



STATE OF CONNECTICUT
DEPARTMENT OF EDUCATION



October 24, 2022

Dear Superintendents and School Business Officials,

On September 29, 2022, the United States Department of Education (USDE) sent a letter to state education agencies regarding the liquidation period for the Coronavirus Aid, Relief, and Economic Security (CARES) Act – Elementary and Secondary School Emergency Relief (ESSER) funds. In it, the USDE acknowledged that some grantees may be unable to liquidate their remaining ESSER funds within the 120 days that is currently permitted. Therefore, they have created a process for grantees to seek an extension beyond the 120-day liquidation period.


Importantly, this process is only available for ESSER funds that were properly obligated by the September 30, 2022, deadline. Attached to this letter you will find the USDE's definition of "*When funds are considered obligated*". Federal regulations (2 CFR 200.344(b)) require properly obligated funds to be liquidated within 120 calendar days which would be January 28, 2023, for CARES Act funds. USDE has the authority to extend this deadline for up to an additional 14 months beyond the 120 days, which would be April 1, 2024.

The process to request a liquidation extension must occur through the State Department of Education (SDE) on behalf of itself and its subgrantees. SDE must submit one comprehensive Excel document for all requests, including a single extension end date, to the USDE's Office of State and Grantee Relations. The request must be submitted prior to December 31, 2022, or grantees may experience a lapse in G5 access for a period of time. SDE will be submitting a liquidation extension request on behalf of all districts that need to request one. If you believe you will be unable to liquidate all of your ESSER funds by January 28, 2023 and wish to request an extension, please do as follows.

1. Complete the ***Subrecipient Information Tab*** on the **CARES-ESSER-AND-GEER-Liquidation-Extension-Request Excel Template** included with this email. (Note: An information session on completing the template will be held in early November. Information on the date and time will be forthcoming.)
2. Return the completed template to kathy.demsey@ct.gov no later than close-of-business November 18, 2022.

Once all of the request templates have been submitted, SDE will review them and submit one formal request on behalf of all subgrantees to USDE. Final approval by USDE of a grantee's request will be based upon the specific facts, documentation and circumstances provided by the subgrantees, in accordance with 2 CFR § 200.344(b). If approval is received, SDE will communicate the extended timeline to all subgrantees who have requested an extension.

Sincerely,


Kathy Demsey
Chief Financial Officer

What does it mean to OBLIGATE funds?

[34 C.F.R. § 76.707](#)

The regulations at 34 C.F.R. § 76.707 govern when an obligation of Federal funds by a State or subgrantee such as an LEA occurs. Specifically, for services or assistance provided through a contract, the obligation is made on the date that the State or subgrantee makes a **binding written commitment to obtain the services, work, or products**. For rental or lease of real or personal property, the obligation is made when the property is used.

If the obligation is for -	The obligation is made
a) Acquisition of real or personal property	On the date on which the State or subgrantee makes a binding written commitment to acquire the property.
b) Personal services by an employee of the State or subgrantee	When the services are performed.
c) Personal services by a contractor who is not an employee of the State or subgrantee	On the date on which the State or subgrantee makes a binding written commitment to obtain the services.
d) Performance of work other than personal services.	On the date on which the State or subgrantee makes a binding written commitment to obtain the work.
e) Public utility services	When the State or subgrantee receives the services
f) Travel	When the travel is taken
g) Rental of real or personal property	When the State or subgrantee uses the property
h) A pre-agreement cost that was properly approved by the Secretary under the cost principles in 2 CFR part 200, Subpart E - Cost Principles	On the first day of the grant or subgrant performance period