

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

Speaker 0 00:00:00 Welcome and thank you for joining today's Office Hours American Rescue Plan, liquidation Extensions. Please note this conference is being recorded and all audio connections are muted at this time. If you require technical assistance, please open chat with the associated icon at the bottom of your screen and send a message to the event producer. You may also submit written questions throughout the conference by selecting all panelists from the dropdown menu in the chat panel. With that, I'll turn the conference over to Christopher Tate, group Leader, office of State and Grantee Relations.

Speaker 1 00:00:34 Thank you. Before we get started with today's Office Hour focused on seeking American Rescue Plan, SR. And E'S grant liquidation extensions, I want to note a Dear Colleague letter that was released by the department just an hour or so ago. The department will be inviting a tidings waiver to extend the period of availability for fiscal year 2022 administrative funds that states choose to consolidate under the Elementary and Secondary Education Act, section 82 0 1. That means that states with remaining arp, Esser, arp, eams, and ARP HCY program administration funds may consolidate those funds with fiscal year 2022 ESEA program administration funds. This waiver will allow states to extend these administrative funds through March 31st, 2026. More information about how to seek a request will be shared on Monday, April 29th. You may register for that webinar at the link being shared in the chat at this, at that time, rather, OSCs leadership will also take any questions that you might have. So we ask that you take a moment to review the letter and come prepared for Monday's webinar to ask any questions that you might have. Next slide, please.

Speaker 1 00:01:58 Today I'm joined by my colleague Jennifer Timmons. Jennifer is the lead for implementing the Liquidation extension process in the Office of State and Grantee relations. Our goal for today is to ensure that we share out information about the process for seeking and approval to extend the period of liquidation for our act, ER and RPAC teams grants. Today's presentation was developed using responses to questions that we have received from grantees since the department announced the opportunity to request an extension for a ACT grants back in January. We'll move quickly through the prepared material today, so there's ample time to address questions at the end as we move along, though please don't hesitate to place questions in the chat. Next slide please.

Speaker 1 00:02:48 First, an update on extensions for CARES ESSER N Gear. In addition to Carissa Esser gear and eams, 2023 states requested and were approved to extend the period of liquidation for CARES Act SER and Gear grants combined the department approved extensions for approximately \$26.9 million for liquidation through March, 2024. Additionally, the department has to date extended the liquidation period for Carissa approved grants, 44 of them to extend the liquidation period for Esser year and EAMS through March, 2025. This amounts to \$505 million in funds remaining available for liquidation for services, and continued support for pandemic recovery for students and educators. While the time for seeking an extension to the period of liquidation for CARES Act grants has passed, grantees that have not yet sought an extension may still do so for Carissa Act grants through the remainder of this year. Next slide, please.

Speaker 1 00:04:01 That brings us to the current opportunity to request an extension to the period of liquidation for ARP funded Esser and S grants. As you know, on January 9th, 2024 to department released its process for submitting an ARP Esser and ARP E'S liquidation extension

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

request and provided an explanatory letter outlining the process, an updated request template, and updated technical FAQ's document. These resources are available on the department's program website and SG r's deadlines and announcements webpage. Additionally, we will provide the links to these documents in today's chat. For your convenience, the opportunity to seek an extension was provided well in advance of the September 30th deadline for obligation for obligating these ARC funds, excuse me, so that grantees and other sub-recipients had adequate time to consider their needs and make adjustments to their plans when continuing to implement ARC funded activities through March of 2026. The request process for ARC funds is the same process implemented by the Department for CARES and Karissa, as with Cares and Karissa requests may be submitted when data is available, and grantees have already three grantees, excuse me, have already submitted requests that are currently under review. The review of these requests happening well in advance of September 30th requires grantees to submit a complete request, and I'll speak more on that in just a moment. Grantees may submit, an ex may submit a request to extend the liquidation for our funds at any time, but submission is recommended by December 31st, 2024, as requests submitted after December 31st may experience a lapse in G six access while an approval decision is pending. Next slide please.

Speaker 1 00:06:07 I touched briefly on the submission process a moment ago, and I want to come back to it now. The process to submit an A liquidation extension mirrors the process employed for cares and ISSA with a minor edition of a cover letter. Grantees still collect the liquidation extension information noted in the template on behalf of themselves and their sub-grantees prior to submitting that information. This information must be verified that it represents timely and valid obligations. Note that each subgrantee is a row that is all the requests for a single subgrantee are entered into a single row. We are not requesting a line by line accounting of each subgrant recipient uses of funds. Grantees then submit one comprehensive Excel document to represent an extension at the grantee and sub-grantee levels as appropriate with a single date for the extension, new for the ARC request process, grantees must include a cover letter that explains how the ARP Esser and or ARP E'S liquidation extension request contributes to the acceleration of academic success for students, including those furthest from opportunity and demonstrating the greatest need provide a grantee, a grantee pro must provide our office with a complete request review and approval on average has taken about three to four weeks, and the approval depends on the completeness and accuracy of submitted information.

Speaker 1 00:07:48 And again, I'll touch more on that in just a moment. Before I review the cover letter requirements, I want to pause and answer a question that we've received multiple times. Do grantees and subrecipients have to pause obligations or liquidations while waiting for the department to complete its review? Once a complete request is received from state, the department will work quickly to complete its review, complete any follow up required with the grantee for any necessary clarifications, and notify the state of its determination. Depending on the time of the year at which the grantee submits its request, grantees and subrecipients should continue to complete obligations up to the end of the obligation period, meaning September 30th, 2024. If you submit a request during the statutory liquidation period, grantees and subrecipients should also continue to liquidate those funds up to the end of the regulatory liquidation period. January 28th, 2025. Next slide please.

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

Speaker 1 00:09:01 As a reminder, reminded folks a moment ago, new to the process for ARP SER and Ian's extensions requests is the requirement that grantees seeking a request submit a cover letter along with the state's completed request template. In the cover letter, grantees are encouraged to highlight investments in three, three evidence-based strategies that significantly contribute to improved student performance. Note that you may limit your cover letters to no more than two pages and should feel, should feel comfortable keeping examples concise without the need for providing data analysis at any great depth. The information provided will be followed up on after the approval of a grantee's request during the period in which the department provides oversight for the grantee's implementation of its approved request. This includes during ongoing discussions about progress towards student academic and other goals when monitoring of ARP SR. State plans. Information provided in the cover letter may additionally be further reviewed for the provision of future technical assistance or shared with the Department's Institute for Education Statistics. I do want to note that a grantee's cover letter has no bearing on the department's approval decision. Next slide, please.

Speaker 1 00:10:27 Finally, before I turn the presentation over to my colleague Jennifer, I want to reiterate, as some grantees have asked, that approval of a request is a function of completeness of the information and the timeliness and validity of an obligation. A complete request includes a reliable estimate of the funds to be liquidated during the period of extension for both the grantee and any included sub-recipients. The estimate of funds to be extended will be monitored during implementation, and a truer accounting of funds is determined closer to the end of the liquidation period. It is expected then that the grantee and any sub-recipients will provide an accurate forecasting of funds to be extended. A partial request, one that only includes the state's forecast or a request that only includes subrecipient information will not be reviewed when the state submits its request for review. It is assuring the department that its, its request is complete and that the included information is reliable.

Speaker 1 00:11:38 During implementation, the department will continue to review the data and work with grantees to amend their requests as the financial landscape changes. For example, a subrecipient may estimate in June for the purpose of seeking an, uh, for the purpose of having an approved extension in hand, that \$300,000 is needed for a project, and then after September 30th report that only 250,000 needs to be liquidated during the extended period. In this example, the other 50,000, uh, was timely, obligated and liquidated for another purpose. After the original project's cost changed, this will not trigger any need for a formal approval. Instead, SGR will work with the grantee to amend its request and continue to monitor the liquidation of the amount of funds for that subrecipient through the end of the liquidation period. An amendment is not about seeking formal approval from the department to continue to implement the state's extension.

Speaker 1 00:12:45 It is a process by which the department and the grantee are in agreement about the amount of funds to be liquidated as the data changes. Our goal is to work with you to ensure that we receive requests that are approvable, IE we have requests that are complete and reflect timely and valid obligations, so you can more quickly move, you can more quickly move forward, rather with an approval in hand to date. As a reminder, the department has not disapproved any state's requests for an extension. Now I will turn the presentation over to Jennifer to advise you on the development of approvable requests. Jenny.

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

Speaker 2 00:13:28 Thank you, Christopher. Uh, next slide please. We'll spend some time now a bit on the request document itself and some considerations for states as they prepare liquidation extension requests. There are some common revisions that can be addressed pretty quickly by grantees, but do require follow up from, uh, the office of state and grantee relations. And so if states can ensure that the personnel who are familiar with the ARP SER and e programs are reviewing the request prior to submission, uh, we can cut down on that back and forth from the program office. Uh, some easy things that, uh, sometimes involve a lot of typos or perhaps wrong references to years are the a LN number, the PRN number or the PR number and the award amount. Uh, the a LN number is what used to be referred to as the CFDA and the numbers that you're going to utilize for arp, esser, or aines are included on the tab for the grantee information.

Speaker 2 00:14:32 Additionally, sometimes we'll see a grantee has submitted a PR number that may reference a different iteration of the funds or, uh, perhaps, uh, a different program. And so double checking that can be very helpful as well. We also want to ensure that the award amount is inclusive of the entire state's award and, uh, including any supplemental awards that might have been, uh, might have been awarded. An additional area to double check is the dates that are requested for the grantee, as well as the dates that are requested for the sub-recipient. Uh, often what we'll see is that a grantee might leave the grantee date blank because they aren't requesting any state level funds. Uh, and that is, that is fine, but ultimately the grantee is the one who is drawing down those funds on behalf of those subrecipients who might be included in an, in an approved extension.

Speaker 2 00:15:27 And so what we would suggest is that grantees insert a date that is either the same as the subrecipient or allows for some additional time for administrative processes to take place at the state level to close out those liquidations. It's also good to note that this tab is where you do want to start entering your information for the request template as it does feed information and sells on the other tabs. However, that also means that if there is some incorrect information inserted on this tab, it will also carry over to the other tabs, most notably to the grantees at a station. And submission of these complete requests without some of these minor revisions will result in a more expedient review. Next slide please.

Speaker 2 00:16:20 Another area where a program officer in SGR might need to reach out to a grantee after submission relates to the information that's included on the grantee or the subrecipient information, particularly in the use of funds, the justification and the data notes columns. In general, Mo almost all follow up questions are related to clarity around the timing of the obligation. As previously stated, all obligations must be completed within the program's performance period or by September 30th, 2024. So let's take a look at the example that's listed at the top of the slide for a state request that might need some additional clarification. In this example, the sub-recipient has listed supplies, materials, and temp staffing costs. And in its justification, it references that the school district experienced staffing issues and will be able to spend the funds with more time in general references to staffing or salaries and personnel typically raise more questions, particularly if the information included in the use of funds or the justification lacks some specificity or detail, or if it's unclear to the obligation of the personal services through a third party.

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

Speaker 2 00:17:37 And also in general, references to needing more time to spend the funds or finalize contracts. Usually also raise questions for grantees or sub-recipients about when and or if those funds were properly obligated. A stronger request like the one that's shown at the bottom will include that level of specificity, uh, around these matters and provide enough information to clearly indicate proper and timely obligations or, uh, information that's related to personal services. Grantees want to avoid having the same use of funds or justification just copied and pasted for each sub-recipient. So that really there's an indication of, uh, what kinds of funds are needed for the extended period, as well as why those funds were in particular were needed. Additional examples that are, uh, requests for arp, SER and arp EAMS are included in the technical assistance slides that were presented in January of this year, and those are available on the department's program resources website for both Esser and for E Ns. A question that we have received quite a bit from grantees is, can a state separate out the grantee funds by projects or does all of it have to be included in one line of cost on that grantee information tab? And certainly if that would, uh, help the state be a more complete request, states may separate out their specific costs, projects, administrative costs, or the required reservations on the grantee tab only, and should indicate enough detail within the use of funds or justification or notes column to delineate why those costs have been separated.

Speaker 2 00:19:30 Next slide, please. Additional considerations for states as they're preparing their liquidation extension requests really can be grounded in the attestations found on the attestation tab. And as a reminder, complete requests will include the signed attestations from an authorized grant individual, and we have those attestations listed here. So let's take a closer look and we'll discuss some of the questions that we've received in relation to these. But the first attestation is that all information is complete and accurate, and as Christopher has already referenced, a state's complete request should reflect a reasonably accurate forecast of funds to be liquidated during the period of extension for both the state and its sub-recipients. And then during implementation, as better data becomes available after the obligation period and liquidation period have concluded, states may either amend their approved requests or provide updated data during the data verification process. A second attestation is that activities and services included are allowable and have been properly obligated by September 30th, 2024. Uh, we have referenced those dates multiple times, uh, and just want to remind uh, everyone about those obligation requirements. And that is a attestation that works right along with the third attestation that certifications and assurances included in the award documents, uh, and approved state plan do remain in effect, which would include any required reservations or administrative cost limits.

Speaker 2 00:21:04 The next attestation will take a look at is that grantees will provide continued monitoring and oversight of sub-recipients in the extended period. Uh, approved liquidation extensions will be monitored in a manner consistent with the department's oversight of its grantees, and will also include evidence of the grantees oversight of the extension process, and its monitoring of sub-recipient expenses for timeliness and allowability. And so it's incumbent upon the grantee to determine the state's particular processes for providing this oversight. Uh, additional information related to program monitoring specific to liquidations is available on the esser gear and e liquidation extension monitoring protocol, and that might be a useful resource as the state is preparing its own processes. And I see that my volume keeps going out. Hopefully you can still hear me. Uh, so I will,

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

Speaker 3 00:22:04 You're good now.

Speaker 2 00:22:06 Okay. I will try to turn my volume up and make sure I'm closer to the mic. Thank you, Christopher. Data verification is also an attestation that will be provided as requested. Uh, if a grantee finds out after receiving, uh, approval that other subrecipients have extended liquidation needs or approved sub recipients need additional funding, a question that we've often received is, is the grantee able to include those sub recipients or those different costs? And so, as we've mentioned, a complete request should reflect a reasonably accurate forecast of funds. However, if a state does realize that a subrecipient needs to be included that wasn't initially included, they can reach out to their program officer through the state mailbox and inquire about the amendment process. Uh, an amendment will include submitting just an updated request template with the changes that are clearly noted and the provision of an updated attestation.

Speaker 2 00:23:09 We've also received a, uh, several questions about what happens if sub-recipients are no longer in need of an extension. So let's say, for example, that a sub-recipient anticipates in June that they are likely going to need an extension because of a delayed project that has been properly obligated, but it turns out they're actually able to liquidate before the end of the liquidation, the regular liquidation period. And if that is the case, that's certainly not a problem. We'd, again, encourage, uh, grantees and subrecipients to continue with their liquidations in a timely fashion, and that's something that can be updated with the program officer through the data verification process. Or if the grantee finds a need for an amendment for other, uh, other needs or other sub-recipients, they can update the data at that time.

Speaker 2 00:24:04 An additional attestation is that sufficient documentation to support the request as available with the grantee or sub-recipient. And a question that we've received, uh, from grantees is, is there a need for a grantee to change its payment processes to gather additional documentation for liquidations during that extended period? And just as it's incumbent on the state to develop its processes for the collection of the information to develop the request, it's also incumbent on the state to develop its, uh, processes for continued monitoring and oversight of the associated subrecipient liquidation. So a state might, for example, collect a sampling of that documentation during monitoring, but it could also choose to collect separate reimbursement information consistent with the way that it collects information during the regular liquidation period. There's not a specific need to change the state's processes. We do remind grantees and sub-recipients that as noted in question seven and eight of the liquidation extension FAQs. Records do need to be maintained consistent with two CFR 200.

Speaker 2 00:25:15 And the final attestation is that sub-recipients have been assessed for risk using relevant data and a question. This is an area where we do receive a lot of questions primarily around the idea of how risk is determined and, uh, if only low risk sub-recipients are allowed to apply for extensions. We'll, again, point back to the technical FAQs for liquidation extensions, particularly question 13. Uh, because grantees are required to determine the subrecipients risk or their capacity for liquidating funds within the extended period. However, grantees have flexibility consistent with their methodologies for evaluating sub-recipient risks and how that determination is used. So a grantee may choose to provide extensions only to those subrecipients that are determined to be of lower risk, but that would be the grantee's decision. The department provides grantees with the flexibility to determine its treatment as well of subrecipients as well. So a grantee

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

might also, uh, perhaps include a higher risk sub-recipient, but perhaps provide additional support to that subrecipient during the extended liquidation period.

Speaker 2 00:26:31 As a reminder, when determining the sub recipient's capacity to timely implement its extension consistent with program requirements and other federal regulations, a grantee can exercise discretion in its consideration of risk factors using the data it has available, including risk assessment data for other federal programs, single audits, a history of, uh, satisfactory or unsatisfactory performance, uh, the ability of the subrecipient to access management systems that meet appropriate regulations. Whatever data the grantee determines is, uh, adequate for this analysis is, uh, is the grantee's prerogative. Next slide, please. As we've referenced before in our technical assistance, 34 CFR 76, 707 details, the specific types of obligations and the date by which those obligations are considered to be made. As a reminder, everything needs to be obligated by September 30th, 2024, and that does extend to any obligated costs that are included within the liquidation extension request. And so we encourage states as well as their sub-recipients to carefully consider these differentiations when they are reporting their properly obligated funds to be included in that request.

Speaker 2 00:28:00 And so a particular note is that obligation of personal services, which can be obligated, um, um, excuse me, services that are provided by an employee of a state or a sub-grantee such as an LEA, are considered obligated when the services are rendered or the work is performed. On the other hand, personal services rendered by a contractor who is not an employee of the state or sub-grantee or LEA, are considered obligated on the date on which the state or sub-grantee makes that binding written commitment to obtain the work such as through the execution of a contract. So with those definitions in mind for obligations, payroll expenses for employees of a state or sub grantee may only be liquidated with RPAC funds for services provided by the end of the obligation period or September 30th, 2024. If there are expenses related to personal services of staff members that are obligated through a third party contractor, those may continue through the liquidation period as long as the associated contract for those services has been executed by the obligation deadline or September 30th, 2024.

Speaker 2 00:29:15 A reminder that approved liquidation extensions will be monitored in a manner consistent with the department's oversight of its grantees, and this will include evidence of the grantees oversight of the extension process and its monitoring of sub-recipient expenses for timeliness and allowability. So again, we do encourage grantees and their sub-recipients to, uh, carefully consider the obligation definitions. If there is a particular type of obligation that a grantee or a subrecipient has a question about, please reach out to your program officer through the state mailbox, and we will work with you on the parameters of those obligations. Next slide, please.

Speaker 2 00:30:01 An additional resource that we have referenced several times in our technical assistance is that grantees and sub-grantees with approved extensions may carry out grant activities during the period of liquidation of the ex or the extension of that period as approved by, uh, the department. So long as that timely and valid obligation has been made pursuant to 34 CFR 76, and if the state and local procurement laws allow. And so in seeking an extension, a grantee might identify activities that will extend beyond the liquidation period. And so the department has provided some additional guidance on this matter to grantees in both the updated SER FAQs in question E 3D, as well as the e NS communications, uh, specific to E NS services and

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

assistance after the end of the period of performance. So, in a nutshell, in limited circumstances, it may be allowable for program funded activities to continue after the obligation and liquidation period, but there are a number of factors that should be considered when determining whether that continuation of activities, uh, would be allowable within a particular state's context.

Speaker 2 00:31:17 And so some of those considerations include whether or not those funds were properly obligated in a timely manner, whether the activities would be allowed to extend beyond the liquidation period under the applicable state and local procurement rules, whether the extended activities constitute a reasonable and necessary use of federal funds. And finally, whether prudent business practices and internal controls would support the continued activities for the length of time that's proposed in the liquidation extension request. Because Esser and EENs or state administered programs, the SEA or the Governor determines whether activities extending past the liquidation period are allowable under the circumstances and should really only do so after considering each of those factors that we've discussed and how they impact a particular expense, it should be noted that, uh, an S-E-A-L-E-A or sub-grantee would be responsible for returning to the federal government the cost of any services that were paid with federal funds but not received. And under no circumstances may services extend beyond the date on which funds revert to the US Department of Treasury, which occurs four years after the obligation deadlines. However, nothing prevents an SEA or an LEA from continuing successful activities or services with non SER or ES funding. Again, if you do have specific questions about this guidance or specific examples of uh, activities, when you are preparing your request, please reach out to your program officer. Next slide, please.

Speaker 2 00:33:00 We've referenced several times today that the approved liquidation extensions will be monitored in a manner consistent with the department's oversight of its grantees, and that will occur primarily through the monitoring of drawdowns during the extended period and through formal reviews. Drawdown monitoring is an essential internal control, and during the extended liquidation period, grantees are placed on what is called route payment once the regular liquidation period has concluded. So grantees would then need to submit a summary of each drawdown request, which includes the amount that is associated per entity that is included within that draw. SGR will then ensure that the funds and the entities are aligned to the state's approved request and any previous draws of funds, and that an amendment is not needed. Formal reviews will include ongoing data verification and a review of the grantee's oversight activities at least twice during the implementation of the state's extended liquidation period.

Speaker 2 00:34:05 As we've noted previously, once the regular liquidation period has concluded, program officers will work with a state to validate the data that's included within the state's approved request. And formal monitoring will address the grantees processes for seeking an extension, their monitoring of, uh, included sub-recipients, their closeout request activities, and the status of liquidations to date. It will also include a review of grantee reimbursement request packages and an as the associated documentation, either from subrecipients or the grantee's internal processes for drawing down funds that were included within an approved request. Again, additional information related to these formal reviews is available in the SER and e liquidation extension monitoring protocols, which are posted on the department's program websites. Uh, next slide please. So we've reached the end of our formal presentation, but we'll certainly open the

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

presentation for questions. Uh, and I know I think we've seen several that have been added into the chat. So, uh, Christopher, if you want to get us started,

Speaker 1 00:35:21 I'll jump in. Uh, Jenny, we had a, a question early on about, um, asking whether a liquidation extension requests are required if a grantee seeks a waiver for the consolidated administrative is administration funds. The, um, the approval of consolidated administrative, uh, funds request is not dependent on the state, um, seeking a liquidation extension request, obviously, um, because the only, uh, funds that are being extended for those waivers are the administrative funds. You know, we as, as a program office would continue to, um, monitor any funds that might be drawn down during that, uh, extended period, but it would not require, um, a grantee to submit a liquidation extension, um, in order to seek that waiver.

Speaker 2 00:36:31 I'm just scrolling through the comments. Thank you to all of you who responded to the prompt. Mary put in the chat about whether or not you plan to apply for an extension. We appreciate that information.

Speaker 1 00:36:52 Do we have any folks who'd like to raise their hand and come off mute and ask a, a question about either the, the request process or, uh, the department's oversight during the period of an extension?

Speaker 0 00:37:08 Everyone you can use chat to send questions to all panelists or click the hand icon at the bottom of your screen to join the queue and ask a verbal question.

Speaker 1 00:37:20 We have another, uh, question that, that came in. Um, and it is whether or not a state can submit multiple extension requests or submit requests on a, on a rolling basis. A state can submit a single Arps o request that is complete, meaning it in it, in it includes forecasted information for funds to be liquidated during a period of extension for both the state and its sub-recipients. Um, and then it will additionally submit a template for its ARP e ns, uh, program, including any, uh, funds that are extended for services to non-public schools, but also funding reverted e ns funds rather, uh, that are being used for any purpose allowable under gear two. What is not permissible, and I think maybe this might be the root of the question, is you as a state wouldn't submit to us a request that is only for the state's, uh, the state's portion of funding to be, to be liquidated during the period of extension.

Speaker 1 00:38:26 Because one of our first questions back is going to be to ask, um, whether or not you anticipate subrecipients will additionally be included. Um, so when we talk about a complete request, it is the expectation, much like Janice spoke to the state attesting, that it's its request is inclusive of all of its sub-recipients. So you, you as a state reached out to your sub sub-recipients and identified the amounts to be extended. You as a state have, have determined the amounts to be extended in those two things together are included in a single request. At that time, we would consider it complete and be able to move it forward for approval.

Speaker 2 00:39:13 Cheryl's going to read another question we've received in the chat. Uh, we have a question for grow your own types of activities. If a state has made sub-board to LEAs to carry out the activities with IHEs, would LEAs and sess need to submit these projects for late liquidation or just the LEAs? Uh, really how that is going to be determined is where the sub-award is. So if the sub-award was to an LEA, they could be included on the sub-recipient tab. If instead that was an

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

award project out of, let's say the state's, uh, uh, set aside reservation, and the state is really managing that project, it would be included on the SEA or the grantee side. So it would really deter, it would really be determined more so where that sub, where if a sub-award exists and where that sub-award is. Thank you again to everyone for putting your, uh,

Speaker 1 00:40:37 Oh, I'm sorry. Your

Speaker 2 00:40:37 Information in the request.

Speaker 1 00:40:41 Sorry, I, I think I was on,

Speaker 2 00:40:47 Were you addressing a question, Christopher?

Speaker 1 00:40:52 I think I accidentally hit my button, my mute button. Um, the, the, the question that I wanted to step back and answer is that there was a question about rolling, uh, rolling requests and what the, um, the state representative was asking is that they have subrecipients ready to submit a request now, and they want confirmation that it'll be re approved, but they'll also have subrecipients that may submit later because of unexpected delays. And so what, in a situation like that, what we would recommend is that you go to those subrecipients that are anticipating submitting later and ask them, you know, now for, for a realistic expectation for those projects that may be delayed, that would be, you know, a, a forecast so that the approval that we're providing is a true, is a true and accurate picture of all of the entities that may need to use those, use those funds during that period of extension.

Speaker 1 00:41:55 As we monitor during the implementation of that request, and we've seen this with both Carissa and Cares, some subrecipients will find that the status of some of their projects have changed. And so by the time at which the extension starts after January 28th, 2025, they will have either liquidated all of those funds or a portion of those funds. And so the amount that will actually be extended is smaller. We, as an office, go through a process that we call data validation. And so what that means is, during the implementation of the request, um, not only are you providing us information about costs that are associated with each, uh, reimbursement that you seek to draw down from, from G five, we will occasionally reach out to you and walk through your request. And if we identify with you, or even you proactively identify for us that you have some sub-recipient data that has changed, that's where it would be an amendment process.

Speaker 1 00:43:02 And that amendment process is very easy. And we've designed that in part because we understand that better data will become available on somewhat of a rolling basis. This allows you as a state to come in and seek approval, for example, of an our ESSER program, knowing that some of the sub-recipients that might have initially been hesitant because they don't have a complete, and what they would consider accurate picture to seek a request, their information is initially included. They have done some forecasting on the projects that they think may be delayed, and they're able to then also receive that approval at the same time all of the other subrecipients in their cohort receive approval. And what we have found with CARES and Carissa, is that that process has allowed two things. It has created a comfort level, um, with subrecipients, with making sure that should they want to make adjustments in this process prior to September 30th, they have that approval at hand, which I think is what is part of what this question is really about, and can feel comfort forward planning for what will occur during that period of extension and ensure that all of

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

their obligations and project plans are in place as of September 30th, so that they're maximizing the opportunity to use these funds during this period of extension.

Speaker 1 00:44:39 Yep, that's exactly right. You can always amend the, the request downward, um, as that better data becomes available.

Speaker 2 00:45:30 I see we have a request, uh, if our event producer could go back to slide 11, we have a question about personal services and when they're obligated by a contractor, whether the date to liquidate funds is set forth in the contract. Uh, so the, the difference there with, uh, contracted services, you're really looking at the date that the, uh, that the contract or the obligation is actually made, and that would be on the date on which the written binding written agreement is executed. And so if that has been obligated prior to the end of the obligation period, uh, September 30th, 2024, then those services could continue. But again, that's specific to a contract or a third party, uh, contract, not the employee of a state or the employee of a locality. And I think also your question is asking whether the date to liquidate funds is set forth in the contract. Uh, I think that would likely depend on your local practices for what needs to be included in a contract, um, the obligation date. Again, as long as those obligations have been put into place prior to the end of the obligation period, those activities could continue.

Speaker 1 00:47:04 We have, um, we have another question that's come in. If the state has a district that's doing a construction project that's experiencing delays and won't be done until November, but it was properly obligated by September 30th, if they're approved for a late liquidation, the construction can still continue in October and November. This is a great question, and we actually just received a similar question from a, uh, from a grantee in the last week or so. In the instance where a district has experienced some delays and the funds are properly obligated, if the work were to be completed and the liquidations were to occur prior to January 28th, 2025, that district would not need to then seek a liquidation extension. So the, um, the statute that governs the, um, the requirements related to the administration of funds by a pass through entity allows 120 days beyond the, uh, period of performance to fully liquidate those funds. Now, there are sometimes state and local rules around when work can continue during that liquidation period. And so obviously, um, that will depend on, on, on whatever those state and local rules are. From a federal perspective though, um, if that work is, is completed and the reimbursement occurs prior to, uh, January 28th of any given, uh, year following the end of a performance period, and the funds were properly obligated, that district would be able to wrap up that project.

Speaker 0 00:49:07 And just as a reminder, you can click the hand icon at the bottom of the screen to raise your hand and ask a verbal question.

Speaker 2 00:49:35 Right. We've gotten a little bit of a follow up, uh, in the example of the LEA with construction, uh, that if the LEA is nervous about potential supplier construction delays, should they go ahead and submit the extension request just in case and we would amend if they finished up on time after all? Uh, and yes, that would be, that would be appropriate. Uh, if the LEA has, uh, you know, based on previous delays that have, uh, been surrounding a particular project and they think they might need, uh, or an extension, they can certainly be included in the state's request. We've actually had some states who, uh, have included in their notes, perhaps for an LEA that a project is anticipated to be finalized in December, which leaves maybe a month to get that, that liquidation. And so they go ahead and include them on the request. And if it isn't, if it doesn't

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

end up being needed because the LEA is able to liquidate on time, that's certainly not a problem, but they could be included in that request just so that they have that assurance. If they need just a little bit more time to finalize liquidations,

Speaker 1 00:50:51 Let's go to the hand that's raised. If you want to go ahead and unmute, unmute it, and then we'll come back to Colorado's chest question in the chat.

Speaker 0 00:50:59 They put their question in chat, their hand is no longer raised.

Speaker 1 00:51:02 Oh, excellent. Um, and so, um, the question that we received is that the state, uh, requires requests for reimbursement to be submitted by November 13th to give them time to make payments and liquidate funds. If we extend that deadline for LEAs to submit requests for payments, can the SEA request a liquidation extension to finalize payments to its LEAs in an instant like that? An instance like that? What we would recommend is that, um, rather than seeking a liquidation extension, which might put the state, um, assumes rather that the state and the subrecipients will continue to implement their activities, uh, through a given date. Um, we would just ask that, as with all other federal programs, the state might submit to us, uh, a regular late liquidation request. And we had a few states that have recently been approved to do this for, for Carissa. And what that would mean is much like with an extension, it's very much the same, same policy.

Speaker 1 00:52:11 You would instead just submit a single request with some documentation that submits why you as a state might need to do one or a series of smaller draws that would last for, you know, 15 days or 30 days, because you need time to reconcile those, those, um, reimbursements. So if that were the case, if there were no work from these LEAs that was going to continue beyond the liquidation period, you know, then we would provide some guidance around how to submit what, what we internally kind of call the onetime, the traditional late liquidation request that any state, uh, can request, uh, from the department if they're in a situation where they need to do a onetime drawdown of funds after the liquidation period is ended. And part of the reason that, that we do that, it is the, the same policy, the things that we look for in the way that we monitor and implement those true requests, um, are slightly different. Again, because this one time process for, uh, pandemic relief programs, the extension is really about understanding and accounting for, in a meaningful way, the work that will continue and ensure that both the grantee and their sub-recipients have ex have access to funds to continue activities beyond that January 28th date, unlike in a situation like the one, uh, that you're proposing through your question. And happy to, uh, have your program officer reach out to you if you have specific questions about that one time, uh, the late liquidation process for grantees that do not seek extensions.

Speaker 1 00:53:53 Jenny, anything to add there? I feel like I felt like that was a more complicated answer <laugh> than maybe I thought it would be.

Speaker 2 00:54:01 No, I, I think you caught it all. Um, the only thing I would add is that if you have a combination of subrecipients, uh, maybe some subrecipients who do truly need an extension to, uh, continue services, and it's, it's less about finalizing that last drawdown for the state. If you are going to be, uh, applying for an extension anyway, those costs could be included for those subrecipients in, uh, in an extension. And again, as Christopher referenced, uh, your program

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

officer can work with you about the best path forward and how to, how to reiterate that within a request.

Speaker 1 00:54:46 And we have another question that came in. Jenny, if a subgrantee signs an executed contract prior to 9/30/24 for professional development, could they have professional development services after 9/30/24? If so, for how long?

Speaker 2 00:55:06 Right. So there's a couple of questions in there. So again, those, uh, obligations are for the most part that, uh, binding written commitments. So yes, in theory and generally speaking, uh, if a contract is executed prior to 9/30/24 for professional, uh, development experiences, yes, those services could continue if that's, if those are included within the terms of the contract, um, certainly you would want to take care of ensuring that, uh, you're looking at services that are provided. Um, if you're talking about conferences, which brings up travel, that is a, those are different types of obligations. So, um, but if you're specifically talking about, let's say, um, you are engaging with a third party contract to provide some instructional coaching for your brand new teachers for, uh, the 24/25 school year, and you want to continue that, uh, those series of services through the end of the school year, uh, to June of 2025. That's an example where if that contract is set up prior to November, prior to September 30th and is executed by that date, then yes, those services could continue. And you also have, uh, if so, how long can they continue? Uh, we would, uh, reference you back to the, uh, Esser and Gear FAQ's question E 3D. Uh, some of that will be dependent upon the state and its policies. Uh, the length of the activity of those continuing services would need to be necessary and reasonable, certainly from the state's perspective, uh, and would also need to, uh, be within what would be generally accepted, um, as good internal processes and controls. Anything that you would add to that, Christopher?

Speaker 1 00:57:07 Uh, the one thing that I think is really important here is that, um, depending on the path that the district takes, we would certainly expect that those services would end, um, within four years after the, um, the end of the performance period, because that's the time at which the, any remaining grant funds or return to the treasury. And so we would anticipate that if, for example, there were an issue with this contract, that there would be a way, a mechanism by which, um, funds would not be lost and are able to be returned by, uh, to the federal government within that, within that period.

Speaker 1 00:58:08 So Jenny, I see that we are at the four o'clock hour. Um, I think with that, if there are no more questions in the chat, we will go ahead and wrap it up for today. But we do encourage you to please, as you have questions and you're developing your, your requests, um, feel comfortable reaching out to your state's program officer, you can do that through your state mailbox. So it's state name dot oe@ed.gov, for example, Alabama dot oe@ed.gov. Um, and we are working very quickly to respond to states because we understand that this work is, is timely in both you and your sub-recipients. Hope to have an approval in hand quickly in order to plan effectively for September 30th.

Speaker 2 00:58:54 And I see Mary, thank you. I do see Mary has added that link for Monday's webinar. Uh, please make sure if you have interest in that resource that you register for that webinar on Monday, and, uh, you'll receive additional information at that time about that letter that was posted earlier today. Thank you all.

Date: April 25, 2024

Title: 042524-507528-DeptofEducation-Office

Speaker 1 00:59:16 Have a good afternoon.

Speaker 0 00:59:18 That concludes our conference. Thank you for using Intel events. You may now disconnect.