

January 18, 2023

Director of Strategic Collections and Clearance
Governance and Strategy Division
U.S. Department of Education
400 Maryland Ave. SW,
LBJ, Room 6W203, Washington, DC 20202-8240.

Re: ED Docket No. ED-2022-SCC-0123

Dear Sir or Madam:

I am writing to provide the comments of the Council of Chief State School Officers (CCSSO) regarding the Department of Education's (ED's or the Department's) request for information on the recently issued Liquidation Request Template as published in the Federal Register on December 19, 2022. CCSSO is the nonpartisan, nationwide, nonprofit organization of public officials who head departments of elementary and secondary education in the States, the District of Columbia, the Department of Defense Education Activity, the Bureau of Indian Education and the five U.S. extra-state jurisdictions.

CCSSO supports the Department's decision to extend the liquidation deadline for Elementary and Secondary School Education Relief (ESSER) and Governor's Emergency Education Relief (GEER) funds under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Such extensions will maximize state and local educational efforts to serve students and recover from the pandemic.

While CCSSO strongly supports liquidation extensions, we ask that the Department streamline the process – if not for CARES Act funds – then for future processes for the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) funds and American Rescue Plan (ARP). Specifically:

- 1. The Department should make liquidation extensions available to the states that want them, allowing states to work with their subgrantees to manage liquidation deadlines consistent with Federal requirements and State and local needs and systems.** The goal of extending the liquidation period is to ensure states and local education agencies can continue to spend recovery funds to benefit students; however, the process laid out for ESSER and GEER funds is more burdensome than [existing policy](#). CCSSO recommends the Department move away from a case-by-case approach, which is not required by [2 CFR § 200.344](#). We recommend instead that the Department offer general liquidation extension waivers to states that seek them on behalf of their subgrantees, and that states then manage those subgrantee liquidation extensions consistent with their existing systems as described in more detail below.
- 2. The Department should afford states discretion to develop their own systems for ensuring that subgrantees seeking liquidation extensions complied with Federal spending rules** consistent with [34 CFR § 76.701](#) (vesting states and subgrantees with responsibility for supervising the administration of federal programs), [34 CFR § 76.770](#) (giving states authority



to develop their own systems for verifying subgrantee compliance with federal requirements), [2 CFR § 200.332](#) (giving states, as passthrough entities, discretion to determine how best to monitor subgrantee compliance with federal requirements based on state-determined risks and needs), and [2 CFR § 200.303](#) (vesting states and subgrantees with responsibility for establishing and maintaining internal controls over federal funds). Under these authorities, states have already developed robust oversight systems and should be allowed to use those systems to manage liquidation extensions.

3. In particular, we request the Department clarify that states can use their existing oversight systems to monitor the transactions covered by liquidation extensions the same way they monitor all expenses paid with federal funds.

The Department's liquidation extension materials seem to require states to collect – and store at the state level – sufficient supporting documentation to support each subgrantee transaction covered by a liquidation extension request. (See, for example, the [Liquidation Extension Request Template](#), which requires a state authorizing official to attest that sufficient supporting documentation has been “collected and is on file with” the state, and the [Department's General and Technical Frequently Asked Questions \(FAQs\) for CARES ESSER and GEER Liquidation Extension Requests](#), which says in Question 6 that states “must collect and review supporting documentation for each request it includes in the template” and that such documentation “must be made available by the State at any time upon request.”)

We understand and support the Department's efforts to emphasize that ESSER and GEER expenses must be obligated timely and used for allowable activities; states already have robust systems to oversee compliance with these requirements. However, these state oversight systems almost never involve collecting and storing all subgrantee supporting documentation. Instead, subgrantees produce and store supporting documents in their own systems, which differ from state to state. States should be allowed to use those same oversight processes for expenses covered by liquidation extensions. We recommend the Department not require states to develop new systems to collect and/or store subgrantee documentation at the state level for the purpose of supporting a liquidation extension request. We recommend the Department allow states to use their existing systems and documentation.

4. Lastly, while this template covers only CARES ESSER and GEER funds, we strongly encourage the Department to permit states to submit CRRSA- and ARP-related liquidation extension requests as soon as they determine such an extension might be needed.

Currently, the Department's policy is to only consider requests very close to the liquidation deadline, but, as noted in this [July 2022 letter](#) co-signed by CCSSO, granting extensions earlier in the process would help to facilitate more effective planning and spending.

We appreciate the Department's support of an extended liquidation deadlines for the ESSER and GEER funds under the CARES Act. We also appreciate the Department's willingness to continue to take feedback and engage in discussions on how to improve this process. CCSSO and the members we represent share a common goal in working to ensure these funds are spent effectively and impactfully for all students. We stand ready to help the Department in developing a more workable liquidation extension process for CARES as well as for CRRSA and ARP funds.

Thank you for the opportunity to provide the comments of CCSSO on this important topic and the continued responsiveness of the Department. If we can be of any further assistance, please do not hesitate to contact me.

Sincerely,

A handwritten signature in dark ink, appearing to read 'M. McGrath', with a long horizontal flourish extending to the right.

Melissa McGrath
Chief of Staff
Council of Chief State School Officers

