

Questions & Answers Allocation Adjustments

Overview of Allocation Adjustment

1) **How will LEAs be able to receive the allocation adjustments?**

For State Fiscal Year (SFY)24 allocations, LEAs are required to acknowledge adjusted allocations in the Acknowledgement of Allocation Adjustment form in ePlan by **May 1, 2024**. Please see [this resource](#) for instructions to complete the form. All allocation adjustments were calculated, excluding ARP Homelessⁱ, and loaded in ePlan.

- a. For ESSA Title I, Part A; ESSA Title I, Part A—Neglected; and ESSA Title IV, Part A; LEAs experience one of two scenarios:
 - i. The LEA received an increase in allocations, and the “Original” (actual fiscal year) and “Reallocated” (increase resulting from allocation adjustment) rows reflect these funds. The two numbers added together are the new allocation.
 - ii. The LEA received a reduction in allocations, and the “Original” line is the new allocation (actual fiscal year minus the adjusted allocation amount).
- b. For ESSA, Title II, and Relief funds, LEAs experience one of two scenarios:
 - i. The LEA received an increase in allocations, and the “Original” (actual fiscal year) and “Reallocated” (increase resulting from allocation adjustment) rows reflect these funds. The two numbers added together are the new allocation.
 - ii. The LEA incurred no change to their allocation amount; there is noted a change in the location of the allocations: the “Original” (actual fiscal year) and “Additional” (additional funds to return LEA to unadjusted allocation). The two numbers added together are the unadjusted allocation amount.
- c. For ARP Homeless funds, LEAs must decide to accept or decline additional funds in the Acknowledgement of Allocation Adjustment form, then funds will be loaded into the “Original” allocation line.

2) **What is the period of performance of the adjusted additional allocations?**

Additional allocations granted to LEAs have the same period of performance as the original allocation amount. Below is a chart that states the obligation and liquidation deadlines for LEAs.

State Fiscal Year	Obligation Deadline	Liquidation Deadline
FY24	Sept. 30, 2025	Dec. 29, 2025
FY25	Sept. 30, 2026	Dec. 29, 2026
FY26	Sept. 30, 2027	Dec. 29, 2027
FY27	Sept. 30, 2028	Dec. 29, 2028
FY28	Sept. 30, 2029	Dec. 29, 2029
FY29	Sept. 30, 2030	Dec. 29, 2030
FY30	Sept. 30, 2031	Dec. 29, 2031

Dates in the chart reflect additional time by the Tydings Amendment, Section 412(b) of the General Education Provisions Act (GEPA).

3) **What resources are available to LEAs to revise funding applications?**

LEAs are encouraged to review appropriate funding application guides when revising funding applications. Additionally, technical assistance is available during office hours, linked here:

- [FY24 CFA Technical Guide](#)
- [FY25 CFA Technical Guide](#)
- [FY24 ESSER 3.0 Technical Guide](#)
- [ARP Homeless 2.0 Technical Guide](#)
- [ESSA and IDEA Office Hours](#)
- [Relief Funding Office Hours](#)
- [ARP Homeless Office Hours](#)

4) **Do LEAs have to provide equitable services to qualifying non-public schools?**

LEAs that received additional funds because of the adjustments are required to include these funds in calculating the proportional share of such funds to provide equitable services to eligible non-public school students, educators, and families consistent with ESSA § 1117 and ESSA § 8501.

5) **Can LEAs transfer funds into other respective grant programs?**

LEAs may transfer funds allocated under ESSA, Title II, Part A and Title IV, Part A grants. No other grant programs allow the transfer of funds. Consultation with non-public schools is required *before* the transfer if a transfer affects students or educational personnel from non-public schools. Eligible grant funds can only be transferred into specific grant programs:

- Title II, Part A funds may be transferred to Title I, Part A; Title I, Part C; Title I, Part D; Title III, Part A; Title IV, Part A; and Title V, Part B, Subpart 2.
- Title IV, Part A funds may be transferred to Title I, Part A; Title I, Part C; Title I, Part D; Title II, Part A; Title III, Part A; and Title V, Part B, Subpart 2 (ESSA § 5103).

When transferring funds, LEAs have the option to transfer a portion or may transfer the entire allocation. Funds transferred into other grant programs take on the identity of the receiving grants and are subject to the fiscal requirements of the receiving grants. Funds transferred into Title I, Part A must be included in required set-aside calculations.

6) **Will the department allow requests from LEAs for an extension to liquidate ESSER 3.0 (ARP ESSER) and ARP Homeless funds?**

The department will accept requests for liquidation extension on behalf of its subgrantees. The department must submit all liquidation extension requests *for properly obligated funds* to ED for approval. The Liquidation Extension Request will tentatively open in ePlan on **Oct. 15, 2024**, for LEAs to complete. All LEAs may request an extension to liquidate funds regardless of an increase or decrease in allocation.

ED's final approval of a grantee's written request is based upon the specific facts and circumstances in accordance with 2 C.F.R. § 200.344(b). If approved under this process, grantees and subgrantees may have an extension to the liquidation period of up to 14 months beyond the 90 days already available to liquidate funds.

ESSA Grant Provisions

7) ***How does the allocation adjustment impact the LEA's hold-harmless amounts?***

ESSA requires Title I, Part A funds to be allocated under four separate federal formulas, each with its own hold-harmless provision. Each LEA's hold-harmless amount for the subsequent fiscal year will be based on the original allocation before the required adjustment.

8) ***How does the allocation adjustment impact grant carryover limitation provisions?***

The additional funds do not count toward carryover limitations under ESSA and state requirements. The LEA's original allocation amount is used to calculate the state and federal carryover limitation grant requirements under ESSA § 1127(a).

9) ***How is the contribution for the administration impacted?***

LEAs can utilize the "Original," "Reallocated," and "Additional" amounts (as applicable) on the *Allocations* page in the Consolidated Funding Application (CFA) to calculate administration contributions. According to the department, LEAs must contribute no more than the maximum percentages below for each grant:

- Title I, Part A; Title I, Part A—Neglected; and Title II, Part A; cannot exceed 20 percent.
- Title IV, Part A cannot exceed two percent.

Note: The administrative percentage is based on direct administrative costs and indirect costs.

All ESSA programs administered with consolidated administration (con admin) funds must contribute a minimum of \$100.

Relief Grant Provisions

10) ***Must LEAs receiving additional ESSER 3.0 funds as a result of the adjustments use the funds for allowable uses under ARP Act § 2001(e)?***

Yes, LEAs that received additional ESSER 3.0 funds must use the funds only for allowable uses under ARP Act § 2001(e). LEAs may access ED's [Frequently Asked Questions](#) for additional guidance on the allowable use of funds.

11) ***Must LEAs receiving additional ESSER 3.0 funds reserve 20 percent of the total ESSER 3.0 allocation to address learning loss?***

Yes, each LEA must reserve at least 20 percent of funds to address learning loss through the implementation of evidence-based interventions and ensure that those interventions respond to students' social, emotional, and academic needs to address the disproportionate impact of COVID-19 on underrepresented student subgroups. The department released [examples of allowable uses](#) to meet this requirement.

12) ***Must LEAs receiving additional ARP Homeless 2.0 funds as a result of the adjustments use the funds for allowable uses under ARP Act § 2001(e)?***

Yes, LEAs receiving additional ARP Homeless 2.0 funds must use the funds consistent with ARP Homeless 2.0 requirements. The department has released [examples of allowable uses](#) to meet this requirement.

ⁱ calculated after Acknowledgement is complete for all LEAs