

# Elementary and Secondary School Emergency Relief (ESSER) Funds

# Three Separate ESSER Rounds

- ESSER 1. Coronavirus Aid, Relief, and Economic Security (CARES) Act
- ESSER 2. Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act
- ESSER 3. American Rescue Plan (ARP)
- *LEAs will need to track each ESSER round separately in its accounting system.*

- CARES ESSER I Funds
  - State Amount - \$41,295,230
  - 90% Allocated LEAs - \$37,165,707
    - Based on each LEAs relative share of Title I Part A
  - 9.5% State Level Discretion - \$3,923,047
    - Ensures the LEA received at least \$162 per student (public and private enrollment) in ESSER I funds.
  - 0.5% State Administration - \$206,476
  - Included Private School Participation Requirements

- Period of Availability
- March 13, 2020 – September 30, 2022
  - Covers expenses starting March 13, 2020 for allowable costs related to COVID-19.
  - Initial Grant Period March 13, 2020 to September 30, 2021
  - One Year Carryover Period ends September 30, 2022
    - Last day to obligate funds is September 30, 2022
    - Last day to request reimbursement for obligations incurred within the period of availability is December 10, 2022.

- CRRSA ESSER II
  - State Amount - \$170,099,465
  - 90% allocated LEAs - \$153,089,519
    - Based on each LEAs relative share of Title I Part A (FY21)
  - 9.5% State Level Discretion - \$16,159,449
    - Supplemented awards to ensure a minimum LEA amount of \$673 per student in ESSER II funds.
  - 0.5% State Administration - \$850,497
  - LEA not responsible for Private Schools

- Period of Availability
- July 1, 2020 to September 30, 2023
  - Can cover pre-award cost starting March 13, 2020 with approval from SDDOE
  - Initial Grant Period ends September 30, 2022
  - One Year Carryover Period ends September 30, 2023
    - Last day to obligate funds is September 30, 2023
    - Last day to request reimbursement for obligations incurred within the period of availability is December 10, 2023.

- American Rescue Plan ESSER III
  - State Amount - \$382,019,326
  - 90% allocated LEAs - \$343,817,923
    - Based on each LEAs relative share of Title I Part A (FY21)
  - 9.5% State Level Activities - \$38,201,923
    - Includes Required State Spending
  - 0.5% State Administration - \$1,910,096
  - LEAs not responsible for Private Schools

- Period of Availability
- July 1, 2020 to September 30, 2024
  - Can cover pre-award cost starting March 13, 2020 with approval from SDDOE
  - Initial Grant Period ends September 30, 2023
  - One Year Carryover Period ends September 30, 2024
    - Last day to obligate funds is September 30, 2024
    - Last day to request reimbursement for obligations incurred within the period of availability is December 10, 2024.



# ARP State Level Activities

- ARP ESSER III Required Minimum State Level Reservations from total State Allocation
  - 5% minimum for evidence-based interventions aimed specifically at addressing learning loss.
  - 1% for evidence-based summer enrichment programs.
  - 1% for evidence-based comprehensive afterschool programs.

# ARP Specific Reservation

- LEA are required to reserve 20% of its ARP ESSER III Allocation
- *Need to track this set aside within the ESSER III funds.*
  - to address learning loss through the evidence-based interventions
  - ensure that those interventions respond to students' social, emotional, and academic needs
  - Address the disproportionate impact of COVID-19 on underrepresented student subgroups.

# ESSER LEA Use of Funds

- Safely Reopening Schools and Sustaining their Safe Operations
  - Public health protocols in line with CDC guidance on reopening and operating schools.
  - Training and PD on sanitizing and minimizing the spread of infection diseases.
  - Purchase supplies to sanitize and clean.
  - Improve indoor air quality.
  - Repair and improve school facilities to reduce risk of virus transmission and environmental health hazards.

# ESSER LEA Use of Funds

- Support Student's Social, Emotional, Mental Health, Academic and other Needs
  - Providing meals to eligible students during long term closures.
  - Purchasing and providing educational technology for online learning.
  - Providing mental health services and supports.
  - Summer learning and supplemental after school programs.
  - Activities necessary to maintain the operation and continuity of services.

# ESSER LEA Use of Funds

- Activities to Prepare, Prevent and Respond to COVID that are authorized under:
  - The Elementary and Secondary Education Act (ESEA)
  - The Individuals with Disabilities Education Act (IDEA)
  - The Adult Education and Family Literacy Act (AEFLA)
  - Perkins Career and Technical Education Act (CTE)

- Costs must be reasonable and necessary to meet the overall purpose of the program, which is “To prevent, prepare for, and respond to” the COVID-19 pandemic.

Bonuses, merit pay or similar expenditures,  
**unless related** to disruptions or closures related  
to COVID-19

Don't provide just because the LEAs has  
extra funds.

All employee compensation must follow  
UGG requirements under 2 CFR 200.430

- Incentive compensation may be allowable if it is given based on an establish plan, which could be established in response to COVID.
- Examples
  - Address recruitment or retention challenges because of the pandemic,
  - Provide additional compensation to teachers and other staff that work in-person,
  - Provide additional compensation to teachers and other staff that have assumed new duties because of COVID,
  - Provide additional pay to substitute teachers where there is a shortage.



# Employee Compensation

- All employee compensation must follow UGG requirements under 2 CFR 200.430
  - Supported by a system of internal controls that provides reasonable assurance that charges are accurate.
  - Reasonably reflect the total activity for which the employee is compensated.
  - Encompass all activities an employee works on.
  - Support the distribution among the specific activities the employee works on.

# Capital Expenditures

- Requires the Prior Written Approval of the SD DOE.
  - Provided with approval of the grant application or amendment if the specific item is clearly identified in the application budget.
- LEAs must follow the UGG Equipment Management Rules in 2 CFR 200.313
  - Includes safeguarding tangible property with a useful life of more than one year. 2 CFR 200.302
- Federal and State Procurement Rules Apply

# Describe Capital Expenditures

- Thoroughly identify and describe what the Equipment is and where it will be located.
- Explain the purpose of the equipment and how it is necessary and a response to COVID public health emergency.
- Provide an itemized cost estimate of each item of equipment in the proposed budget.
- Include the planned Fiscal Year of purchase.

- Inventory records for federal funded items.
  - Must adequately safeguard all assets. 2 CFR § 200.302 (4)
  - Property records must
    - include a description of the property,
    - a serial number or other identification number,
    - the source of funding for the property, who holds title, the acquisition date,
    - cost of the property and percentage of Federal participation,
    - the location, use and condition of the property, and
  - The ultimate disposition data including the date of disposal and sale price of the property.
  - A physical inventory of the property must be taken, and the results reconciled with the property records at least once every two years. 2 CFR § Part 200.313 (d)

Equipment Inventory

Description	Serial/ID Number	Funding Source	Federal Award Identification Number (FAIN)	Title Holders (if applicable)	Acquisition Date	Cost	% of Federal Participation	Location	Use and Condition	Disposition	Comments

- Requires the Prior Written Approval of the SD DOE. 2 CFR 200.439
  - May be provided separately from the Application approval.
  - May be provided separately for each Project
- LEAs must follow the UGG Real Property and/or Equipment Management Rules.
  - 2CFR 200.311 and 200.313
- Federal and State Procurement Rules Apply
  - 2 CFR 200.317-327

- Other rules that apply to construction and renovation include:
  - EDGAR Construction Rules 34 CFR 75.600-617
  - Davis Bacon Prevailing Wage Rules
  - Americans with Disabilities Act
  - The LEA should thoroughly read the Federal Assurances for Construction Programs before signing and uploading in the application.
    - Standard Form 424D

- Other items for consideration:
  - What happens if there are construction delays?
    - Simultaneous Demand
    - Labor and Materials Shortages
  - To be allowable all costs must be incurred during the grant budget period.
  - US Department of Education does not have the authority to extend the period of availability.
  - The LEA should have a back up plan to use funds within grant period.

# Identify Construction Projects

- Separate and Identify Construction Projects
- Name or Number Separate Projects
  - Building
  - Specific Activity
  - Number, etc.
- Identify by Project when Budgeting
  - Separate Costs by Project
  - Include the planned Fiscal Years



# Allowable Uses of Funds

- Comply with the Uniform Grant Guidance (UGG)
  - 2 CFR Part 200
- Federal Cost Principles (Subpart E of UGG)
  - Basic Consideration
  - Provisions for Selected Items

- **Necessary**
- **Reasonable**
- **Allocable**
- **Consistent Treatment**
- **Adequately Documented**



# Determining Necessary

- The cost is needed for the proper and efficient performance of the grant program.
- The cost is identified in the approved budget.
- The cost aligns with the identified needs of the LEA.
- Existing resources are NOT sufficient.

# Determining Reasonable

- Market prices for comparable goods or services for the geographic area.
- No significant deviation from established practices.
- Would I be comfortable defending this purchase?
  - Application details are public information and available to media outlets.

To what extent are the expenditures supporting the overall purpose of the the ESSER programs which is to respond to COVID-19.

- The cost must be consistent with policies, regulations, and procedures that apply uniformly to both federal awards and other activities of the subrecipient.
  - Subrecipients cannot apply different rules for allowable costs based on funding source.

# Adequately Documented

- § 200.302(b)(3) – Records must adequately identify the source and the application of funds
- Expenditures must be supported by source documentation
  - Vouchers with supporting invoices
  - Payroll Documents
  - Contract
  - Time and Effort Documents

- Reimbursement Requests due by the **1st of the month** to allow state staff sufficient time to review expenditures before payment is made.
  - A current matching account inquiry must be uploaded with every reimbursement request.
- Documentation must be maintained at the LEA.
  - Receipts, Invoices, Purchase Orders



- ESSER I Revenue Coding
  - 4151
- ESSER II Revenue Coding
  - 4190
- ESSER III Revenue Coding
  - 4191

- The ARP Provide Additional IDEA funding for SY 2021-22
  - IDEA Part B Section 611 - \$ 8.4 Million
  - IDEA Part B Section 619 - \$750,000
- Funds will need to be tracked separately from regular IDEA funds.
- Additional amounts could affect CEIS and MOE
- Still waiting on guidance from US Ed on these funds.

- CRF - presume that expenses of up to \$500 per elementary and secondary school student covered eligible expenses.
- Schools do not need to document the specific use of funds up to that amount.

- LEA receiving \$750,000 or more in federal funds in a fiscal year are required to have an audit compliant with the Single Audit Act.
- Extra funding
  - Coronavirus Relief Funds (CRF)
  - ESSER I, II and III
  - USDA National School Lunch Programs
  - IDEA ARP
  - ???

# SD DOE's CARE Act Website

- <https://doe.sd.gov/coronavirus/caresact.aspx>

## Federal COVID Funding

The United States Congress has provided several rounds of funding to school districts

- CARES Act
- CRRSA Act
- American Rescue Plan