

# **ARP ESSER Liquidation Extension**

---

**Vermont Agency of Education**

**March 15, 2024**

# Agenda for ARP ESSER Liquidation Extension Webinar

---

- I. Introduction & Overview
- II. Detail of requirements
- III. Review of Webform
- IV. Closeout
- V. Considerations for LEAs
- VI. Resources
- VII. Questions

# Hosts

---

- Jill Briggs Campbell, Ph.D, Director of Operations
- Cassandra Ryan, Director of Regulatory Compliance and Risk Management
- Josh Souliere, Division Director, Education Quality
- AOE ESSER Program staff
- Katherine Horton

# Webinar Operating Procedures

---

- Feel free to interject questions either verbally or in the chat
  - Follow-up questions or comments can be submitted to [Katherine.horton@partner.Vermont.gov](mailto:Katherine.horton@partner.Vermont.gov)
- Webinar will be posted on website (4 business day turnaround for closed captioning and compliance check)

# Introduction/Overview

---

# Summary

---

Liquidation Extension Allows LEAs to extend contracted services or the receipt of goods funded through ARP ESSER (ALN 84.425U) for up to 14 months after the September 30, 2024 obligation deadline (final closeout date of February 28, 2026).

- The liquidation extension process has long been available to LEAs in other grant programs, but with ARP ESSER, USED is offering significant additional flexibility through the liquidation extension process.
- Specifically, LEAs are able to seek liquidation extension well in advance of the end of the period of performance and they are able to extend contracted services for reasons other than labor or supply chain delays (see [ARP Liquidation Extension Letter 1.9.24](#)).

# Summary (cont)

---

- Important Note: USED, not the Agency of Education, has the authority to approve liquidation extension requests.
- The AOE is tasked with ensuring that any request meets the requirements for eligibility and to support LEAs through the process.
- In addition, the AOE is tasked with ensuring that all grant processes and requirements continue to be met throughout the liquidation and close out process.

# Detail of requirements

---



# List of Requirements

---

1. a binding written contract or signed and dated purchase order was made by ARP ESSER's obligation deadline of **September 30, 2024**;
2. the project relates to an allowable activity under ARP ESSER;
3. the additional time to liquidate funds is consistent with all State, local, and federal spending rules;
4. the LEA has received a low-risk determination from the Agency of Education (AOE); and
5. the LEA has received liquidation extension approval from USED.

# Timely Obligation

---

**1. "a binding written contract or signed and dated purchase order was made by ARP ESSER's obligation deadline of September 30, 2024;"**

- An executed contract demonstrating that timely obligation was met pursuant to [34 C.F.R. § 76.707](#) (i.e. Signed contract or purchase order was executed on or before September 30, 2024);
- For contracted services or the receipt of goods that meet the requirements for timely obligation under [34 C.F.R. § 76.707](#).
- Emphasis on signed AND DATED

# Allowable Activity

---

## 2. “the project relates to an allowable activity under ARP ESSER;”

- ESSER grant expenditures must align with purpose and allowable uses in accordance with federal law in preventing, preparing for, and responding to coronavirus.
- LEAs should ensure that any project for which they will seek liquidation extension is included in an approved ARP ESSER grant amendment.
  - **Reminder:** the deadline for ARP ESSER LEA grant amendments is July 15, 2024.
  - Other state level ARP ESSER grant programs may have a different amendment deadline. Please consult your specific grant program manager or GMS for this deadline.

# Review by AOE

---

**3. “the additional time to liquidate funds is consistent with all State, local, and federal spending rules;”**

- LEAs will submit a liquidation extension request for each grant (e.g. ARP ESSER LEA grant, ARP ESSER Act 112 Mental Health Grant, ARP ESSER Afterschool Grant, etc.) through a simple webform. LEAs may submit multiple projects requiring extension in a single webform entry, as long as it is for the same grant.

# Risk Determination

---

4. “the LEA has received a low-risk determination from the Agency of Education (AOE);”

- AOE Regulatory Compliance team will be issuing a Risk Determination for all LEAs
  - The team will use multi-factor approach to make a risk determination and will complete their risk determinations by April 1, 2024. LEAs will be notified of their risk determination after this date.
  - USED prohibits the AOE from submitting for liquidation extension any requests from LEAs that are determined to be high risk (Q13: [Updated-Technical-FAQs-for-Liquidation-Extensions-1.9.24-v-2-for-posting.pdf](#)).
  - If you are in need of a determination prior to submitting your extension request, please reach out to Kate Horton, Katherine.horton@partner.Vermont.gov

# Request Process

---

# Steps for Review

---

- AOE program staff will review each liquidation extension request to ensure that it includes all appropriate documentation and that all USED-required responses are complete.
- The AOE will contact the LEA should any questions or concerns arise.
- The AOE will aggregate all liquidation extension requests (see schedule for submission in next slide) and submit to USED for review.

# Timeline for Requests

---

- LEAs should anticipate that requests submitted two weeks prior to the above dates will be included in that batch request with an exception for the upcoming March submission.
  - Submit by March 25 for March 31 submission
  - Submit by June 17 for June 30 submission
  - Submit by September 16 for September 30 submission
  - Submit by December 17 for December 31 submission



# Webform Review

---

Screen share: ARP ESSER  
Liquidation Extension Request

# Closeout

---

# Closeout

---

- Once an LEA has received all goods and/or services that have been approved for liquidation extension, and they have paid all invoices, the - - LEA should contact the AOE Business Office to request a final closeout of their ARP ESSER grant.
- The final deadline to closeout will be **Feb. 28, 2026**
  - **Please Note:** LEAs should ensure that they leave adequate time for closeout processes
- The AOE will offer additional instructions regarding initial closeout of ARP ESSER grants prior to September 30, 2024.

# Risks and Other Considerations

---

# Risks and Other Considerations

---

- LEAs should carefully consider the risks and burden of continuing to manage ARP ESSER funds through a liquidation extension. Including ongoing monitoring of Davis Bacon compliance and Annual Performance Reporting
- The AOE strongly recommends that LEAs consult their own legal counsel and/or auditors before entering into obligations that will extend beyond the ARP ESSER period of performance.

# Performance during liquidation

---

- USED has released these FAQs that provide updated guidance on general and technical Frequently Asked Questions:
  - [Updated-Technical-FAQs-for-Liquidation-Extensions-1.9.24-v-2-for-posting.pdf](#)
- AOE will not issue state level audit and monitoring findings that meet the requirements outlined above
- LEAs will receive technical support from the AOE should their auditors require clarification

# Timing contract amendments

---

Amending contracts after September 30, 2024 per USED:

- LEAs may not create a new obligation of funds if it is past the obligation deadline.
- LEA may not enter into a new contract or obligate those funds for a different allowable use of funds.
- Contract modifications, amendments, or change orders that alter the scope of the contract or require additional ARP ESSER funding would not be allowable after September 30, 2024.

# Obligation of funds prior to USED Approval of Liquidation Extension

---

- Misalignment: The process, as defined by USED, requires the LEA to identify and obligate funds that they intend to extend beyond the period of performance before September 30, 2024 and **then request liquidation extension from USED.**
- Obligating funds prior to an approval from USED results in some level of risk to LEAs
- However, **USED has indicated** that they are interested in approving liquidation extensions that support student learning and have not denied a request for extension of previous funds yet
- AOE has identified these projects as having a low risk of not receiving USED approval for liquidation extension



# Resources

---

# Resources

---

All Liquidation Extension Resources will be available on the AOE ARP ESSER webpage

- Memorandum: ARP ESSER Liquidation Extension
- ARP ESSER Liquidation Extension Process Guide and Risk Considerations for LEAs (forthcoming)
- ARP ESSER Liquidation Extension Webinar recording (forthcoming)
- Webform: ARP ESSER Liquidation Extension Request
- CONTACT: [Katherine.horton@partner.Vermont.gov](mailto:Katherine.horton@partner.Vermont.gov)

# Resources

---

- USED [Liquidation Extension FAQs](#) and [letter from Deputy Secretary of Education, Adam Schott](#) referenced throughout this document are all posted on the AOE website.
- AOE staff will be available to support LEAs throughout this process and will offer targeted office hours, which can be requested through the [AOE's Technical Assistance Request](#) form.



# Questions?

---