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Federal Programs Institute

SEPTEMBER 10-12 • Chattanooga Convention Center





ARP ESSER Liquidation Extension Requests

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2024 Federal Programs Institute:
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- Period of Performance
- Liquidation Extension Request Overview
- Liquidation Extension Request Process
- Check for Understanding
- Closing and Resources

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ARP ESSER

Period of Performance



ARP ESSER Background

- The American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) fund under the American Rescue Plan Act of 2021, signed into law on March 11, 2021, provided a total of nearly \$122 billion to states and school districts.
- Funds were allocated to states based on the proportion of funds that each state received under Part A of Title I of the Elementary and Secondary Education Act of 1965 in FY20.
- The U.S. Department of Education (ED) awarded these grants to State Education Agencies (SEAs) for the purpose of providing Local Education Agencies (LEAs) and other subrecipients emergency relief funds to address the impact of the COVID-19 pandemic on elementary and secondary schools across the nation.
- SEAs were required to distribute 90% of funds directly to LEAs by formula based on Federal FY20 Title I, Part A allocations.



ARP ESSER Period of Performance

Grant	Obligation	Liquidation
ESSER 3.0 (ARP ESSER)	Sept. 30, 2024	Dec. 15, 2024*
ESSER 3.0 (ARP ESSER) with a liquidation extension	Sept. 30, 2024	March 15, 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 ESSER 3.0.



Obligation of Funds Examples

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.

Source: [34 C.F.R. § 76.707](#)

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 ESSER 3.0 funds for LEAs not requesting a liquidation extension.



May LEAs carry out grant activities during the liquidation?

- **Yes, for some properly obligated activities.**
 - Including 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](#).



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ARP ESSER Liquidation Extensions

Overview

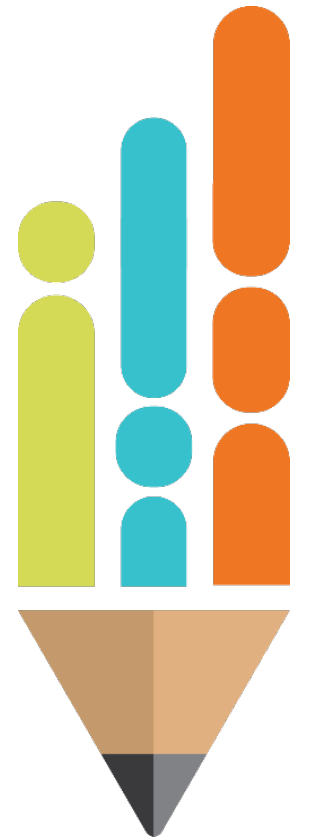
ARP ESSER Extension Requests

- **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. Changes in obligation deadlines require legislative action.
- The obligation deadline will remain Sept. 30, 2024.

- **May LEAs request a liquidation date extension?**

- **Yes**, 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 sub-recipients (LEAs).
 - Funds must be obligated by Sept. 30, 2024, to be considered for liquidation extension requests based upon the specific facts and circumstances of a given obligation and written request of a grantee.
- [ED ARP Liquidation Extension Letter 1.9.24](#)



Liquidation Extension Facts

- Under a liquidation extension of up to 14 additional months if approved by the Tennessee Department of Education:
 - 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
 - An HVAC project that has been delayed
 - A bus 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 for tutoring services
 - A contract with a vendor for professional development

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



Liquidation Extension Request Examples

ELIGIBLE

- 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

INELIGIBLE

- 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 Examples

ELIGIBLE FOR EXTENSION	INELIGIBLE FOR EXTENSION
<p>Capital projects obligated prior to Sept. 30, 2024, that experienced unforeseeable delays/supply shortages where the equipment or supplies could not be delivered during the period of performance.</p>	<p>Capital projects obligated or amended after Sept. 30, 2024. No changes can be made to a project or contract approved for liquidation extension. If the executed contract cannot be fulfilled, the funds subject to late liquidation must be forfeited.</p>
<p>Contracts with third-party providers obligated prior to Sept. 30, 2024, that support the continuity of educational support services through the end of the school year, such as contracts for tutoring, mental health support, curriculum materials, professional development, or technology tools.</p>	<p>Staff salaries or benefits incurred after Sept. 30, 2024. Pursuant to 34 CFR § 76.707, services performed by an employee of the state or subgrantee are considered obligated when the services are performed. Therefore, they are not eligible for liquidation extension.</p>



Liquidation Extension Request Risk Factors

Contracted Services:

- Contract terms may not change after Sept. 30, 2024.
 - If the executed contract cannot be fulfilled, the funds subject to late liquidation must be forfeited.
- For individual services, determine if the individual is an employee or independent contractor per [Final Rule: Employee or Independent Contractor Classification Under the Fair Labor Standards Act](#).
- LEAs must adhere to federal, state, and local policies for all contracts.
 - Procurement Standards [2 C.F.R. §§ 200.317-327](#)
 - Multi-year contracts are allowable with a late liquidation extension, however, local policies vary for such contracts.





Liquidation Extension Request 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 relation to the scope of the pandemic.
 - Social distancing is no longer being practiced.
 - Large quantities of PPE equipment are no longer needed.
- Davis-Bacon requirements must be followed with any applicable projects.
- LEAs must participate in results-based monitoring and annual data reporting until all funds have been liquidated.



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ARP ESSER Liquidation Extensions Request Process

Liquidation Extension Request Tool

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

Sections:

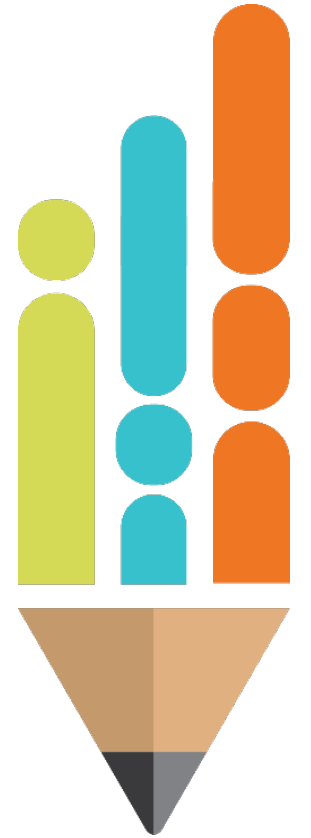
Description (View Sections Only View All Pages)	
All	
<input type="checkbox"/>	History Log
	History Log
	Create Comment
<input type="checkbox"/>	ARP ESSER Liquidation Extension Request
	Cover Page
	Overview and Attestation
	Funding
	Related Documents
	Checklist
All	



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ARP ESSER Extension Requests

- Liquidation requests will be reviewed by the Tennessee Department of Education in the order in which they are submitted.
 - It is strongly recommended that requests are submitted prior to the Dec. 15 deadline to ensure timely review and submission to ED.
 - The department will approve fully submitted and allowable requests in ePlan.
 - Approval by the department does not guarantee approval from ED.
 - The department will submit all LEA requests to ED at one time for approval.
 - ED may require additional information for certain requests.



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
<input type="checkbox"/> * I attest that to the best of my knowledge and belief, all the information and data contained within this request is complete and accurate.
<input type="checkbox"/> * 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 Elementary and Secondary School Emergency Relief Fund (ARP ESSER).





Liquidation Extension Request Tool

Funding Page

- Summary of funding
 - ARP ESSER (ESSER 3.0) allocation total
 - Amount obligated by Sept. 30, 2024
 - Amount liquidated by Sept. 30, 2024
 - Balance remaining to be liquidated



Liquidation Extension Request Tool

Funding Summary Page

ARP ESSER 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
YEL5NDUL9E89	\$6,592,510.24	* \$ <input type="text"/>	* \$ <input type="text"/>	\$ 6,592,510.24	<input type="text"/> .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="checkbox"/>	
	\$ <input type="text"/> 0.00 Total				<input type="text"/> 0		

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

Resources
ARP ESSER Extension Letter
ESSER FAQ

Liquidation Extension Request Tool

Funding Page

- Funds necessitating extension
 - Item name
 - Amount necessitating extension
 - Account number and line item – must match ESSER 3.0 budget
 - Budget narrative – must match ESSER 3.0 budget
 - **Liquidation extension justification**
 - Number of students supported by the activity





Liquidation Extension Request Tool

Liquidation Extension Justification

- A brief description justifying the need for the liquidation extension
 - Unanticipated delay of goods and services
 - Need to extend services to ensure the acceleration of academic success for students
- A brief narrative description of how the request for liquidation extension , “contributes to the acceleration of academic success for students, including those furthest from opportunity and of greatest need.”





Liquidation Extension Request Tool

According to the U.S. Department of Education (ED) in [ARP Liquidation Extension Letter 1.9.24](#)

Three evidence-based strategies to contribute to improved student performance are encouraged:

- Increasing daily student attendance
- Providing high-quality tutoring
- Increasing access to before, after, and summer learning and extended learning time



Liquidation Extension Request Tool

- Further examples of extension request justification show an LEA could:
 - Describe projects (e.g., parent communications initiatives, adoption of early warning intervention systems, home visiting programs, and interagency data-sharing investments) that promote regular student attendance and reduce chronic absenteeism.
 - Indicate the liquidation extension request is to support contracted evidence-based tutoring services throughout the 2024-25 school year, or
 - Identify uses of funds to provide summer learning opportunities and to provide after-school and extended learning time during the regular school year.
 - Describe providing counseling services to address mental health needs;
 - Offer professional development and coaching to educators to build math and literacy instructional capacity; or
 - Explain making targeted improvements to school infrastructure, including HVAC investments, to enhance indoor air quality and environmental safety that keep students healthy in school.

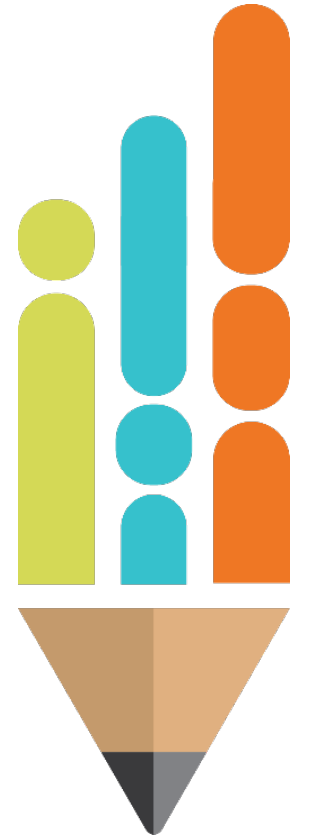
[ARP Liquidation Extension Letter](#)



Liquidation Extension Request Tool

Related Documents

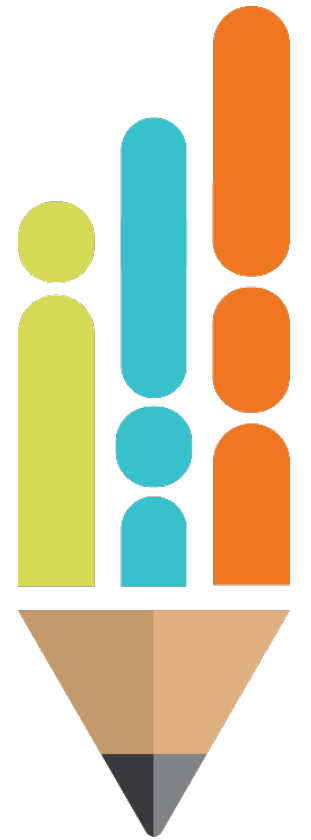
- The verification of properly obligated funds is a standard expectation of late liquidation requests involving Federal funds. [2 C.F.R. §200.334](#)
- The supporting documentation must show funds were properly obligated by Sept. 30, 2024.
- Documentation is required for every activity included in the request.
- The department will maintain the documentation in ePlan as part of monitoring and oversight activities with ED.



Liquidation Extension Request Tool

Related Documents

- Examples of supporting documentation include but are not limited to:
 - Purchase orders
 - Executed contracts for services
 - Include date, price, scope of services, and all federal requirements.
 - Order delay communications between the LEA and vendor with date/time stamp verification
 - Labor shortage communications between the LEA and vendor with date/time stamp verification



Liquidation Extension Request Tool

- Required Supporting Documentation

Supporting Documentation

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

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

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ARP ESSER Liquidation Extensions

Check for Understanding

Liquidation Extension Request Tool

- Let's practice!
 - Find a small group and discuss potential activities for which a liquidation extension request may be submitted.
 - Is the project an unanticipated delay of goods and services or the need to extend services to ensure the acceleration of academic success for students?
 - Share your justification narrative.
 - Name example(s) of supporting documentation that could be included to show the timely obligation of funds by Sept. 30, 2024.



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ARP ESSER Liquidation Extensions

Resources and Closing

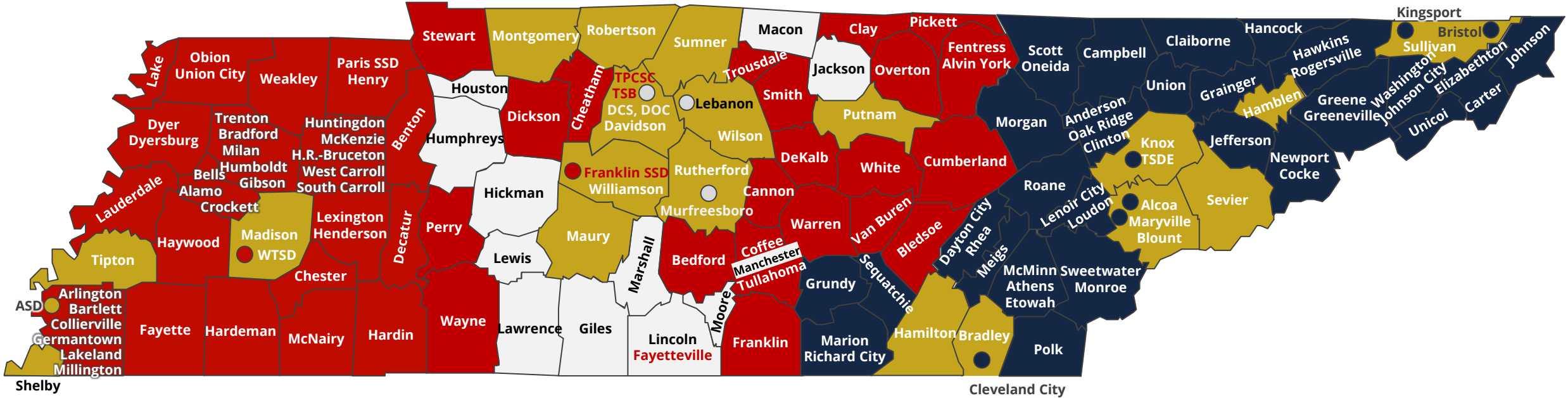
Resources

- ePlan > [TDOE Resources](#) > Relief Funding > ARPA Act/ESSER Fund 3.0
- [ARP ESSER Liquidation Extension Letter](#)
- [U.S. Department of Education Liquidation Extension FAQs](#)



FPO Divisional Coordinator Map for ESSER Funds

(effective July 1, 2024)



West

Julia Hudson
Julia.Hudson@tn.gov

Middle

Julia Hudson
Julia.Hudson@tn.gov

Jerri Beth Nave
Jerri.Nave@tn.gov

East

Jerri Beth Nave
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20 Districts with Largest Enrollment

Jerri Beth Nave
Jerri.Nave@tn.gov



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Thank You!

Contact Info or Questions?

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Please Share your Feedback:

You may access the survey by navigating here:

https://stateoftennessee.formstack.com/forms/2024_federal_programs_institute_presentation_survey



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1-800-232-5454

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