

California Department of  
Education Federal Stimulus Team  
Office Hours – Stimulus Close  
Out  
June 27, 2024



**CALIFORNIA DEPARTMENT OF EDUCATION**  
Tony Thurmond, State Superintendent of Public Instruction

# Applicable Fund Sources

- Coronavirus Aid, Relief, and Economic Security (CARES) Act
  - Elementary and Secondary School Emergency Relief (ESSER) I
  - Governor's Emergency Education Relief (GEER) I
- Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act
  - ESSER II
  - GEER II
- American Rescue Plan (ARP) Act
  - ESSER III

# Grant Timelines

Program	Obligation Deadline	120-Day Liquidation Deadline
ESSER I	September 30, 2022	January 30, 2023
GEER I	September 30, 2022	January 30, 2023
ESSER II	September 30, 2023	January 29, 2024
GEER II	September 30, 2023	January 29, 2024
ESSER III	September 30, 2024	January 28, 2025

# Grant Timelines – Obligation of Funds

- An obligation refers to orders placed for property and services, contracts and subawards made, and similar transactions that require payment.
- For specific information to determine when an obligation has occurred for various activities, please refer to Title 34 of the Code of Federal Regulations section 76.707 (34 CFR 76.707): <https://www.ecfr.gov/current/title-34/subtitle-A/part-76/subpart-G/subject-group-ECFRae39e5300d1271f/section-76.707>

# Grant Timelines – Liquidation of Funds

- An obligation is considered liquidated when the goods or services have been received and payment has been completed.
- In accordance with 2 CFR 200.403(h), “costs must be incurred during the approved budget period” for the applicable fund source.
  - Local educational agencies (LEAs) must ensure that activities *even partially* funded through federal funds are *fully* completed within the applicable grant timeline.

# Grant Requirements – Obligations and Liquidations

- To be considered a timely and valid obligation, the LEA must have documentation that a binding written commitment has been made.
  - Board minutes and General Ledger data are not evidence of a timely and valid obligation.
- Failure to fully liquidate an ESSER III obligation prior to January 28, 2025, may result in the entire obligation or project being deemed unallowable.

# Liquidation Extension Requests

- CDE is working to finalize an application for LEAs to apply for liquidation extensions
- There will be no extension to the obligation deadline of September 30, 2024
- Applications are required for each project needing liquidation extension
- LEAs **MUST** provide evidence of:
  - Timely and valid obligation
  - Alignment with allowable uses
  - State and federal procurement requirements were followed
- Only 40% of liquidation extension requests for ESSER II were ultimately approved

# Grant Timelines – Liquidation of Funds

## Example (1)

- An LEA pre-pays for a five year subscription for data analysis software to support efforts to address the impact of lost instructional time on academic success using ESSER III funds. The subscription is purchased on August 1, 2022, and is active August 1, 2022 – July 31, 2027.
  - Not allocable to ESSER III



# Grant Timelines – Liquidation of Funds

## Example (2)

- An LEA applies for and receives pre-approval to enter into a contract to replace HVAC systems in a school building, using ESSER III funds for the equipment and installation. Unexpected delays occur, and only half of the contract is completed within the ESSER III grant period. The LEA charges the expenditures that occurred during the ESSER III grant period to ESSER III, and charges the remaining to an unrestricted fund source.
  - Not allocable to ESSER III unless approved for liquidation extension

# ARP Act Close Out Reporting (1)

- The obligation deadline for ARP Act funds is September 30, 2024.
- During the 2024 Fall Quarterly reporting cycle, LEAs with balances of ARP Act funds will be required to report on both obligations and expenditures of these funds.
  - Final payments will be calculated based on the information provided in this report.
  - Any unobligated funds not reported as expended will be subject to recoupment.
  - Quarterly reporting will continue through at least the spring of 2025 to capture final liquidations, but no additional payments will be generated.

# ARP Act Close Out Reporting (2)

- ESSER III, Resource Code 3214 represents the 20% of the total ESSER III mandatory subgrant allocation that must be reserved to address the impact of lost instructional time through evidence-based interventions, in accordance with Section 2001(e)(1) of the ARP Act
- The U.S. Department of Education has indicated that the failure of a local educational agency (LEA) to expend 20% of its total ESSER III allocation for this purpose (designated by ESSER III, Resource Code 3214) may reflect lack of compliance with a federal requirement
- Additional information available on the ESSER III Fund Frequently Asked Questions page: <https://www.cde.ca.gov/fg/cr/esseriifaqs.asp>

# ARP Act Close Out Reporting (3)

- ESSER III Resource Codes 3218 and 3219 funding the Expanded Learning Opportunities Grant (ELO-G) Allowable Uses
  - Extending instructional learning time
  - Accelerating progress to close learning gaps
  - Integrated pupil supports
  - Community learning hubs
  - Supports for credit deficient pupils
  - Additional academic services
  - Training for school staff
- For additional information, please refer to the [IPI and ELO Grants Frequently Asked Questions](#)

# ARP Act Close Out Reporting (4)

- LEAs are required to comply with all future federal annual reporting requirements for these funds.
- For ARP Act funds, annual reporting is likely to continue through 2026 (or 2028 for LEAs that secure a liquidation extension).
- For timelines of upcoming reporting periods, please refer to the Federal Stimulus Reporting web page:  
<https://www.cde.ca.gov/fg/cr/reporting.asp>

# Additional Questions?

- For Federal Stimulus Fund program or reporting questions:
  - [EDReliefFunds@cde.ca.gov](mailto:EDReliefFunds@cde.ca.gov)
- For Expanded Learning Opportunities Grant (ELO-G) program or reporting questions:
  - [ELOGrants@cde.ca.gov](mailto:ELOGrants@cde.ca.gov)
- For the ARP Homeless Children and Youth (ARP-HCY) II Fund questions:
  - [HOMELESSED@cde.ca.gov](mailto:HOMELESSED@cde.ca.gov)
- For questions regarding payments of these funds:
  - [CAAR@cde.ca.gov](mailto:CAAR@cde.ca.gov)
- For specific SACS Reporting questions:
  - [SACSINFO@cde.ca.gov](mailto:SACSINFO@cde.ca.gov)

# Questions

