



JOY HOFMEISTER

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

MEMORANDUM

TO: District Superintendent

FROM: Matt Holder, Deputy Superintendent of Finance and Federal Programs *MH*

DATE: September 2017

SUBJECT: Policy Memorandum – Period of Performance of Federal Funds (formerly known as Period of Availability 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 1st of the fiscal year for which the funds were appropriated through September 30th 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 2016 appropriation, initially became available on July 1, 2015 and may be obligated by the LEAs through September 30, 2017 (Section 421(b) of GEPA (20 USC 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 requires LEAs to obligate (or encumber) federal funds through June 30th of each year. Any current fiscal year funds that remain unexpended by June 30th become LEA 1st year carryover funds in the following fiscal year. Subsequently, any LEA 1st year carryover funds that remain unexpended by June 30th become LEA 2nd year carryover funds in the second following fiscal year. These LEA 2nd year carryover funds must be obligated (or encumbered) through September 30th.

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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, 2015:

	Availability	
Current Fiscal Year Funds are FY2016 Funds allocated in FY2016	7/1/2015 to 6/30/2016	12 months
LEA 1 st Year Carryover Funds are FY2016 funds carried over to FY2017	7/1/2016 to 6/30/2017	12 months
LEA 2 nd Year Carryover Funds are FY2016 funds carried over to FY2018	7/1/2017 to 9/30/2017	3 months 27 months

LEAs need to examine any unexpended funds, particularly LEA 2nd year carryover funds, to ensure they are encumbered by September 30, 2017, and submit expenditure reports as soon as possible. However, the Office of Federal Programs will accept these expenditure reports no later than December 1, 2017. Expenditure reports received after December 1, 2017, 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.

MH:kt

cc: Joy Hofmeister, State Superintendent of Public Instruction