



Liquidation Extension Guide

ESSER III

June 27, 2024

The project end date for ESSER III remains September 30, 2024

ESSER III grant expenses must be director approved by September 30, 2024 to be properly obligated.

Any funds not properly obligated by September 30, 2024 will lapse and revert to the awarding agency.

ADE recommends final revisions be submitted prior to September 1, 2024.

The LEA will NOT be able to make grant revisions after September 30, 2024.

Liquidation extension proposals must be submitted to GME by July 19, 2024.



Activities Eligible for Liquidation Extension

An Extension is **NOT AUTOMATIC** and must be approved by both the
the Arizona Department of Education and US Department of Education

1. Construction Projects

Capital projects that the LEA determines will not be completed by the end of the standard 90 day liquidation period (December 29, 2024) due to supply chain shortages or other unforeseeable delays.

- These projects must be already approved to the funding application
- New projects will NOT be considered
- LEA must provide justification/proof for needing more time to liquidate funds

2. Continuity of Educational Services

Properly obligated third-party contracts for educational services that will extend beyond the standard 90 day liquidation period (December 29, 2024) such as:

- Tutoring, Before and After School Care, Mental Health Support, Curriculum Materials
- Professional Development, Technology Tools, Substitute Teachers

High Risk LEAs (FY25) are NOT eligible



What does it mean to “Obligate” Funds?

To obligate funds means to commit funds to an activity in accordance with programmatic requirements for a grant.

ESSER III grant expenses must be director approved by September 30, 2024 to be properly obligated.

Any funds not properly obligated by September 30, 2024 will be forfeited.



If obligation is for-	The obligation is made-
Personal services by a <u>third-party contractor</u>	The date on which the LEA makes a binding written commitment to obtain the services
Personal services by <u>an employee</u> of the LEA NOT ELIGIBLE FOR LIQUIDATION EXTENSION	The date on which the services are performed
Performance of work other than personal services by a <u>third-party contractor</u> (Construction)	The date on which the LEA makes a binding written commitment to obtain the work

What does it mean to “Liquidate” Funds?

To liquidate an obligation, the item must have already been purchased, the service must have already occurred, and those payments must already have been made.

LEAs liquidate funds by submitting a reimbursement request to GME.

ESSER III funds which have been properly obligated by September 30, 2024, will have 90 calendar days in which to be liquidated (December 29, 2024), unless the LEA has been approved for liquidation extension for eligible activities.

Funds not approved for a liquidation extension, that are not liquidated by December 29, 2024, will be forfeited.





	STANDARD LIQUIDATION	LIQUIDATION EXTENSION REQUEST
Obligation Deadline	September 30, 2024	September 30, 2024
Application needed?	No, automatic 90 day extension ***120 day automatic extension to January 28,2025 is for SEA ONLY	Yes, proposal to extend liquidation period (up to an additional 14 months) for eligible activities <u>must be approved by both ADE and USEd</u> Please note: Needing more time to expend funds is NOT an adequate justification for a liquidation extension.
Liquidation Deadlines	December 29, 2024	<u>within 30 days of liquidation</u> of approved activities, but no later than <u>February 28, 2026</u> ***extension liquidation to March 28, 2026 is for SEA ONLY
Completion report due date	December 29, 2024	1. For all expenses not eligible/ approved for a liquidation extension: <u>December 29, 2024</u> 2. For eligible/ approved activities: <u>Within 30 days of liquidation</u> of approved activities, but <u>no later than February 28, 2026</u>
To apply for a liquidation extension, please click <u>HERE</u> to go to the GME home page where you will find directions on how to submit your proposal.	NA	Submit proposal in GME by <u>July 19, 2024</u> High Risk LEAs (FY25) are NOT eligible

All LEAs will lose the option of submitting a reimbursement request when the project ends on 09/30/24 unless a liquidation extension has been pre-approved for eligible activities.

An LEA **can** submit a completion report with approved final expenditures before December 29, 2024.

The final completion report for projects approved for late liquidation will be due within 30 days of final liquidation of the specific expenses, but no later than February 28, 2026.

Examples:



Possible Justification for Liquidation Extension	Obligation must occur by:	LEA Liquidation by:	Final Completion Report due by:
Unforeseeable Delays <i>(EXAMPLE of 14-month maximum extension for delays in remodeling due to parts)</i>	September 30, 2024	February 28, 2026	February 28, 2026
Continuity of Educational Services <i>(EXAMPLE of a 6-month extension of 3rd party tutoring to complete school-year service)</i>	September 30, 2024	June 30, 2025	Within 30-days of liquidation

Important Dates

July 19, 2024 Deadline to submit proposal for liquidation extensions to GME

September 1, 2024 Final grant revisions must be submitted to ADE for approval

September 30, 2024 ESSER III project end date

- All funds must be properly obligated (director approved) or they will be forfeited
- LEA will no longer be able to submit a revision
- LEA will not be able to submit a reimbursement request after September 30, 2024 (LEA may request reimbursement for final expenditures with completion report)

December 29, 2024 Completion report must be submitted prior to this date

February 28, 2026 Completion report deadline for expenditures approved for liquidation extension



Next Steps

1. Determine if your ESSER III grant has properly obligated expenditures that are eligible for a liquidation extension request.
2. **Realistically** consider whether you will need to liquidate funds beyond the automatic 90 day liquidation period (December 29, 2024) to:
 - complete an already approved construction project that has unforeseen delays
 - or to fulfill 3rd party contracts for educational services (eg: to provide tutoring until the end of the school year)
3. A proposal for a liquidation extension must be submitted [HERE](#) by [July 19, 2024](#).
 - **High Risk LEAs (FY25) are NOT eligible**
4. Wait for the US Department of Education and Arizona Department of Education to approve or deny your proposal.
5. If your proposal is approved, wait for further instructions from ADE on how to proceed.



If there are any further questions, please contact your Education Program Specialist or email at esser@azed.gov.

To apply for a liquidation extension, please click [HERE](#) to go to the GME home page where you will find directions on how to submit your proposal.

Resources

[Office of Elementary and Secondary Education](#)

[ESSER FAQ](#)

