

U.S. Department of Education

General and Technical Frequently Asked Questions (FAQs)

for CARES (ESF-SEA and ESF-Governor) and CRRSA (ESF II-SEA and ESF II-Governor)

Liquidation Extension Requests

June 2023

84.425H – ESF-Governor Grantees

84.425A – ESF-SEA Grantees

Q. 1: May an Outlying Area request a longer liquidation period than 14 months for Coronavirus Aid, Relief, and Economic Security (CARES) Act or Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act funds through the Liquidation Extension Request template?

A: No. Under this process, an Outlying Area may only request an extension of up to 14 months past the close of the liquidation period (i.e., 14 months beyond the automatic 120-day liquidation period). Thus, requests submitted through this process may extend to, but not exceed, April 1, 2024, for the CARES Act funds (ESF-SEA and ESF-Governor) or March 31, 2025, for the CRRSA Act funds ESF II-SEA and ESF II-Governor). If additional time is needed by the Outlying Area or its subrecipients, the Outlying Area should contact ESF.Outlying@ed.gov. Requests for a longer extension period will require significant documentation and extensive review by the Department and will only be considered in limited circumstances. The Department is only considering liquidation extension requests for up to 14 months through the Liquidation Extension Request template.

Q. 2: May an Outlying Area submit a liquidation extension request for American Rescue Plan (ARP) Act funds using this template?

A: No. The request template is specific to CARES Act and CRRSA Act funds. The Department strongly encourages Outlying Area SEAs, Governors, and other subgrantees to obligate and liquidate ARP Act funds with urgency for activities that support students' academic recovery and mental health.

Q. 3: When may an Outlying Area submit a liquidation extension request for CARES Act or CRRSA Act funds?

A: An Outlying Area may submit a liquidation extension request for CARES Act funds or CRRSA Act funds as soon as data are available for submission. The Department recommended submission prior to December 31, 2022, for CARES Act funds and recommends submission prior to December 31, 2023, for CRRSA Act funds to minimize disruption in accessing funds in the G5 grants management platform. Requests received after these dates will still be reviewed.

Q. 4: May an Outlying Area submit ESF-SEA and ESF-Governor or ESF II-SEA and ESF II-Governor liquidation extension requests on the same document?

A: No. As these are separate funding sources and may also be administered by different governmental entities at the Outlying Area level, liquidation extension requests for ESF-SEA, ESF-Governor, ESF II-SEA, and ESF II-Governor must be submitted separately by the administering agency.

Q. 5: Why must an Outlying Area use the liquidation extension request template to request an extension to liquidate CARES or CRRSA funding?

A: While the policy for requesting a liquidation extension is not new, the Department determined it would be best to establish a standardized template related to CARES Act and a template related to CRRSA Act funding.

Q. 6: Must an Outlying Area submit the supporting documentation that demonstrates the timely obligation of funds, such as purchase orders or contracts for services?

A: As the grantee, an Outlying Area must collect and review supporting documentation for each request it includes in the template. An Outlying Area should not submit the supporting documentation to the Department with the liquidation extension request; however, the Outlying Area is required to attest that all supporting documentation is available and on file. It should be noted that while the Department is not collecting this documentation at the time of initial submission, it must be made available by the Outlying Area at any time upon request.

Q. 7: What are an Outlying Area's responsibilities if an extension is granted?

A: An Outlying Area (SEA or Governor), as the grantee, must retain full responsibility and oversight over the grant, consistent with the attestations included in the liquidation extension request. These continued oversight responsibilities will extend throughout the liquidation period. Related to the initial request, the Outlying Area must confirm the allowability and proper and timely obligation of the funds, consistent with [34 CFR 76.707](#) and collect, review, and maintain all documentation to support the State and subrecipient liquidation extension request as noted in Q. 6 above. The Outlying Area must also maintain responsibility for continued monitoring and oversight of subrecipients throughout the full period of liquidation, if extended. The Outlying Area will also be required to verify data as requested to confirm the accuracy of obligation and liquidation information.

Q. 8: How long will it take to receive a determination in response to an Outlying Area's request?

A: The Department is committed to providing a prompt review of liquidation extension requests. Review and approval will be based on a complete request, including both grantee and associated subrecipient information. An Outlying Area should submit requests to ESF.Outlying@ed.gov and should anticipate a timely determination.

Q. 9: How will an Outlying Area be notified about the determination status of its liquidation extension request?

A: The Outlying Area will receive an official notification of determination in the form of a letter from the Department, which will be communicated to the grantee from ESF.Outlying@ed.gov. The grantee should keep this letter on file for documentation and auditing purposes.

Q. 10: For Outlying Areas that are ready to close out their CARES Act and CRRSA Act grant(s), when will information regarding closeout procedures be shared?

A: The obligation period for ESF-SEA and ESF-Governor funds ended September 30, 2022. The closeout processes for the ESF-SEA and ESF-Governor grants will incorporate those outlined in [2 CFR](#)

[200.344](#). Closeout information for the ESF-SEA and ESF-Governor grants is available on the [Resources and Webinars](#) program websites. The obligation period for ESF II-SEA and ESF II-Governor funds ends September 30, 2023. The closeout processes for the ESF II-SEA and ESF II-Governor grants will be communicated prior to the close of the regulatory liquidation period (January 29, 2024) and incorporate the processes outlined in [2 CFR 200.344](#).

Q. 11: An Outlying Area is required to assess the risk level of subrecipients receiving liquidation extensions. How is risk level defined?

A: As noted within the request template, an Outlying Area uses the data available to it to determine risk. Such data may include results from internal risk assessments, single audits, or other data sources as selected by the grantee to determine the subrecipient's capacity for liquidating funds within the extended period. The grantee has flexibility in how it conducts this analysis but, as noted in the grantee attestation, an Outlying Area must attest that it has conducted an analysis prior to including a subrecipient in the liquidation extension request. All subrecipients must be provided with adequate oversight within the extended liquidation period and Outlying Area may elect to provide additional oversight and support for higher risk subrecipients during the extended period as appropriate.

Q. 12: Why must an Outlying Area verify that funds were obligated by the end of the obligation period as part of its liquidation extension request?

A: Verification of properly obligated funds is a standard expectation of liquidation extension requests involving Federal funds. The extension of a liquidation period is for expenses that have been properly obligated by the end of the grant's obligation period. For the ESF-SEA and ESF-Governor programs, the final obligation date was September 30, 2022. For the ESF II-SEA and ESF II-Governor programs, the final obligation date is September 30, 2023. The Department does not have the authority to extend the period of obligation. Therefore, to ensure that the liquidation extension request encompasses only those expenses that have been properly obligated by the statutory obligation date, Outlying Area SEAs, Governors, and subrecipients must have documentation on file that demonstrates adherence to the obligation requirements. An Outlying Area is not required to submit this documentation to the Department at the time of the request; however, the grantee and its subrecipients may be required at any time, including during monitoring or audit activities, to demonstrate compliance.

Q. 13: May an Outlying Area request a liquidation extension for subrecipients or LEAs still awaiting a Unique Entity Identifier (UEI) assignment from SAM.gov?

A: Yes, an Outlying Area may include liquidation extension requests for subrecipients or LEAs still awaiting a UEI assignment. This field in the template may be completed using the temporary UEI if one has been assigned or left blank if a temporary UEI has not yet been assigned. The Outlying Area should indicate within the optional subrecipient-specific data notes section of the liquidation extension request template that the UEI is temporary.