to the vendor on June 16, 2024.	Payment for goods is made prior to Dec. 15, 2024.*	Liquidated	Yes
ESSER 3.0	Math manipulatives for the 2025-26 school year are ordered on Nov. 10, 2024.	Commitment is made to the vendor <u>after</u> Sept. 30, 2024.	Obligated	<b>No, these funds were obligated after the deadline of Sept. 30, 2024. Additionally, LEAs may not prepay for items and stockpile for use outside of the period of performance.</b>
ESSER 3.0	Consumable workbooks for the 2025-26 school year are received and paid for on Dec. 31, 2024.	Materials are received and payment made <u>after</u> Dec. 15, 2024.	Obligated; Liquidated	<b>No, these funds were liquidated after the deadline of Dec. 15, 2024. Additionally, LEAs may not prepay for items and stockpile for use outside of the period of performance.</b>
ESSER 3.0	An LEA makes a purchase that was approved in their funding application on July 10, 2024, for textbook adoption lasting six (6) years. The purchase will be paid for with ESSER 3.0 funds until Dec. 15, 2024, after which the LEA will use General Purpose of state/local funds to pay for the remaining years.	Commitment is made to the vendor prior to Sept. 30, 2024; Payment is made to the vendor prior to Dec. 15, 2024.*	Obligated; Liquidated	Yes <b>Note:</b> The LEA can only pay for purchases during the period of performance. LEAs cannot pay for materials or services for subsequent school years in advance.

\*Recommended deadline to ensure funds are reimbursed in ePlan for adequate time for grants to close. The Tennessee Department of Education (the department) is awaiting guidance from the U.S. Department of Education (ED) on the extension of liquidation for ESSER 2.0 and ESSER 3.0. Extension of Liquidation will provide an additional 14 months for LEAs to draw down these funds, which will extend the period of performance for each grant.