

The logo for the Texas Education Agency (TEA), featuring the letters 'TEA' in a bold, white, sans-serif font with a stylized white arrow pointing upwards and to the right, set against a blue background.

ESSER II Closeout

December 2023



ESSER II Closeout: Summary

- End-of-day January 2 is the deadline to draw down ESSER II.

- There are options for maximizing these funds.
 - Draw down for eligible expenditures.
 - Reclassify expenditures with another funding source.
 - Request a liquidation extension.

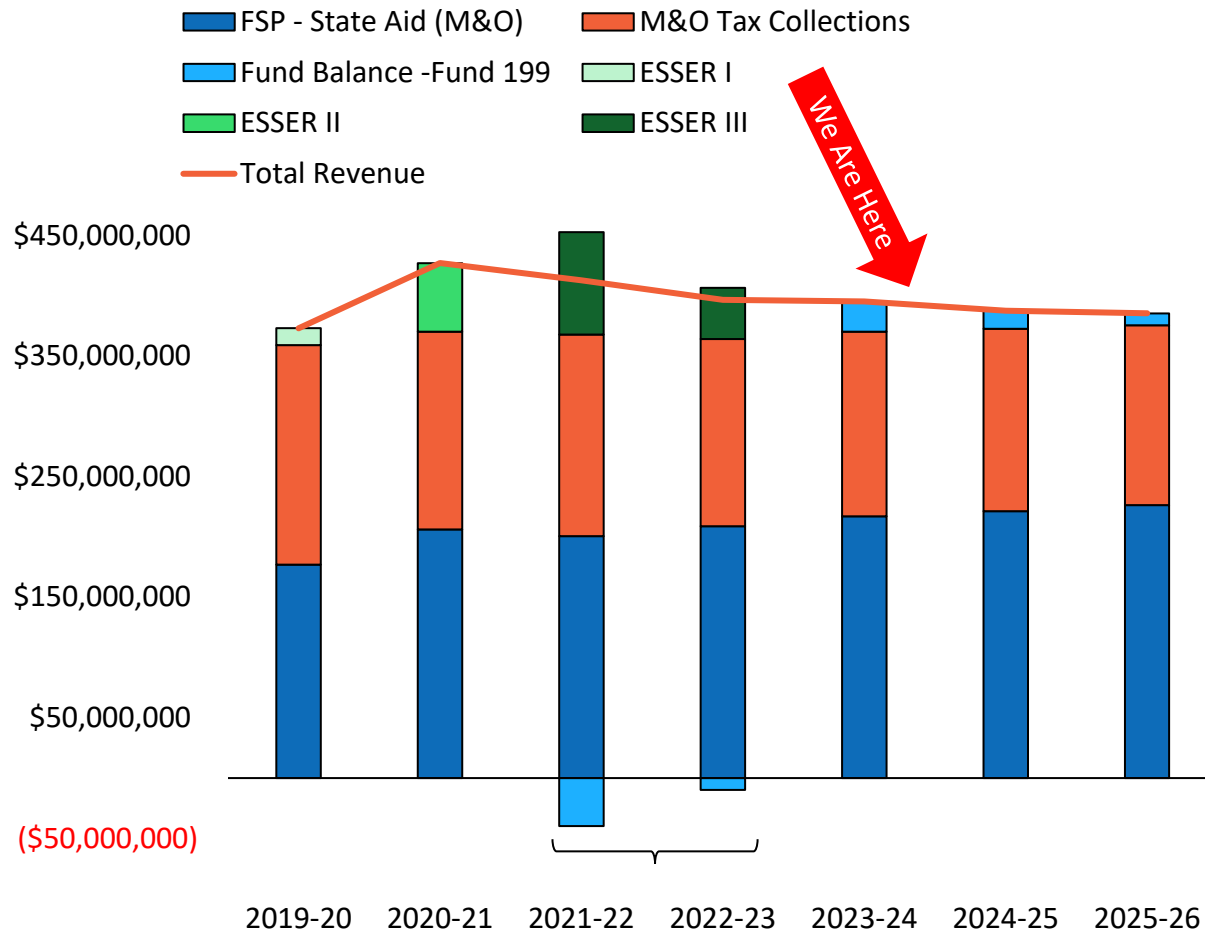
- TEA will take steps to help save unspent funds.
 - Reopening liquidation extension request window.
 - Funding swaps with ESSER III.

- Funding may be used for allowable activities between March 13, 2020, and September 30, 2023.
- The standard liquidation period is from October 1, 2023, to January 2, 2024.
 - LEAs may receive and pay for goods and services that were properly obligated by September 30, 2023.
 - LEAs may also reclassify ESSER III, other federal, and state and local M&O allowable costs during this period to spend down ESSER II.
- TEA is reopening the liquidation extension application period to December 15, 2023.
 - Contracted services properly obligated by September 30, 2023, may be eligible to be continued to be paid for and received until February 28, 2025.

How to Spend Down ESSER II Funds (Before It's Too Late!)

- Reclassify ESSER III, other federal, and state and local M&O allowable costs during this period to spend down ESSER II by January 2, 2024.
- Consider drawing down unrestricted cost rates on ESSER II.
- Consider applying for the ESSER II liquidation extension if more time is needed for properly obligated contracted services.
- TEA will swap most remaining balances with ESSER III to prevent lapsing of ESSER II funds.
- NOTE: ESSER III will have limited options to consider if funds are not expended by September 30, 2024.

Looking ahead: alleviating the Effects of the Funding Cliff



- 2023-2024 is the last school year to supplant with ESSER funds to level off the funding cliff.
- Consider using ESSER III first for allowable activities, to save other federal grants and state and local M&O funds.
 - Must be reasonable and necessary, meet the intent of ESSER statute (pandemic-related), and be allowable.
- If supplanting with state and local M&O, be mindful of other federal MOE requirements (e.g., IDEA-B).

- Allowable activities between March 13, 2020, and September 30, 2024.
- Standard liquidation period: October 1, 2024, to January 2, 2025.
 - Receive and pay for goods and services that were properly obligated by September 30, 2024.
 - Very limited options to reclassify some other federal or state and local M&O allowable costs during this period to spend down ESSER III.
- Liquidation extension application will be available Fall of 2024.
 - Contracted services properly obligated by September 30, 2024, may be eligible to be continued to be paid for and received until February 28, 2026.

For Questions About Closing Out ESSER (Email or Text)

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