



**Subject: ACTION REQUIRED: Notification of FY22 ARP-HCY Grant Liquidation Extension Opportunity**

Dear Colleagues,

The US Department of Education has announced that an extension of the FY22 American Rescue Plan - Homeless Children and Youth (ARP-HCY) liquidation period may be granted to subgrantees under certain circumstances. This opportunity is inclusive of all the FY22 ARP-HCY grants, including the FY22 ARP-Homeless Mini-Grant, ARP-Homeless I, ARP-Homeless II – Entitlement, and ARP-Homeless II – Consortium grants.

An approved request for a liquidation extension allows the local education agency (LEA) an additional 14 months to liquidate any approved, obligated expenditures. All approved liquidation extensions must conclude prior to March 28, 2026. Please note that the liquidation extension does not apply to the LEA's entire FY22 ARP-HCY grant, only the obligated expenditures that require time beyond the regulatory 90-day liquidation period to successfully complete. Since the liquidation extension does not apply to the obligation of funds, only the liquidation period of approved expenditures, **all FY22 ARP-HCY grant funds must be obligated by September 30, 2024.**

If your LEA has obligated funds for a particular expenditure that was approved in your FY22 ARP-HCY application and anticipates requiring additional time to liquidate beyond the regulatory 90-day liquidation period, please consider completing the required steps to request the liquidation extension.

**To apply for the liquidation extension, the following steps must be completed by Friday, August 30, 2024.** LEAs that do not complete these steps will not be eligible to apply for a liquidation extension.

- 1. Confirm that your LEA's FY25 Risk Assessment score is either low or medium.** LEAs with an FY25 Risk Assessment score of high risk are not eligible to request a liquidation extension.
  - a. Log into Grants Management Enterprise (GME) to locate your LEA's FY25 Risk Assessment score to determine if your LEA is eligible to request a liquidation extension.
- 2. Post the LEA's FY22 ARP-HCY Liquidation Extension Request & Justification Survey in the History Log of the applicable FY22 ARP-HCY grant application.**
  - a. Review the [FY22 ARP-HCY Liquidation Extension Request & Justification Survey Requirements](#) for the required steps and elements to include in your LEA's liquidation extension request.

To ensure clarity between the obligation and liquidation of funds, please review the following definitions and considerations:

- **Obligation of Funds:** When the subgrantee enters a binding written commitment to acquire property or services.
  - The regulations at [34 C.F.R. § 76.707](#) govern when an obligation of Federal funds by a subgrantee occurs. Specifically, for the purchase of products or services provided through a contract, the obligation is made on the date that the subgrantee makes a binding written commitment to obtain the services, work, or products.
- **Liquidation of Funds:** The drawing-down and expenditure of funds by a subgrantee for obligations incurred during the grant's legal obligation period.
  - Submitting routine reimbursement requests helps to ensure that all funds are drawn down by the conclusion of the project end date.
  - The completion report should be submitted within 60 days of the project end date to allow time for approval.
  - The full close-out should be completed within the liquidation period.
  - Reimbursement requests will not be accepted after the project end date of September 30, 2024; however, if the subgrantee's approved expenditures exceed the amount the subgrantee has drawn down, the subgrantee may receive a final payment.

Thank you for all that you do to improve educational outcomes for students experiencing homelessness. Please know that we are available to support you in fully utilizing the FY22 ARP-HCY funds to address the unique educational needs and academic success of students experiencing homelessness.

Please do not hesitate to reach out with any questions to [Homeless@azed.gov](mailto:Homeless@azed.gov).

Best Regards,



**ARIZONA DEPARTMENT OF  
EDUCATION**

**Dr. Brittani (Didi) Roy | Director of Educational Policy and Program Integrity**

Office of Homeless, Foster Care, and Refugee Education Programs

Arizona Department of Education

**"We are a service organization committed to raising academic outcomes and empowering parents."**