

# ARP ESSER (ESSER 3.0) Liquidation Extension

## Frequently Asked Questions

### Updated September 24, 2024

The U.S. Department of Education (ED) has the authority to approve liquidation extension requests for properly obligated funds upon review of a written request made by the 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). If approved under this process, grantees and subgrantees may have an extension to the liquidation period of up to 14 months beyond the 120 days already available to liquidate funds.

All ARP ESSER funds must still be 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***

- [ARP ESSER Liquidation Extension Letter from ED](#)
- [ED FAQs for ARP ESSER Liquidation Extension Requests](#)
- [ARP Liquidation Extension webinar from ED](#)
- [Davis Bacon Overview](#)

### ***Questions & Answers***

#### ***1. How does an LEA submit a late liquidation request?***

LEAs that wish to apply for late liquidation must submit their request through a Data and Information tool in ePlan. The Tennessee Department of Education (department) will make one request to ED for all extension requests.

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

The liquidation extension request tool will open in ePlan > Data and Information > 2025 > ARP ESSER Liquidation Extension Request on **Oct. 15, 2024**. Requests must be submitted on or before **Dec. 15, 2024**.

#### ***3. How long will the liquidation extension period last?***

The extension period will last 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 LEAs liquidate all funds by **March 15, 2026**, in order to allow time for grant closeout.

**4. Can a longer extension period be requested?**

No. Requests will only be allowed to extend for a period of up to 14 months.

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

The department’s late liquidation request to ED does not need to include details of the LEA’s fiscal data, such as contracts and payment statements. However, the state should be prepared to collect, review, and maintain all supporting documents, according to ED. For this reason, the department will require LEAs to submit this documentation with the extension request in the related documents section of the Liquidation Extension Request tool in ePlan for monitoring and oversight purposes.

**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. Can an LEA request an obligation extension?**

No. The final obligation deadline for ESSER 3.0 funds is **Sept. 30, 2024**. This date is set in statute and will not change; therefore, all funds must be obligated by Sept. 30, 2024, and cannot be changed after that date.

**8. 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**, 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)	

**9. 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.

**10. Will LEAs receiving a liquidation extension still be required to be monitored on ESSER funds?**

Yes. LEAs must participate in all annual results-based monitoring activities until all funds are liquidated.

**11. Will LEAs receiving a liquidation extension still be required to complete the ESSERF data collection?**

Yes. Similar to monitoring, LEAs must participate in all annual data reporting until all funds are liquidated.

**12. How long will it take to find out if the late liquidation request has been approved by the department? By ED?**

The Relief Funding team will review late liquidation requests in the order they are received. LEAs will be notified of approval or needed revisions within five (5) business days of submission.

While we do not have an exact timeframe for approval from ED, they have stated their commitment to providing a prompt review of liquidation extension requests. Review and approval will be based on a complete request, including both State and associated subrecipient (i.e., LEA) information.