

**U.S. Department of Education  
Frequently Asked Questions (FAQs)  
for ARP ESSER, ARP EANS, ARP HCY, and ARP Outlying SEA Liquidation Extension  
Requests**

*June 26, 2025*

84.425U – ESSER Grantees  
84.425V – EANS Grantees  
84.425W – HCY Grantees  
84.425X – Outlying SEA

**Introduction**

For the Department’s State-administered formula grant programs (Part 76 of the Department’s regulations), obligations must be made by the grantee or subgrantee by the end of the “carryover” or Tydings Period, which allows funds to be obligated for an additional fiscal year beyond the fiscal year for which they were appropriated. These timely obligations may be liquidated for up to 120 days after that period without requiring Department approval under 2 CFR § 200.344. Beyond that point, after reviewing a request from a grantee, the Department may extend the period for costs associated with certain timely obligated projects to be liquidated in accordance with the discretionary authority provided to the Department under 2 CFR § 200.344(c) and consistent with the policy as discussed below.

The obligation period for each statute was followed by a liquidation period, during which the States could draw down their grant awards to cover expenses incurred pursuant to their authorized obligations. The relevant appropriations statutes generally require Education Stabilization Fund (ESF) funds to be used to “prepare, prevent, and respond to coronavirus.” CARES Act, Pub. L. No. 116-136, 134 Stat. 281, 564 (Mar. 23, 2020); Consolidated Appropriations Act (CRRSA), 2021, Pub. L. No. 116-260, 134 Stat. 1182, 1924 (Dec. 27, 2020); *see* American Rescue Plan (ARP) Act of 2021, Pub. L. 117-2, 135 Stat. 4, 19, sec. 2001 (Mar. 11, 2021).

The default liquidation period for federal grant awards is 120 days. 2 CFR § 200.344(c). The regulatory liquidation period expired on January 28, 2023, for CARES Act funds; on January 29, 2024, for CRRSA Act funds; and on January 28, 2025, for ARP Act funds.

The Department has exercised its discretionary authority under 2 CFR § 200.344(c) to grant extensions of up to an additional 14 months (i.e., through March 2026) to liquidate funds for ESF programs.

A liquidation extension beyond the initial 120-day liquidation period is not automatic. Grantees must request and submit required information and obtain approval from the Department to receive an extension of the time period to liquidate funds for each project for themselves or on behalf of their subgrantees.

On March 28, 2025, U.S. Secretary of Education Linda McMahon [notified](#) Chief State School Officers that the Department was modifying the time period to liquidate obligations under the ESF to end on March 28, 2025, at 5:00 PM ET.<sup>1</sup>

In the March 28 letter, and a subsequent communication from Acting Assistant Secretary Sanon on April 3, 2025, the Department announced a new process whereby it will consider an extension to the liquidation period on an [individual project-specific basis](#).

On May 6 and June 3, 2025 the United States District Court for the Southern District of New York entered a preliminary injunctions in *New York et al. v. Department of Education et al.*, 1:25-cv-02990-ER, enjoining the Department from “enforcing or implementing as against Plaintiffs” the Secretary’s March 28 revocation of the extension period for 16 plaintiff States and the District of Columbia.

As announced in the Department’s June 26, 2025 letter, all States can submit reimbursement or route pay requests (depending on the specific State) for their ESF programs during the pendency of this litigation and unless and until the Department is allowed to uniformly apply the policy described in the March 28 letter to all States.

## Frequently Asked Questions

### I. Payments

#### **Q. 1: How can I request to liquidate funds from my approved liquidation extension?**

As noted in the U.S. Department of Education’s (Department) [February 19, 2025, communication](#), all payments related to the ARP Act programs have shifted to the Department’s standard reimbursement payment structure. The standard reimbursement process requires that expenditures be paid in advance using State or local funds and supported with documentation.

For States on route payment,<sup>2</sup> please use the route payment drawdown procedures instructions (See Q. 6).

#### **Q. 2: What information must be provided with my State’s liquidation request?**

To draw down funds, please submit your payment request to the appropriate program office mailbox:

- ARP ESSER and EANS: [ESSERF@ed.gov](mailto:ESSERF@ed.gov)
- ARP-HCY: [HomelessED@ed.gov](mailto:HomelessED@ed.gov)
- ARP-OA SEA: [ESF.Outlying@ed.gov](mailto:ESF.Outlying@ed.gov)

Please include in your request for reimbursement:

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<sup>1</sup> An FAQ Document from prior to the Secretary’s March 28, 2025 letter can be found at <https://www.ed.gov/sites/ed/files/2024/01/Updated-Technical-FAQs-for-Liquidation-Extensions-1.9.24-v-2-for-posting.pdf>.

<sup>2</sup> Note: States with an approved Treasury-State agreement are approved to use the route payment process.

1. The amount of funding requested and the PR award number for each request.
2. Documentation that delineates which entities are included and total amounts requested for each entity within the payment request:
  - a. Grantee/State reservation amount included in the drawdown (if applicable)
  - b. State consolidated administrative fund amount (if applicable per an approved waiver)
  - c. Each LEA/subrecipient amount listed separately by subrecipient (if applicable)
3. Documentation for the State or local funds that have been expended. This documentation may include, but is not limited to, file extracts from the State's grant management system or other payment files. Please remove any personally identifiable information prior to sending to the Department. As a reminder, each State with an approved liquidation extension must provide documentation to support the allowability and timely obligation of associated liquidations upon request. Department staff will review the documentation for alignment to the State's approved liquidation extension request.

**Tip:** It is helpful to include your State name and grant award number in the subject line of the email to assist us with processing.

Department staff will review all requests received and, if approved, we will release the payment in G5 to your grant account.

**Q. 3: What level of documentation is required to support a reimbursement request?**

Grantees should provide sufficient documentation to demonstrate that the State or local funds have been properly expended and are aligned to the State's approved extension. As indicated above in Q. 2, "...documentation may include, but is not limited to, file extracts from the State's grant management system or other payment files. Please remove any personally identifiable information prior to sending to the Department."

It may be helpful to include information with your request to help the Department staff interpret file extracts or payment files if the funds' uses related to your payment codes are not evident. Grantees may also provide supporting evidence, such as invoices or receipts, to document how State and local funds were expended. Grantees may additionally want to add information to demonstrate how the funds' uses align to their previously-approved extension if this is not already evident from their documentation.

**Q. 4: Why might I be asked for invoices or receipts to match a payment request?**

Payment requests are not authorized for release until the Department conducts a review of your request to verify allowability, reasonableness, and timely obligation and to ensure alignment to the State's

approved extension, to the cost principles found in 2 CFR part 200 subpart E, and to ensure that, broadly, expenditures are intended to “prepare, prevent, and respond to coronavirus.”<sup>3</sup>

Due to the size or nature of some requests, the Department may request additional documentation to support its review. As a reminder, each State with an approved liquidation extension must provide documentation to support the allowability and timely obligation of associated liquidations upon request.

**Tip:** To expedite review and processing, SEAs are encouraged to submit requests by individual program (e.g. ARP-ESSER) to the appropriate mailbox. SEAs are also encouraged to submit documentation for a specified time period that clearly aligns with the information (e.g. ledgers, receipts, or invoices) provided. SEAs may choose to submit smaller denominations (e.g. weekly reimbursements), rather than one lump-sum request covering a longer period. SEAs may also indicate in their documentation how the expenses align to their approved request.

#### **Q. 5: How long may ESF-funded activities continue after the liquidation period?**

A grantee or subgrantee must have obligated ESF funds within the period of availability (by September 30, 2024) and must liquidate those obligations within the approved period for a liquidation extension.

While generally, it is not good stewardship of Federal funds or prudent business practice to prepay for services that will extend many years into the future, some activities may continue for a reasonable time beyond an approved late liquidation period. Factors impacting how long ESF-funded activities may extend past the liquidation period include:

- Whether the funds were properly obligated and liquidated in a timely manner;
- Whether the activities would be allowed to extend beyond the liquidation period under applicable State and local procurement rules (i.e., a State or LEA must follow the same policies and procedures it uses for procurements from its non-Federal funds) (see 2 CFR §§ 200.317 through 200.327, 200.403(c));
- Whether the extended activities constitute a reasonable and necessary use of Federal funds; and
- Whether prudent business practices (2 CFR § 200.404(b) & (d)) and internal controls (which generally limit prepayment) would support the continued activities for the length of time proposed.

For example, paying in advance for subscriptions or services not yet rendered would generally not be considered a reasonable and timely use of federal funds. See previous FAQs for more information at: <https://www.ed.gov/sites/ed/files/2022/12/ESSER-and-GEER-Use-of-Funds-FAQs-December-7-2022-Update.pdf>.

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<sup>3</sup> CARES Act, Pub. L. No. 116-136, 134 Stat. 281, 564 (Mar. 27, 2020); Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, 134 Stat. 1182, 1924 (Dec. 27, 2020); *see* American Rescue Plan Act of 2021, Pub. L. 117-2, 135 Stat. 4, 19, sec. 2001 (Mar. 11, 2021).

**Q. 6: My State uses the route payment procedures to draw down funds. What documentation must be provided with my State's liquidation request?**

On March 17, 2025, you received notification from the Department that, per your U.S. Treasury-State agreement, your ESF and ARP Act payments spent on allowable expenditures may be drawn down through the route payment approval process. This process follows the regular process for when a grant account has been placed on a route payment flag in G5.

To liquidate funds under your previously-approved liquidation extension, please first submit your draw down request in G5 to be routed for review. Next, forward the request to the appropriate program office mailbox:

- ARP ESSER and EANS: [ESSERF@ed.gov](mailto:ESSERF@ed.gov)
- ARP-HCY: [HomelessED@ed.gov](mailto:HomelessED@ed.gov)
- ARP-OA SEA: [ESF.Outlying@ed.gov](mailto:ESF.Outlying@ed.gov)

Please include the following information in your email request:

1. The amount of funding requested, the PR award number, and control number for each request made in G5;
2. Documentation that delineates which entities are included within the payment request:
  - a. Grantee/State reservation amount included in the drawdown (if applicable)
  - b. State consolidated administrative fund amount (if applicable per an approved waiver)
  - c. Each LEA/subrecipient amount listed separately by subrecipient (if applicable);
3. An assurance and information substantiating that the funds requested are authorized under your award.

It is helpful to include your State name and grant award number in the subject line of the email to assist us with processing. Department staff will review all requests received for adherence to cost principles found in 2 CFR part 200 subpart E and alignment to your State's approved extension and may request additional information as appropriate to process payment requests. If approved, the Department will release the payment in G5 to your grant account.

**Q. 7: My State has expenses incurred prior to March 28, 2025, for our Coronavirus Response and Relief Supplemental Appropriations (CRRSA) grants (GEER/ESSER/EANS) that have not been liquidated. Can we still submit these for payment?**

Yes. The liquidation period for obligations under the Education Stabilization Fund, including all programs funded by the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act ended on the date indicated on a State's approved liquidation extension, which was on or before March 31, 2025. Any liquidation (reimbursement or route payment) requests that the Department received prior to the liquidation extension deadline will be reviewed.

Requests received after the liquidation deadline generally cannot be processed. However, due to the change initiated by the March 28 letter, some Grantees did not have the opportunity to submit their final

liquidation requests before the liquidation deadline. As such, those Grantees may submit outstanding payment requests to liquidate funds related to CRRSA Act programs. In order to give additional time, all payment requests related to CRRSA Act grants must be received by no later than **July 3, 2025**. Any requests received after this date will not be considered.

**Q. 8: Can States request liquidation for expenses that were not part of their previously-approved extension?**

No. States may only request liquidation for expenses that are included in the State’s previously-approved liquidation extension. Any costs outside of or in addition to those in the State’s approved extension cannot be liquidated, unless the State obtains approval for a new liquidation extension through the Department’s project-specific approval process outlined in the March 28 letter. See Section III for more information.<sup>4</sup>

**Q. 9: Can States submit new requests to amend the previously-approved extensions?**

No. The Department will not process new requests to amend the previously-approved liquidation extensions.

**Q. 10: My State requested to amend its approved liquidation extension prior to March 28, 2025. Will the Department process previously-submitted amendment requests?**

No. The Department will not process new or previously-submitted amendments to the previously-approved liquidation extensions.

## **II. Tydings Waivers for State Consolidated Administrative Funds**

**Q. 11: Are Tydings waivers for consolidated State administrative funds impacted?**

No. For States with previously approved (i.e., prior to March 28, 2025) Tydings waivers (e.g. requests for a waiver of section 421(b) of the General Education Provisions Act to extend the period of availability of a State educational agency’s (SEA) administrative funds consolidated under section 8201 of the Elementary and Secondary Education Act of 1965 (ESEA)), the period of availability has not changed. Such States may continue to submit requests to the Department for these funds following the process in place prior to the Secretary’s March 28, 2025, letter. The Department will review the documentation and provide responses as soon as possible.

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<sup>4</sup> Due to the May 6, 2025 and June 3, 2025 preliminary injunctions issued against Department enforcement or implementation of the March 28 and May 11 letters in the *New York et al. v. ED et al.* case (SDNY) (1:25-cv-02990-ER), the project-specific liquidation extensions are not applicable in the following plaintiff States: Arizona, California, the District of Columbia, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, New York, Nevada, Oregon, and Pennsylvania.

**Tip:** To aid our review of requests for consolidated State administrative fund requests, the Department recommends that a State submit such requests separately from other late liquidation requests and clearly indicate that the request is for consolidated State administrative funds.

**Q. 12: What is the deadline to liquidate consolidated State administrative funds?**

A State may continue to liquidate obligations under its previously approved Tydings consistent with the date provided in the Department’s approval of the State’s Tydings waiver. As with all grants, the liquidation period extends 120 days after the end of the period of availability. For most States, the approved Tydings waiver for the consolidated State administrative funds was extended until March 31, 2026, and the liquidation period will end July 29, 2026.

**Q. 13: How should my State request to liquidate consolidated administrative funds?**

As noted in the U.S. Department of Education’s (Department) [February 19, 2025, communication](#), all payments related to the ARP Act programs have shifted to the Department’s standard reimbursement payment structure. The standard reimbursement process requires that expenditures be paid in advance using State or local funds and supported with documentation. See Q. 2 for more information.

For States on route payment,<sup>5</sup> please see the drawdown procedures instructions in Q. 6.

### **III. Project-Specific Liquidation Extensions**

**Q. 14: My State received approval for a project-specific liquidation extension request prior to June 26, 2025. Can I still liquidate funds related to this approved extension?**

Yes, as needed. States with approved project-specific extensions that fall outside of the uses described in their previously-approved liquidation extensions can continue to liquidate funds related to those approved project-specific extensions. States should continue to indicate in their payment requests the specific projects and amounts requested related to those projects following the drawdown procedures in their approval letters.

**Q. 15: My State submitted a project-specific liquidation extension request after March 28, 2025 but has not received a decision. Will these liquidation requests still be processed?**

Generally, no. As of June 26, 2025, all States with previously approved ARP liquidation extensions may continue to liquidate funds for those previously approved liquidation extensions, which negates the need for new extensions in most cases. Previously submitted requests for project-specific extensions will no longer be processed as of June 26, 2025 unless the request is for a new extension that falls outside the State’s previously-approved liquidation extension. If a request in-process was for a new extension, please inform the relevant program office so that the review may continue for that specific request.

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<sup>5</sup> Note: States with an approved Treasury-State agreement are approved to use the route payment process.

**Q. 16: My State submitted an appeal for a project-specific liquidation extension request that was denied. Will my appeal still be considered?**

Not at this time. The Department will pause review of appeals, as all States can liquidate funds from their ARP grants as of June 26, 2025. All appeals will be stayed unless and until the Department is allowed to uniformly apply the policy described in the March 28 letter to all States. Please note no appeal opportunities are available to requests denied under the previous process in place before March 28.

**Q. 17: My State has additional costs it needs to liquidate that were not part of its previously-approved extension. Can I request a new project-specific liquidation extension?**

Yes.<sup>6</sup> The Department will consider a new extension to the liquidation period of ARP funds on an individual project-specific basis for costs that fall outside a State's previously-approved extension. The Department may exercise its discretionary authority under 2 CFR § 200.344(c) to grant extensions of up to an additional 14 months (i.e., through March 2026) to liquidate funds for specific projects that continue to provide direct academic benefit to mitigate the impacts of the COVID-19 pandemic on American students' education.

#### **IV. New Requests for Project-Specific Liquidation Extensions**

**Q18. What information must a State submit to request a new liquidation extension for specific projects under my American Rescue Plan (ARP) Act Elementary and Secondary School Emergency Relief (ESSER), Emergency Assistance to Non-Public Schools (EANS), Homeless Children and Youth (HCY), and Outlying Areas State Grant (Outlying-SEA) grant?**

Your request should contain the information necessary for the Department to consider your request on a project-specific basis, including an explanation of how a particular project's extension is necessary to mitigate the effects of COVID on American students' education. In order for the Department to process your submission, States and Outlying Areas must submit the following information for *each* project (e.g., each contract or activity) for which you are seeking an extension:

1. State/Outlying Area
2. Grant Award Number
3. Entity requesting the extension (State entity or subrecipient name)
4. Name and short description of the project (e.g., contracted activity)
5. Vendor (if the request is to reimburse a specific contractor/vendor)
6. Requested timeframe for extension
7. Amount of funds requested for extension

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<sup>6</sup> Due to the May 6, 2025 and June 3, 2025 preliminary injunctions issued against Department enforcement or implementation of the March 28 and May 11 letters in the *New York et al. v. ED et al.* case (SDNY) (1:25-cv-02990-ER), the project-specific liquidation extensions are not applicable in the following plaintiff States: Arizona, California, the District of Columbia, Delaware, Hawaii, Illinois, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Jersey, New Mexico, New York, Nevada, Oregon, and Pennsylvania.



8. **A brief description of how a particular project’s extension is consistent with the authorizing statute(s)**
9. **A justification of why the Department should exercise its discretion to grant your request**
10. **Whether the particular project mitigates the educational effects of COVID and, if so, how**
11. **An assurance that the funds were properly obligated no later than September 30, 2024.**

States and Outlying Areas may submit project-specific liquidation extension requests individually or in batches. Please submit requests to the corresponding program office:

- ARP ESSER and EANS: [ESSERF@ed.gov](mailto:ESSERF@ed.gov)
- ARP-HCY: [HomelessED@ed.gov](mailto:HomelessED@ed.gov)
- ARP-OA SEA: [ESF.Outlying@ed.gov](mailto:ESF.Outlying@ed.gov)

**Q. 19. May a State request a longer liquidation period extension than 14 months ARP funds?**

No. A State 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, March 28, 2026, for the ARP Act funds.

**Q. 20: My district has additional costs that we would like to extend that were not part of our previously- approved extension. Can the district submit a request to the Department for a project-specific extension?**

No. Requests for project-specific extensions must be submitted by the State as the fiscal agency responsible for ESF subgrants. The Department will not consider requests made directly by subrecipients. Please inquire with the appropriate State agency contact for further information regarding submitting a project-specific liquidation extension request.

If helpful, the Department’s April 3<sup>rd</sup> [communication](#) included the criteria against which the Department is evaluating each State request. We encourage you to consider this guidance if you choose to request that the State submit a request on your behalf.

**Q. 21: What criteria will be used in considering a request for a project-specific extension?**

The Department recognizes that, in certain instances, ESF funds may still positively contribute to providing direct academic services to students for combating learning loss or other lasting harms inflicted by the pandemic. Consistent with the authority of the Department to authorize the approval of a grantee’s written request pursuant to 2 CFR § 200.344(c), a federal agency *may* approve extensions if the agency, in its discretion, finds that such an extension is justified. Because these decisions rely on the Secretary’s discretion, the Secretary may determine the criteria that justify granting such extensions.

The Department will consider extensions for such projects that demonstrate their purpose is consistent with the authorizing statute(s) to “prepare, prevent, and respond to coronavirus” and that provide direct academic services to students to mitigate the educational effects of COVID. In submitting a request, the State must provide its justification for how the project directly mitigates the effects of COVID on American students’ education, consistent with the authorizing statute(s).

**Q. 22: What are a State’s responsibilities if an extension is granted?**

A State (SEA or Governor), as the grantee, must retain full responsibility and oversight over the grant. These continued oversight responsibilities will extend throughout the liquidation period. The State 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 in a manner consistent with grant requirements.

**Q. 23: How long will it take to receive a determination in response to a State’s request?**

The Department is committed to providing a response of each project-specific liquidation extension request as soon as possible.

**Q. 24: How will a State be notified about the determination status of its project-specific liquidation extension request?**

A State will receive an official notification of determination in the form of a letter from the Department, which will be communicated to the State from the corresponding program office mailbox. The State should keep this letter on file for documentation and auditing purposes.

**Q. 25: Has the Department provided any technical assistance regarding a project-specific liquidation extension request, and will it do so in the future?**

The Department has developed a webpage with information about [Education Stabilization Fund Liquidation Extensions](#). The Department is regularly updating liquidation extension resources linked on this page.

**Q. 26: If my State’s project-specific liquidation extension request is denied, will I have the opportunity to appeal?**

Yes. A State agency whose project-specific request is denied may request an appeal of these decisions consistent with 2 C.F.R. § 200.342. As to each decision for which an appeal is sought, the requestor should provide additional information to support the contention that the project provides necessary services that directly mitigate the effects of the COVID pandemic on students’ education. An appeal must be submitted no later than 30 calendar days from the receipt of a denial. States may submit requests to [ESFAppeal@ed.gov](mailto:ESFAppeal@ed.gov).