

# ARP Homeless Allowable Use of Funds Updates

**Vanessa Waters**

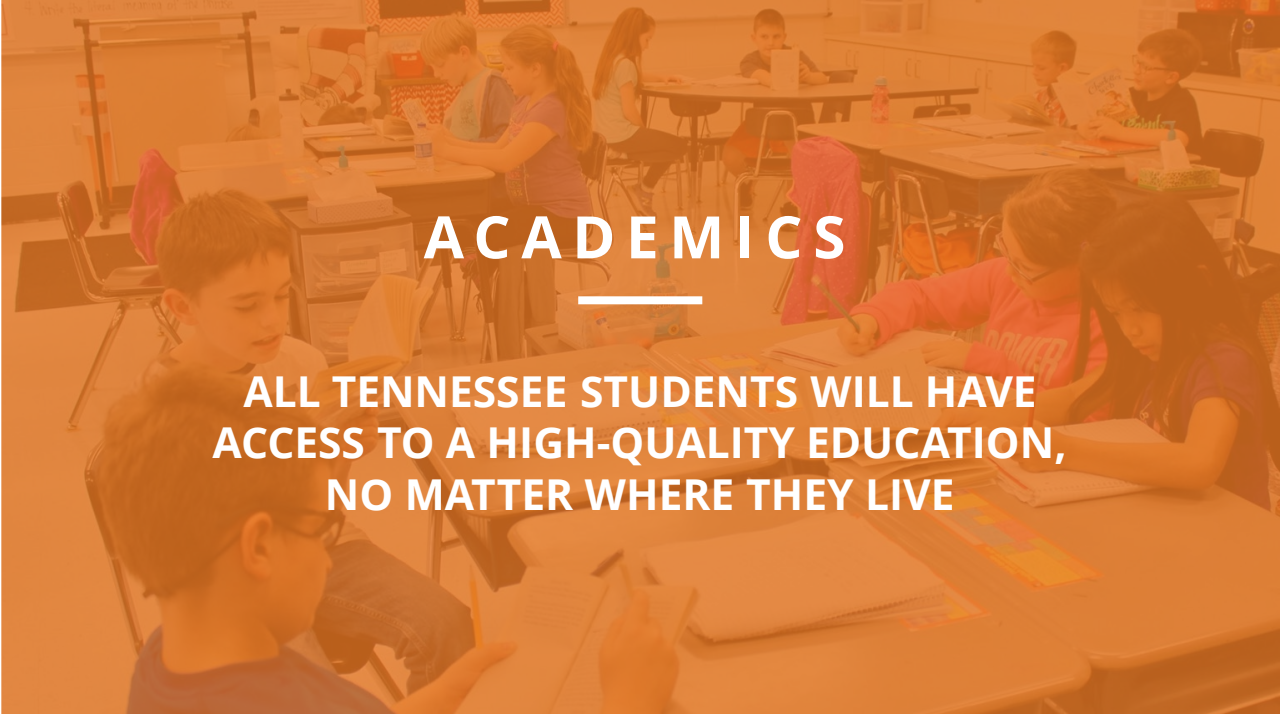
*McKinney-Vento Grant Manager | Federal Programs and Oversight*





# BEST FOR ALL

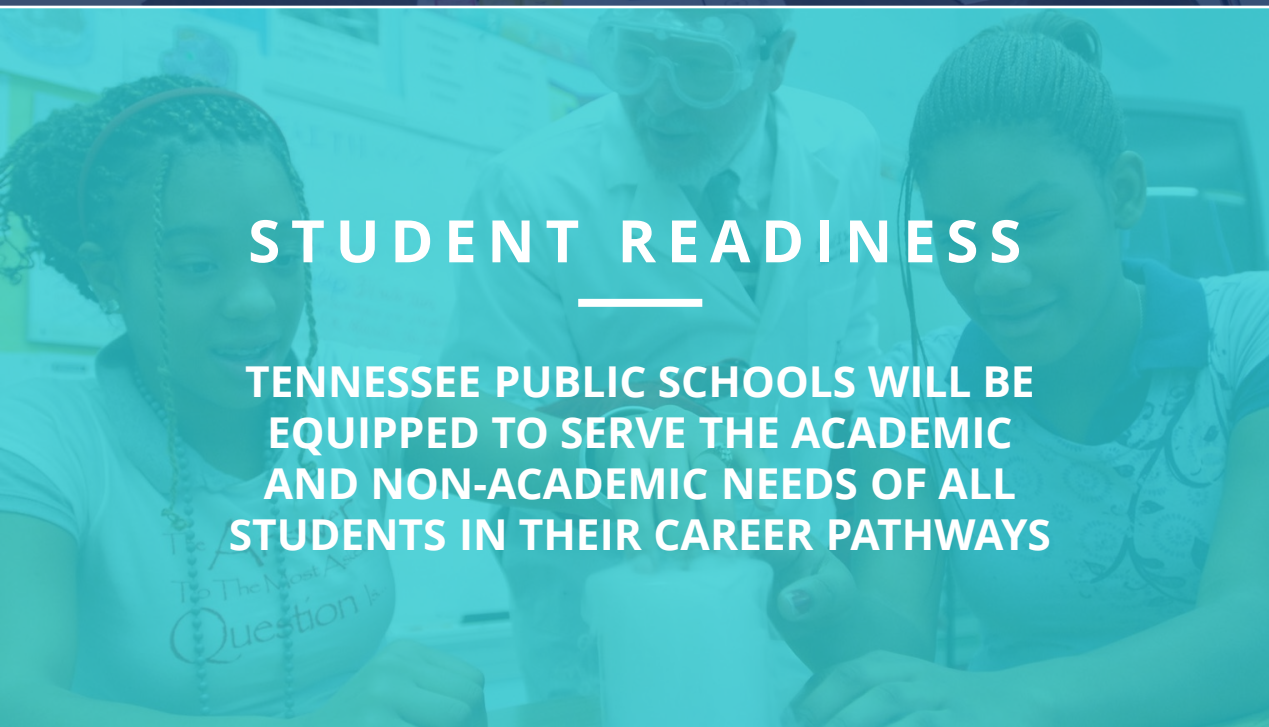
We will set all students on a path to success.



## ACADEMICS

---

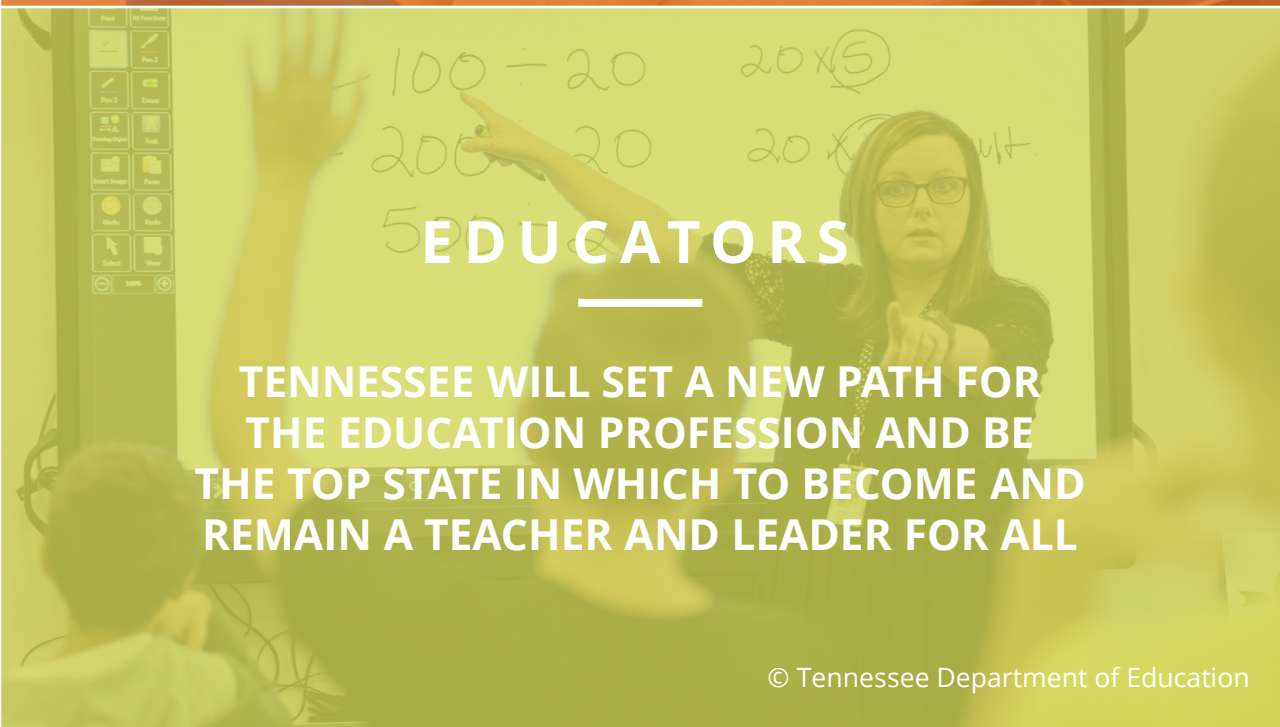
ALL TENNESSEE STUDENTS WILL HAVE ACCESS TO A HIGH-QUALITY EDUCATION, NO MATTER WHERE THEY LIVE



## STUDENT READINESS

---

TENNESSEE PUBLIC SCHOOLS WILL BE EQUIPPED TO SERVE THE ACADEMIC AND NON-ACADEMIC NEEDS OF ALL STUDENTS IN THEIR CAREER PATHWAYS



## EDUCATORS

---

TENNESSEE WILL SET A NEW PATH FOR THE EDUCATION PROFESSION AND BE THE TOP STATE IN WHICH TO BECOME AND REMAIN A TEACHER AND LEADER FOR ALL



# Agenda

- ARP Homeless Period of Performance
- ARP Homeless Allowable Use of Funds
- ARP Homeless 1.0 & 2.0 Liquidation Extension
- ARP Homeless FER & Carryover Application
- Test Your Knowledge
- Questions, Resources, and Closing



# Period of Performance

# Federal Grants Period of Performance

- The Uniform Guidance in 2 C.F.R. § 200.77 defines "period of performance" as the time during which the non-Federal entity (grantee) may incur new obligations to carry out the work authorized under the Federal award.
- 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 outside of the period of performance would not be allowable.



# Federal Grants Period of Performance

Grant	Obligation	Liquidation
ARP Homeless 1.0, 2.0, & Systems Navigator	Sept. 30, 2024	Dec. 15, 2024*
ARP Homeless 1.0 & 2.0 with a liquidation extension	Sept. 30, 2024	March 28, 2026**

*\*Recommended deadline to ensure funds are reimbursed in ePlan for adequate time for grants to close.*

*\*\*A final recommended liquidation date will be established at a later time to ensure the Tennessee Department of Education (the department) has adequate time for final grant closure.*





# Obligation of Funds

- The regulations at [34 C.F.R. § 76.707](#) govern when an obligation of Federal funds by a State or subgrantee such as 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.
- **Sept. 30, 2024,** is the obligation deadline for all ARP Homeless funds.



# Obligation of Funds

If the obligation is for:	The obligation is made:
Acquisition of real or personal property	On the date on which the subgrantee makes a binding written commitment to acquire the property.
Personal services by an employee of the State or subgrantee	When the services are performed.
Personal services by a contractor who is not an employee of the State or subgrantee	On the date on which the subgrantee makes a binding written commitment to obtain the services.
Performance of work other than personal services.	On the date on which the subgrantee makes a binding written commitment to obtain the work.
Public utility services	When the subgrantee receives the services.
Travel	When the travel is taken.
Rental of real or personal property	When the subgrantee uses the property.





# Liquidation of Funds

- The drawing down and expenditure of funds by a grantee for obligations incurred during the grant's legal obligation period. Timely liquidation occurs during the project performance period and through the first 120 days after the final day of that period or an extension of that period authorized by ED, pursuant to [2 C.F.R. § 200.344\(b\)](#).
- To liquidate an obligation, the purchased item or service has occurred, payment has been made to the vendor or provider, and a request has been made to the state for reimbursement, net any discounts, rebates, etc.
- **Dec. 15, 2024**, is the recommended deadline for liquidation of ARP Homeless 1.0 & 2.0 funds for LEAs not requesting a liquidation extension.



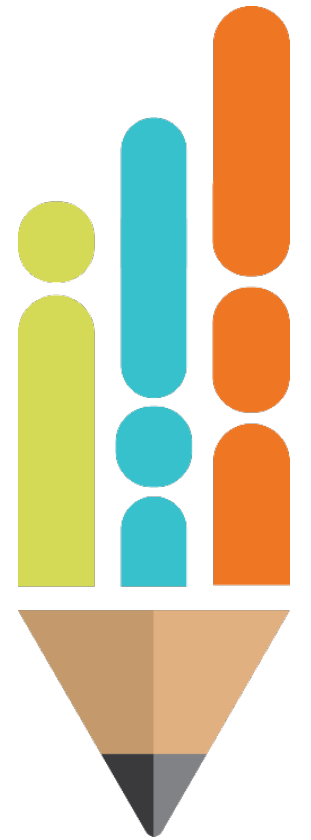
# May LEAs carry out grant activities during the liquidation?

- Yes, for properly obligated activities. This may include contracted services or the receipt of goods.
- The period for delivery of goods and services and the associated payments for those goods and services can extend to the end of the liquidation period, so long as a timely and valid obligation has been made pursuant to [34 C.F.R. § 76.707](#).



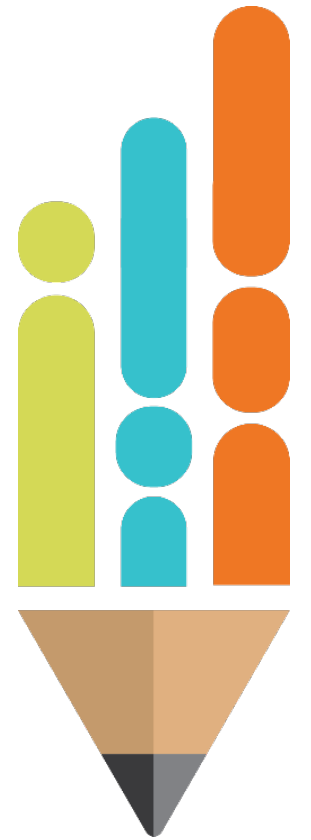
# ARP Homeless 1.0, 2.0 & SN Extension Requests

- May LEAs request an obligation date extension?
  - No. ED does not have the authority to change the obligation deadline as it was set in the statute from which the grant originated and it may not be changed without legislative action. The obligation deadline will remain Sept. 30, 2024.
- May LEAs request a liquidation date extension?
  - Yes. The U.S. Department of Education (ED) has the authority to approve liquidation extension requests for properly obligated funds upon review of written requests made by the grantee (the department) on behalf of itself and its subrecipients (LEAs).
  - Should funds be properly and timely obligated by September 30, 2024, the Department has the authority to approve liquidation extension requests based upon the specific facts and circumstances of a given obligation and upon written request of a grantee.
  - [ED ARP Liquidation Extension Letter 1.9.24](#)



# Reminder of Liquidation Extension Opportunity

- A contract with an organization or agency for items or services is considered a timely obligation of funds **if a binding written commitment** has been signed by Sept. 30, 2024, even if the items or services will not be provided until after Sept. 30 (i.e., during the liquidation period).
  - Under 34 CFR 76.707(g), funds for the rental of real or personal property are **not** obligated until the property is used so a contract with a motel prepaying for rooms, for example, would not be a timely obligation of funds.
  - An LEA **may** contract with a CBO to provide short-term housing placement services (e.g., placement of students in hotel/motel rooms) for students experiencing homelessness. If a binding written commitment (i.e., contract) is signed by 9/30/24, this would be a valid obligation because the contract is for the provision of services.



# Allowable Use of Funds

# Allowable Use of Funds

- Funds can be used for any expense necessary to facilitate the identification, enrollment, retention, and educational success of homeless children and youth, such as:
  - providing **wraparound services** (which could be provided in collaboration with and/or through
  - **contracts with community-based organizations**, and could include academic supports, trauma informed care, social-emotional support, and mental health services);
  - purchasing needed **supplies** (e.g. eyeglasses, school supplies, personal care items);
  - providing **transportation** to enable children and youth to attend classes and participate fully in school activities;
  - All allowable uses of funds under ARP-HCY apply to EHCY except for the provision of short-term, temporary housing (e.g., several nights in a hotel) which was allowable only in light of the COVID-19 pandemic





# Allowable Use of Funds

- purchasing **cell phones or other technological devices** for unaccompanied youth to enable the youth to attend and fully participate in school activities;
- providing access to **reliable, high-speed internet** for students through the purchase of internet connected devices/equipment, mobile hotspots, wireless service plans, or installation of Community Wi-Fi Hotspots (e.g., at homeless shelters), especially in underserved communities;
- paying for **short-term, temporary housing** (e.g., a few days in a motel) when such emergency housing is the only reasonable option for short temporary housing and when necessary to enable the homeless child or youth to attend school and participate fully in school activities (including summer school); and



# Allowable Use of Funds Store Cards/Debit Cards

- LEAs may use prepaid or obligate only a necessary and reasonable amount of based on the recent school year data
- LEAs must implement strong internal controls such as
  - Collecting receipts from families
  - Collecting receipts directly from the store
  - Forms used track store cards after card used
  - Signature of the person who checked out the card
- These debit/store cards are to be used for the needs of school-aged children and youth
  - Family members benefit only incidentally





# Updated Allowable Use of Funds

- Funds used to purchase portable bedding such as air mattresses, bedding, blankets, and pillows.
- Pre-approved allowable use of funds
  - Hotel stays longer than 3 nights
  - Minor car repairs
  - LEA vehicles
  - Treatments for bed bugs or lice
  - Computer Labs for homeless students
- **LEAs must obligate funds for supplies by Sept. 30, 2024, and draw down by Dec. 15, 2024.\***
  - Supplies obligated by Sept. 30, and drawn down by Dec. 15, can be used through early 2026 without applying for late liquidation.





# Full Participation and Engagement in All School Activities

- **Full participation and engagement** is the overarching goal of all McKinney-Vento funding.
- Keep typical allowable expenses with extraordinary circumstances in mind, including:
  - Professional Services
  - Other Purchased Services
  - General Supplies
  - Transportation





# Long-Term ARP Homeless Sustainability Planning

- **Sustainability** ensures the lasting or ongoing impact of program activities when the grant period is over, or the funds are spent. The National Center for Homeless Education (NCHE) issued reports last Fall on two pertinent topics:
  - [A Guide to Effective Collaborations with Community-Based Organizations to Support Students Experiencing Homelessness](#)



# Short-Term ARP Homeless Sustainability Planning

- McKinney-Vento Subgrantees will have one additional year to obligate funds for fiscal years 2024 and 2025.
  - FY24 and FY25 McKinney-Vento subgrantees will have an additional 12 months for obligation per the FY24 Further Consolidated Appropriations Act.
    - FY24 MV subgrants have until Sept. 30, 2026.
    - FY25 MV subgrant have until Sept. 30, 2027.
  - ARP Homeless and FY23 Subgrant funds can be obligated for any Education for Homeless Children and Youth (EHCY) LEA grant expenditures through Sept. 30, 2024.
  - Consider staff salaries and benefits, indirect costs, supplies, and any contracts for services.



# ARP Homeless 1.0 & 2.0 Liquidation Extension



# Liquidation Extension Facts

- Under a liquidation extension of up to 14 additional months if approved by the department:
  - Subgrantees (LEAs) will have additional time to draw down COVID-relief funds so timely obligated activities can be paid; and
  - Subgrantees (LEAs) will have additional time to carry out contracts, or other properly made obligations, for allowable activities when those obligations were made on or before the statutory deadline (September 30, 2024, for ARP funds).



# Liquidation Extension Examples

- Subgrantees will have additional time to draw down COVID-relief funds so timely obligated activities can be paid
  - A bus or vehicle that has not arrived due to supply chain issues
- Subgrantees (LEAs) will have additional time to carry out contracts, or other **properly made obligations**, for allowable activities when those obligations were made on or before the statutory deadline (September 30, 2024, for ARP funds).
  - A contract with a vendor or community-based organization (CBO) for tutoring services or other wrap-around supports
  - A contract with a vendor for professional development
  - Homeless student Identification software

\*The examples mentioned above must meet all applicable guidelines and approvals from the department

[ED FAQs for Liquidation Extension Requests](#)

# Liquidation Extension Request Examples

## YES

- Contract for:
  - Ongoing tutoring services
  - Ongoing mental health services
  - A non-employee to administer ESSER programs
  - Ongoing professional development services
- Receipt of goods or services:
  - Bus
  - Final work on a remodel project
  - Installation of HVAC

## NO

- Employee pay and benefits
- Travel
  - Lodging
  - Mileage
  - Per diem

\*Solely needing more time to expend funds is not an adequate justification for late liquidation. Rather, late liquidation requests must be aligned to specific projects, contracts, or other expenses based on properly obligated funds.





# Liquidation Extension Request Guiding Principles

## FACTORS TO CONSIDER:

- Activities must meet the purpose of the grant, “to prepare for, respond to, or prevent COVID-19”.
- Activities must meet the intent of the grant in accordance with the scope of the pandemic. For example, activities that promote social distancing or the large-scale purchase of PPE are no longer reasonable, necessary, or allocable.
- Contract terms may not change after Sept. 30, 2024.



# Liquidation Extension Request Tool

- ePlan > Data and Information > 2025 > ARP Homeless Liquidation Extension Request
- Opens: Oct. 15, 2024
- Requests due on or before Dec. 15, 2024
- The department must make one request to ED for all extension requests. This will be submitted after Dec. 15, 2024.

Description ( <a href="#">View Sections Only</a> <a href="#">View All Pages</a> )	
All	
<input type="checkbox"/>	History Log
	<a href="#">History Log</a>
	<a href="#">Create Comment</a>
<input type="checkbox"/>	ARP Homeless Liquidation Extension Request
	<a href="#">Cover Page</a>
	<a href="#">Overview and Attestation</a>
	<a href="#">Funding</a>
	<a href="#">Related Documents</a>
	<a href="#">Checklist</a>



# Liquidation Extension Request Tool

## Overview and Attestation Page

- Definitions of obligation and liquidation
- Chart of Examples
- Assurance boxes (see below)

The regulations at 34 C.F.R. § 76.707 govern when an obligation of Federal funds by a State or subgrantee such as an LEA occurs.

### Attestation

- \* I attest that to the best of my knowledge and belief, all the information and data contained within this request is complete and accurate.
- \* I attest that the activities and services included within the liquidation extension are allowable and have been properly obligated by **September 30, 2024**, according to the American Rescue Plan.



# Liquidation Extension Request Tool

## Funding Page

- Summary of funding
  - ARP Homeless 1.0 & 2.0 allocation total
  - Amount obligated by Sept. 30, 2024
  - Amount liquidated by Sept. 30, 2024
  - Balance remaining to be liquidated
- Funds necessitating extension
  - Item name
  - Amount necessitating extension
  - Account number and line item
  - Budget narrative
  - Liquidation extension justification
  - Number of students supported by the activity

# Liquidation Extension Request Tool

ARP Homeless Funding					
UEI	Allocation Total	* Amount Obligated as of 09/30/2024	* Amount Liquidated as of 9/30/24	Balance Remaining as of 09/30/2024	% Liquidated as of 9/30/24
		* \$ <input type="text"/>	* \$ <input type="text"/>	\$ <input type="text" value="0.00"/>	<input type="text" value=".00"/> %
		* \$ <input type="text"/>	* \$ <input type="text"/>	\$ <input type="text" value="0.00"/>	<input type="text" value=".00"/> %
		* \$ <input type="text"/>	* \$ <input type="text"/>	\$ <input type="text" value="0.00"/>	<input type="text" value=".00"/> %

Funds Necessitating Extension							
Item Name - Use the same item name for this row and in the file name of all uploaded documentation.	Amount of Obligated Funds Necessitating Extension	Account Number and Line Item - (e.g., 71100-189)	Use of Funds/Budget Narrative	Liquidation Extension Justification	Number of Students Supported by this Activity	Supporting Documentation Uploaded	TDOE Review/ Submission Status - TDOE USE ONLY
* <input type="text"/>	* \$ <input type="text"/>	* <input type="text"/>	* <input type="text"/>	* <input type="text"/>	* <input type="text"/>	* <input type="text"/>	
						\$ <input type="text" value="0.00"/> Total	

Supporting Documentation		
Type	Documents	Document/Link
(ARP Homeless Liquidation) Supporting Documentation [Upload at least 1 document(s)]	N/A	

Resources
<a href="#">ARP Homeless Extension Letter</a>
<a href="#">ARP Homeless Liquidation Extension FAQ</a>





# Liquidation Extension Request Tool

## Related Documents

- Supporting documentation is required to show funds were properly obligated by Sept. 30, 2024
  - Purchase orders
  - Executed contracts for services
  - Documents supporting a delay in receiving services, if applicable



# Liquidation Extension Request Tool

- Required Supporting Documentation

## Supporting Documentation

Documents		
Type	Document Template	Document/Link
(ARP Homeless Liquidation) Supporting Documentation [Upload at least 1 document(s)]	N/A	

## Resources

[ARP Homeless Extension Letter](#)

[ARP Homeless Liquidation Extension FAQ](#)

# Considerations During Request Development

- Approval is a function of completeness of the information and timeliness/validity of the obligation.
- LEAs must provide enough specificity to clearly indicate the proper and timely obligations.
- Additional detail **is** necessary when referring to costs related to personal services.





# Considerations During Request Development

Subrecipient or LEA Name	Use of Funds	Justification	Other Subrecipient-Specific Data Notes
Subrecipient Example 1	Supplies, materials, temp staffing costs.	XXXX SD had staffing issues and will be able to spend these funds with more time.	

- Questions for subrecipient (provide clarification)
  - How were the "temp staffing costs" obligated?
  - Phrasing of "will be able to spend these funds with more time" implies funds have not yet been obligated.
  - Were the funds listed for supplies, materials, and temp staffing costs properly obligated?
- Stronger Request

Subrecipient or LEA Name	Amount of Obligated Funds Needing Extension	Use of Funds	Justification	Other Subrecipient-Specific Data Notes
Southeast Central LEA	\$ 450,000.00	Mental health telehealth services; delayed SEL materials (supply chain)	LEA anticipates signing 1 remaining contract to extend mental health support services to high schools; scheduled for Board approval on 8/1/24 with contract execution to follow by end of August 2024 (using funds not reflected as obligated). Original vendor for services went out of business so a new procurement occurred. Materials delayed through February 2025 per vendor; expenses procured prior to 9/30/24. .	New contract once executed will provide 300 hours of services.

# ARP Homeless FER & Carryover Application

# ARP Homeless Closeout Options

Option 1 No carryover	Option 2 FY25 Carryover	Option 3 FY25 Carryover plus Liquidation Extension
All funds <i>obligated</i> by June 30, 2024	All funds <i>not obligated</i> by June 30, 2024	All funds <i>not obligated</i> by June 30, 2024
All funds <i>liquidated</i> by July 26, 2024	FER due Aug 1, 2024	FER due Aug 1, 2024
FER due on or before Oct.1, 2024	FY25 funding application due on or before Aug. 30, 2024**	FY25 funding application due on or before Aug. 30, 2024**
	All funds <i>obligated</i> by Sept. 30, 2024	All funds <i>obligated</i> by Sept. 30, 2024
	All funds <i>liquidated</i> by Dec. 15, 2024	Liquidation extension request due on or before Dec. 15, 2024
		All funds <i>liquidated</i> by March 28, 2026

\*\*FY25 ARP Homeless carryover funds became available in ePlan as soon as the department approves the FER.



# ARP Homeless 1.0, 2.0, & System Navigator FER

- All ARP Homeless FERs are due by COB today, **Aug. 1, 2024**.
- Once the FY24 FER is approved by the department, any carryover funds will move into the FY25 application in ePlan.
- LEAs who elected to receive additional ARP Homeless funds will see the additional funding added starting mid-August.



# FY25 ARP Homeless 1.0, 2.0, & Systems Navigator Applications



- If no changes are being made to the FY24 ARP Homeless funding application, LEAs may carry the spending plan narratives and information forward.
- All FY25 ARP Homeless & System Navigator funding applications must be submitted in ePlan on or before **Aug. 30, 2024.**
- All ARP Homeless funds must be properly obligated on or before **Sept. 30, 2024.**

# NEW: Obligation Requirements Page

- LEAs are required to check the attestation that
  - funds are properly obligated by Sept. 30, 2024, and
  - no salaries and benefits will be paid after Sept. 30, 2024.

## What does it mean to obligate funds? (34 C.F.R. § 76.707)

The regulations at 34 C.F.R. § 76.707 govern when an obligation of Federal funds by a State or subgrantee such as 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.

## What does it mean to liquidate funds? (2 CFR§ 200.343-344)

The drawing down and expenditure of funds by a grantee for obligations incurred during the grant's legal obligation period. Timely liquidation occurs during the legal obligation period and through the first 120 days after the final day of that period or an extension of that period authorized by ED, pursuant to 2 C.F.R. § 200.344(b).

## Liquidation and Obligation Requirements

If the obligation is for -	The obligation is made
a) Acquisition of real or personal property	On the date on which the State or subgrantee makes a binding written commitment to acquire the property.
b) Personal services by an employee of the State or subgrantee	When the services are performed
c) Personal services by a contractor who is not an employee of the State or subgrantee	On the date on which the State or subgrantee makes a binding written commitment to obtain the services.
d) Performance of work other than personal services.	On the date on which the State or subgrantee makes a binding written commitment to obtain the work.
e) Public utility services	When the State or subgrantee receives the services
f) Travel	When the travel is taken
g) Rental of real or personal property	When the State or subgrantee uses the property
h) A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 CFR part 200, Subpart E - Cost Principles	On the first day of the grant or subgrant performance period

The regulations at 34 C.F.R. § 76.707 govern when an obligation of Federal funds by a State or subgrantee such as an LEA occurs.

## Attestation

- \* I attest that to the best of my knowledge and belief, all the information and data contained within this request is complete and accurate.
- \* I attest that the activities and services included within the liquidation extension are allowable and have been properly obligated by **September 30, 2024**, according to the American Rescue Plan.

# Test Your Knowledge





**The obligation date for ARP Homeless funds is subject to change with a liquidation extension.**

- True
- False





# The obligation date for ARP Homeless funds is subject to change with a liquidation extension.

- **False**
- **Answer:** The obligation date is Sept.30, 2024, and is set in statute; therefore, it will not change. Liquidation extensions only allow LEAs to have additional time to liquidate funds that were properly obligated by Sept. 30, 2024.



**LEAs who wish to complete an FY25 carryover application but *will not* apply for late liquidation must have their ARP Homeless 1.0 & 2.0 funds liquidated by:**

- A. June 30, 2024
- B. July 26, 2024
- C. Sept. 30, 2024
- D. Dec. 15, 2024



**LEAs who wish to complete an FY25 carryover application but *will not* apply for late liquidation must have their ARP Homeless 1.0 & 2.0 funds liquidated by:**

- **D- Dec. 15, 2024\*\*\***
- **Answer:** All LEAs not applying for late liquidation must have all funds liquidated by Dec. 15, 2024.



**Payroll expenses for employees paid from ARP Homeless 1.0, 2.0, or System Navigator may not be charged to the grant for services provided through the 2024-25 school year.**

- True
- False



**Payroll expenses for employees paid from ARP Homeless 1.0, 2.0, or System Navigator may not be charged to the grant for services provided through the 2024-25 school year.**

- **True**
- **Answer:** All payroll expenses are obligated on the day in which the work is performed therefore they must stop on or before Sept 30, 2024.

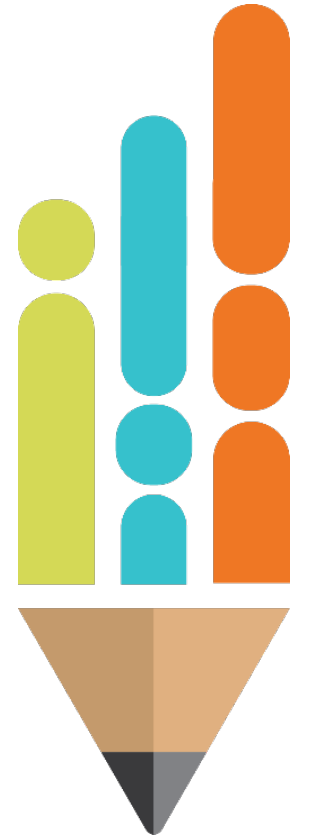
# Resources & Closing



**Questions?**

# Resources

- ePlan > [TDOE Resources](#) Relief Funding > ARP Homeless
- [ED General and Technical Frequently Asked Questions \(FAQs\) for American Rescue Plan Homeless Children and Youth program \(ARP-HCY\) Liquidation Extension Requests](#)
- [ARP Homeless Late Liquidation Extension Letter from ED](#)
- [Liquidation Extension Requests for ARP-HCY and Fiscal Updates](#)
- [Maximizing Unobligated American Rescue Plan-Homeless Children & Youth \(ARP-HCY\) Funds](#)
- [Independent contractor \(self-employed\) or employee](#)
- [McKinney-Vento Subgrant Authorized Activities](#)
- [NCHE American Rescue Plan – Homeless Children and Youth \(ARP-HCY\)](#)
- [SchoolHouse Maximize Final ARP-HCY Funds: Quick Spending and Cost Guide Connection](#)

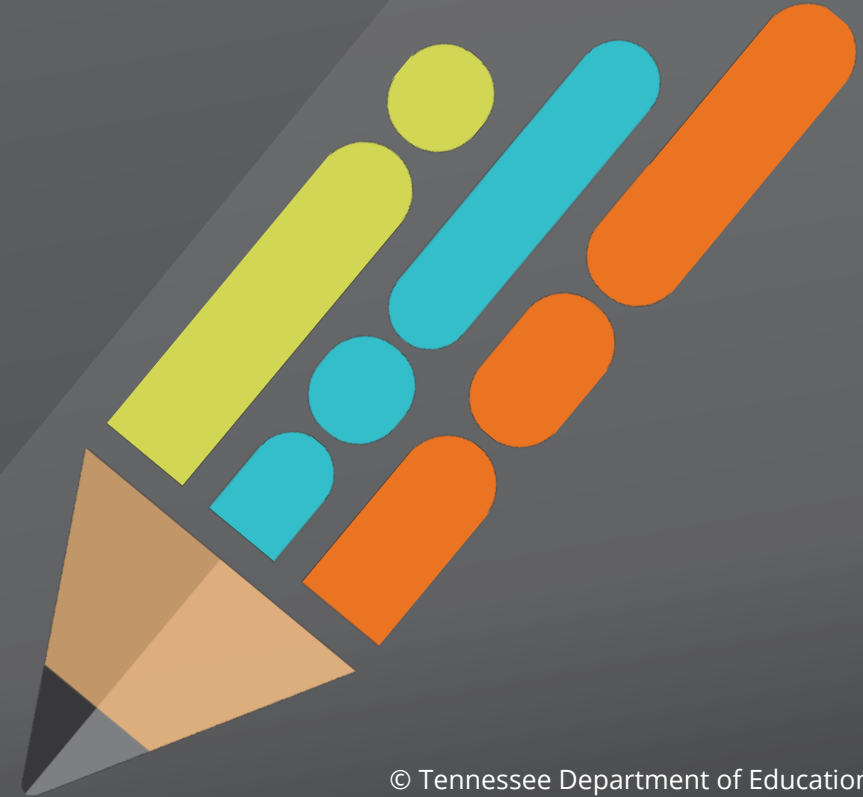




# Please Share your Feedback:

You may access the PD by navigating here:

[https://stateoftennessee.formstack.com/forms/fpo\\_professional\\_development\\_survey](https://stateoftennessee.formstack.com/forms/fpo_professional_development_survey)





# Thank You!

**Vanessa Waters** | McKinney-Vento and Immigrant Grant Manager

[Vanessa.Waters@tn.gov](mailto:Vanessa.Waters@tn.gov)

(615) 917-3750

*Permission is granted to use and copy these materials for non-commercial educational purposes with attribution credit to the "Tennessee Department of Education". If you wish to use these materials for reasons other than non-commercial educational purposes, please contact the Office of General Counsel at (615) 741-2921 or Joanna Collins ([Joanna.Collins@tn.gov](mailto:Joanna.Collins@tn.gov)).*



# Fraud, Waste or Abuse

Citizens and agencies are encouraged to report fraud, waste, or abuse in State and Local government.

NOTICE: This agency is a recipient of taxpayer funding. If you observe an agency director or employee engaging in any activity which you consider to be illegal, improper or wasteful, please call the state Comptroller's toll-free Hotline:

**1-800-232-5454**

Notifications can also be submitted electronically at:

**<http://www.comptroller.tn.gov/hotline>**