




JOY HOFMEISTER

STATE SUPERINTENDENT *of* PUBLIC INSTRUCTION  
OKLAHOMA STATE DEPARTMENT *of* EDUCATION

## MEMORANDUM

**TO:** District Superintendent

**FROM:** Monty Guthrie, Deputy Superintendent of Finance and Federal Programs 

**DATE:** July 2019

**SUBJECT:** Policy Memorandum - Period of Performance of Federal Funds

Federal grant funds have a limited period of availability in which to be used by LEAs. This memorandum defines standards and procedures for using federal funds on a timely basis.

### Legal Background

LEAs must obligate funds during the 27 months after appropriation, extending from July 1<sup>st</sup> of the fiscal year for which the funds were appropriated through September 30<sup>th</sup> of the second following fiscal year. This maximum period includes a 15-month period of initial availability plus a 12-month period for carryover. For example, funds from the fiscal year 2018 appropriation, initially became available on July 1, 2017 and may be obligated by the LEAs through September 30, 2019 (Section 421(b) of GEPA (20 U.S.C. 1225(b)); 34 CFR Sections 76.703 through 76.710).

Any carryover funds not obligated by the LEAs by the end of the period of performance lapse and must be returned to the Federal Government. [34 CFR 76.709(a)(b)]

### Procedural Requirements

The Oklahoma State Department of Education require LEAs to obligate (or encumber) federal funds through June 30<sup>th</sup> of each year. Any current fiscal year funds that remain unexpended by June 30<sup>th</sup> become LEA 1<sup>st</sup> year carryover funds in the following fiscal year. Subsequently, any LEA 1<sup>st</sup> year carryover funds that remain unexpended by June 30<sup>th</sup> become LEA 2<sup>nd</sup> year carryover funds in the second following fiscal year. These LEA 2<sup>nd</sup> year carryover funds must be obligated (or encumbered) through September 30<sup>th</sup>.

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Below is an example of the period of performance of federal funds that were made available to LEAs on July 1, 2017:

	<b>Availability</b>	
Current Fiscal Year Funds are FY2018 Funds allocated in FY2018	7/1/2017 to 6/30/2018	12 months
LEA 1 <sup>st</sup> Year Carryover Funds are FY2018 funds carried over to FY2019	7/1/2018 to 6/30/2019	12 months
LEA 2 <sup>nd</sup> Year Carryover Funds are FY2018 funds carried over to FY2020	7/1/2019 to 9/30/2019	3 months
	Period of Performance	27 months

LEAs need to examine any unexpended funds, particularly LEA 2<sup>nd</sup> year carryover funds, to ensure they are encumbered by September 30, 2019, and submit expenditure reports as soon as possible. However, the Office of Federal Programs will accept these expenditure reports no later than November 30, 2019. Expenditure reports received after November 30, 2019, will result in loss of these funds.

Contact the Office of Federal Programs at (405) 521-2846 for questions regarding the period of performance of federal funds.

MG:kt

cc: Joy Hofmeister, State Superintendent of Public Instruction