

CCIP Note #554

Re: ARP ESSER Important Dates, Flexibilities, and Late Liquidation of ARP Act Funds

Date: June 14th, 2024

To: Superintendents, Treasurers, Authorized Representatives, Fiscal Representatives and Consolidated Funding Application Contacts of Traditional Districts, Community Schools, Independent STEM Schools, Education Service Centers, Board of Developmental Disabilities, JVSs, and Nonpublic Schools

This CCIP Note provides important information on three related topics:

1. Important dates and deadlines for the close out of the American Rescue Plan (ARP) Elementary and Secondary School Emergency Relief (ESSER) Fund
2. One-Time Spending Flexibility for Department of Education and Workforce priority-focused initiatives
3. Department’s initial plans for ARP ESSER Late Liquidation process

Please note, this communication does not apply to State Activities Grants (including Extended Learning, Summer Learning and Afterschool Opportunities Grant, School-Based Healthcare Capital Grants) or EANS funds. For information on the timelines for these grants, please contact your project lead.

1. ARP ESSER – IMPORTANT DATES AND DEADLINES

The Ohio Department of Education and Workforce (Department) is committed to supporting Local Education Agencies (LEAs) and educational entities as they close out their Fiscal Year (FY) 2024 emergency relief funds. The table below reiterates key dates for LEAs and educational entities to consider around the closeout of the main ARP ESSER subgrant, which is nearing the end of the period of performance.

Grant	FY24 CCIP Budget Revision Deadline	Obligation Deadline (see 34 CFR §75.707)	FY24 Project Cash Request (PCR) Deadline	FY24 Final Expenditure Report (FER) Deadline*
ARP ESSER	9/2/24	9/30/24	11/20/24	12/2/24

**Special Note: While the final due date for the FY24 FER is 12/2/24, the Department recommends that LEAs and educational entities submit the FER as soon as all expenditures are fully paid through the PCR process for the fiscal year. This is to facilitate the Department’s FER review process to ensure expenditures are finalized in a timely manner. The subgrantee should ensure that expenditures listed in the Final Expenditure Report are complete and accurate to minimize revisions that would result in high-risk status and conditions placed on the subgrantee including but not limited to expenditures not being paid.*

FY24 Budget Revisions

To allow activities through the full period of performance, the Department has extended the deadline for FY24 ARP ESSER budget revisions to September 2nd, 2024. LEAs and educational entities must obligate all ARP ESSER funds by the end of the period of performance, September 30th, 2024. LEAs may then submit Project Cash Requests (PCRs) against the FY24 budget to liquidate by November 20th, 2024. LEAs must submit their Final Expenditure Report (FER) by December 2nd, 2024.

Period of Performance and Obligation Deadlines

Per the Uniform Guidance, identification of the period of performance in the Federal award does not permit the awarding agency to fund the award beyond the currently approved budget period. The deadlines for obligation are based on statutory and regulatory requirements and cannot be extended.

Project Cash Requests

LEAs and educational entities may submit Project Cash Requests (PCRs) for the ARP ESSER grant until November 20th, 2024, for expenditures obligated on or before September 30, 2024.

Final Expenditure Reports

The Department requires LEAs and educational entities to submit the Final Expenditure Report (FER) by December 2nd, 2024. LEAs and educational entities must complete the FER at the end of each fiscal year for the prior state fiscal year's ESSER expenditures. All expenses reported on the FER should be incurred. There should be no encumbered amounts reported on the FER. For the FY2024 FER, LEAs and educational entities will report on the ARP ESSER expenditures. Recipients of ARP ESSER state activity grants may also be required to complete the FER. For information on the timelines for these grants, please contact your project lead. Final project cash request will be automatically created from the FER if funds are owed.

2. FLEXIBILITY FOR STUDENT SUPPORT COSTS

The Department will allow a one-time exception for LEAs with remaining ARP ESSER funds to submit project cash requests for certain support costs obligated on or before September 30, 2024, in which the services are rendered after the normal liquidation period but before the end of the 2024-25 school year (June 30th, 2025).

Examples of allowable student support costs may include:

- Subscriptions for the 2024-2025 school year
- Licenses for the 2024-2025 school year

LEAs may determine that it is reasonable and necessary, within its procurement policies, and a prudent business decision due to cost savings to enter into, for example, a multi-year software licensing contract with a vendor during the period of availability of ARP ESSER funds

and to pay for the entirety of the software license within the liquidation period. However, under the contract, the vendor would continue to provide the services (i.e., software and technical support) for some time after the funds had been liquidated.

This exception is only offered for ARP ESSER and will not be permitted for any other current or past federal grant. The obligation and costs must meet the intent and purpose of the ARP ESSER grant, address student learning needs, and be properly budgeted and identified on an approved ARP ESSER application. If necessary, the LEA interested in this flexibility may need to submit an ARP ESSER budget revision and/or adjust their budget to include applicable costs. The revisions must be submitted by **September 2nd, 2024**. Under this flexibility, all costs must be obligated on or before **September 30th, 2024**, and liquidated by **December 2nd, 2024**.

Special Note: Payments submitted under this flexibility are considered properly liquidated within the state's normal liquidation window. These purchases are not considered late liquidation and do not require a late liquidation application. However, if the payment extends beyond 12/2/24, the LEA will need to submit for late liquidation (see below). LEAs requesting this flexibility should anticipate receiving additional Department monitoring review to ensure the applicable costs and services occurred during the designed period.

3. ARP ESSER LATE LIQUIDATION REQUESTS

The Department will provide more details regarding the process for accepting late liquidation requests for funds under the American Rescue Plan Act (ARP ESSER) in a forthcoming CCIP note. The process for late liquidation for ARP ESSER will be similar to the late liquidation requests submitted under the Coronavirus Aid, Relief, and Economic Security (CARES) Act for ESSER I and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) Act ESSER II.

Special Note: Requests for late liquidation will only be offered for the main ARP ESSER subgrant awarded to Local Education Agencies (LEAs). For information on the timelines for state activity grants or EANS, please contact your project lead.

Eligibility

To be eligible for late liquidation for ARP ESSER, the funds must be obligated on or before **September 30th, 2024**. Please see the [Grants Manual](#) for information on obligations. If approved under the process listed below, grantees and subgrantees may extend the liquidation period up to **June 30th, 2025**.

ARP ESSER Late Liquidation Process

The vast majority of LEAs will have submitted claims for their full ARP ESSER allocation amount by the end of the normal liquidation period. A small number of LEAs may still have obligations made on or before September 30th, 2024 that will have not been liquidated or the LEA anticipates not being able to liquidate during the normal liquidation period. The Department will notify those subgrantees with additional funds remaining who may be eligible for a liquidation extension. Those subgrantees who are seeking extra time to make claims against an obligation made on or before September 30th, 2024, will be required to submit a survey to the

Department that provides additional information such as the amount of obligated funds necessitating extension, the use of funds, justification for the extension, and supporting documentation. Note that ARP ESSER Final Expenditure Reports (FER) are not due until December 2nd, 2024. If the LEA expects to liquidate costs by December 2nd, a late liquidation request will not be needed. The Department will provide more details in a forthcoming CCIP note and will not be accepting late liquidation requests in ARP ESSER until that time.

IMPORTANT NOTES ON ARP ESSER LATE LIQUIDATION REQUESTS

LEAs and educational entities seeking late liquidation should anticipate that the process will require significant expenditure supporting documentation including obligation information, invoices, receipts, purchase orders and any other necessary supporting documentation.

All requests for late liquidation must address:

- How the liquidation extension request contributes to the acceleration of academic success for students, including those furthest from opportunity and with the greatest need.
 - For example:
 - Increasing daily student attendance
 - Providing high-quality tutoring
 - Increasing access to before, after, and summer learning and extended learning time
- How the request meets the Future Forward Ohio Priorities:
 - Literacy
 - Accelerating Learning (focusing on Literacy & Numeracy)
 - Workforce Readiness
 - Student Wellness

LEAs and educational entities must make all late liquidation requests on the Department's late liquidation survey when it becomes available. Additional requests or changes to the LEAs original request after the survey period will not be accepted. The Department requires the information in a timely manner to apply to the US Department of Education on behalf of the LEAs and educational entities.

The Department plans to coordinate a window period for subgrantees to submit claims for reimbursement. The Department will only be allowing late liquidation requests for items that will be liquidated on or by **June 30th, 2025**. Please note that grantees must incur (pay for) expenses before requesting funds for repayment.

If you have questions, contact your federal programs consultant or email federalprograms@education.ohio.gov.