
2022 SPRING ASBO CONFERENCE

APRIL 27, 2022



south dakota
DEPARTMENT OF EDUCATION

Learning. Leadership. Service.

OVERVIEW

- Policies and Procedures
- Inventory Tracking
- Construction
- Single Audit
- ESSER Overview
- Periodic Expense Reports/Close Outs
- Annual ESSER Reporting
- Dashboard

WRITTEN PROCEDURES

LEAs are required to have written procedures for:

- Allowable uses
- Cash Management
- Purchasing
- Conflict of Interest
- Others



The Procedures are the district's internal steps for ensuring that only allowable costs will be charged to the grant.

ALLOWABLE COST

- What does “allowable cost” mean?
 - A cost that complies with all legal requirements that apply to a particular Federal education program including
 - Statutes
 - Regulations
 - Guidance
 - Approved applications & grants awards



ALLOWABLE COSTS

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



ALLOWABLE COST ANALYSIS

- Is this cost specifically included in the District's approved grant budget?
- Is the cost permissible under the relevant Federal program?
- Is the cost consistent with program specific fiscal rules?
- Is the cost consistent with the Federal cost principles in 2 CFR 200?

WRITTEN PROCEDURES - ALLOWABLE COSTS

Written Procedures for determining the allowability of costs is accordance with Subpart E Cost Principles must meet the following general criteria in order to be allowable under federal awards:

- Conform to cost principles or Federal award as to types or amount of cost items
- Reasonable and necessary and allocable
- Consistent with policies and procedures that apply uniformly to federal and non-federally funded activities
- Consistent treatment as direct or indirect cost
- In accordance with GAAP
- Not included as a cost to meet cost sharing or matching requirements of any other federally-financed program
- Adequately documented

WRITTEN PROCEDURES – ALLOWABLE COSTS

Sample questions to address when developing written procedures:

- Who creates the Federal program budget?
- Who enters the grant budget?
- Who verifies the grant budget aligns with the ledgers?
- Who verifies allowability of each cost?
- How is this communicated between areas?

WRITTEN PROCEDURES – ALLOWABLE COSTS

Additional Considerations:

- Who is responsible for generating documentation demonstrating a cost is reasonable, necessary or allocable?
- Where is this documentation kept?
- Where is correspondence regarding budget reviews by DOE kept for each of the Federal grants?

ESSER PROGRAMS ALLOWABLE COSTS

- The Purpose of the funds is to prevent, prepare for and respond to Covid pandemic.
- US ED guidance encourages LEAs to think holistically in order to address the impact of lost instructional time from the pandemic and address pre-existing challenges that would impede the recovery from the pandemic.
- Activities to address diverse needs arising from or exacerbated by the Covid Pandemic, or to emerge stronger.
 - Supporting physical health and safety
 - Meeting students' social, emotional, mental health, academic and other needs,
 - Operational continuity

PROCUREMENT POLICIES

- The District must use its own documented procurement procedures which reflect applicable State and local regulations, provided that the procurements conform to applicable Federal laws and the Uniform Grant Guidance 2 CFR § 200.318
- The District must have written procedures regarding solicitations to ensure that all procurement transactions are conducted in a manner providing full and open competition.

PROCUREMENT POLICIES

- Maintain oversight to ensure contractors perform the work as specified in the contract (§200.318(b))
- Maintain written standards for “Conflict of Interest” (§200.318(b))
- Only contract with reliable vendors (§200.318(h))
- Subrecipient is responsible for all contract disputes and cannot defer to the Federal agency in such cases (§200.318(k))

FIVE FEDERAL METHODS OF PROCUREMENT PER UGG

- Micro-purchase – aggregate < \$10,000
- Small Purchase – up to \$250,000 (Simplified Acquisition threshold)
- Sealed Bids – used for purchases over \$250,000
- Competitive proposals – Used for purchases over \$250,000 when sealed bids are not feasible
- Noncompetitive proposals – Single Source available

Must utilize the most restrictive procurement measures whether that be District, State or Federal

PROCUREMENT SUSPENSION & DEBARMENT

LEAs must follow the procurement standards set out at 2 CFR § 200.318 through 200.326. LEAs must use their own documented procurement procedures, which reflect applicable state and local laws and regulations, provided that the procurements conform to applicable federal statutes and the procurement requirements identified in 2 CFR § 200.

1. General Procurement Standards
2. Full and Open Competition
3. Informal Procurements
 - a) Davis-Bacon
4. Sealed Bid or Proposal
5. Cost Analysis
6. Bonding Requirements

PROCUREMENT SUSPENSION & DEBARMENT

- Overview of what auditors might look for:
 - LEAs followed their procurement procedures
 - That procurements made with federal funds were made in compliance with the federal regulations for procurement
 - LEAs verified that their vendors were not suspended, debarred, or otherwise excluded.

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

INVENTORY

- An Inventory Management System is needed for all federally funded capitalized equipment, threshold is \$5,000 or district policy if lower.
 - Ex. Floor scrubbers, Vehicles
- All easily pilfered items, with a useful life of one year or more, purchased with federal funds must be safe guarded.
 - Ex. Laptops, Ipads
- Items must be individually listed
- Grants Management will be requesting to see these with your reimbursement requests

REAL PROPERTY/CONSTRUCTION

- 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.
 - 2 CFR § 200.311 and 2 CFR § 200.313
- Federal and State Procurement Rules Apply
 - 2 CFR § 200.317 – 327
- Appendix II to Part 200 – Contract provision for Federal awards to include EEO, Davis-Bacon Act, Clean Air Act, Debarment and Suspension, and Domestic Preference for Procurements.

CONSTRUCTION CONCERNS

- Other items for consideration:
 - What happens if there are construction delays
 - Simultaneous Demand
 - Labor and Material 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 the grant period.

ESSER CONSTRUCTION PROJECT

- If you have received **concept approval** from SD DOE and your plans have reached the below stages upload your documents to your Unique Share Point Link
 - 100% Schematic Designs
 - 100% Design Development,
 - 90% construction documents
- If you have received **prior approval** from SD DOE, you should have specifications, contracts, and any other helpful documents uploaded to your unique Share Point link.
 - You may request reimbursement for incurred expenses for the project as soon as prior approval is given.

CONSTRUCTION PROJECT DOCUMENTS

- Things to keep on hand with all ESSER funding documents pertaining to Construction Projects
 - Bids/proposals
 - Contracts
 - Invoices
 - Davis Bacon Act Documentation to include
 - Project Specifications
 - Payroll form – WH347 from US DOL website
 - Progress Reports

DAVIS BACON ACT

- The Davis-Bacon and Related Acts, apply to contractors and subcontractors performing on federally funded or assisted contracts in **excess of \$2,000** for the construction, alteration, or repair (including painting and decorating) of public buildings or public works.
- SD DOE Prevailing Wages: https://dlr.sd.gov/lmic/wages_prevailing.aspx
- US DOL: <https://www.dol.gov/agencies/whd/government-contracts/construction>
- US DOL Davis-Bacon Compliance Guide:
https://webapps.dol.gov/elaws/elg/dbra.htm?_ga=2.248640846.859438371.1627655168-1269930488.1627655168

SINGLE AUDIT THRESHOLD

- If an LEA expended \$750,000 or more in federal funds in a fiscal year are required to have an audit compliant with the Single Audit Act
- Due to the amount of COVID related funding many LEAs will be subject to the Single Audit Act for the first time.
- Extra funding that can affect your Single Audits
 - ESSER I, II AND III
 - USDA National School Lunch Programs
 - IDEA ARP
 - ARP Homeless
 - Other federal funding from state or federal agencies

RESPONSE TO AUDIT FINDINGS

- LEAs that receive findings must develop Corrective Action Plans to address findings.
 - The CAP must provide the name of the contact persons
 - The corrective action planned
 - Anticipated completion date.
- If the LEAs does not agree with the audit findings or believes a corrective action is not required, it must include an explanation and the specific reasons.
- SD DOE will issue a management decision letter to the LEA concerning the audit findings relevant to the federal programs administered by the SD DOE.
- SD DOE is ultimately responsible for deciding what corrective actions the LEAs must take depending on the circumstances.

FEDERAL FUNDING TO DOE PROGRAMS

Congressional Act	Final Obligation Date	Final Liquidation Date	Total Award	Total Reimbursed as of April 11th
CARES Act (ESSER I)	September 2022	December 28, 2022	\$ 41,088,754	\$ 39,289,629
CRRSA (ESSER II)	September 2023	December 28, 2023	\$ 169,248,970	\$ 35,784,171
American Rescue Plan (ESSER III)	September 2024	December 28, 2024	\$ 343,817,305	\$ 17,656,149

ESSER IDENTIFIERS

Separate Identifiers for all ESSER grants are needed within your accounting system.

- ESSER I
- ESSER II
- ESSER III (ARP) General
- ESSER III (ARP) Learning Loss
- ARP IDEA
- ARP McKinney Vento Part I
- ARP McKinney Vento Part II

ARP SPECIFIC RESERVATION

- LEAs are required to reserve at least 20% of its ARP ESSER III allocation
 - 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.
- Must be tracked **separately** within the ESSER III funds.

ARP IDEA FUNDING

- ARP provided 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 identified separately from regular IDEA funds.
- These funds follow the same guidelines as regular IDEA
- These additional amounts could affect CEIS and private school proportionate share
- Caution, LEAs must still maintain State/local funded MOE.

ARP IDEA FUNDING

- Funds were transferred into the IDEA Application budgets
 - Similar to ESEA Transferability & REAP in Consolidated Application
- Funds are paid out in the following order:
 - Regular IDEA Carryover, ARP IDEA, Regular IDEA
- ARP IDEA funds will need to be identified back to the GMS Reimbursements.

IDEA PAYMENT FUNDING DETAILS IN GMS REIMBURSEMENT

- After the District receives their payment, you can go back to the table at the bottom of the Reimbursement Request to determine how it was paid.
 - In this example \$1,504 Regular IDEA Carryover and \$16,816 ARP for total payment of \$17,690.

Payment Type	Amount	Fund Stream Program	Reporting Category		
			Year	Code	Federal Aid #
PAYMENT	\$1,504	Flowthrough	2022	21611	210021611YR1
PAYMENT	\$16,186	IDEA-ARP-611	2022	22612	220022612YR1
Total	\$17,690				

ESSER REIMBURSEMENTS AND PERIODIC EXPENSE REPORTS

- Reimbursement Requests and Periodic Expense Reports/Close outs must be submitted by the **1st of the month**
- Your account inquiry submitted with your requests need to match the coding you have approved in your GMS budget.
- ESSER grants have a periodic expense report due every fiscal year.
 - Reimbursement requests will not be processed until periodic expense reports for 06/30/2021 have been submitted for all 3 of your ESSER grants. If you have not expensed any funds through 06/30/2021 you need to submit a \$0 PER.

ESSER AMENDMENTS

- Amendments can be created for all of your grants to update how you are spending your federal funds.
- For your ARP ESSER III grants, it is important that your plans are being updated as well.
 - Your Safe Return plan must be updated **every 6 months**. Your superintendent will receive a document in the middle of the May indicating that they have updated their plans with the appropriate shareholder inputs.
 - Your ARP LEA plan should be updated when **major** changes are being made in an amendment.

ESSER REPORTING YEAR 2

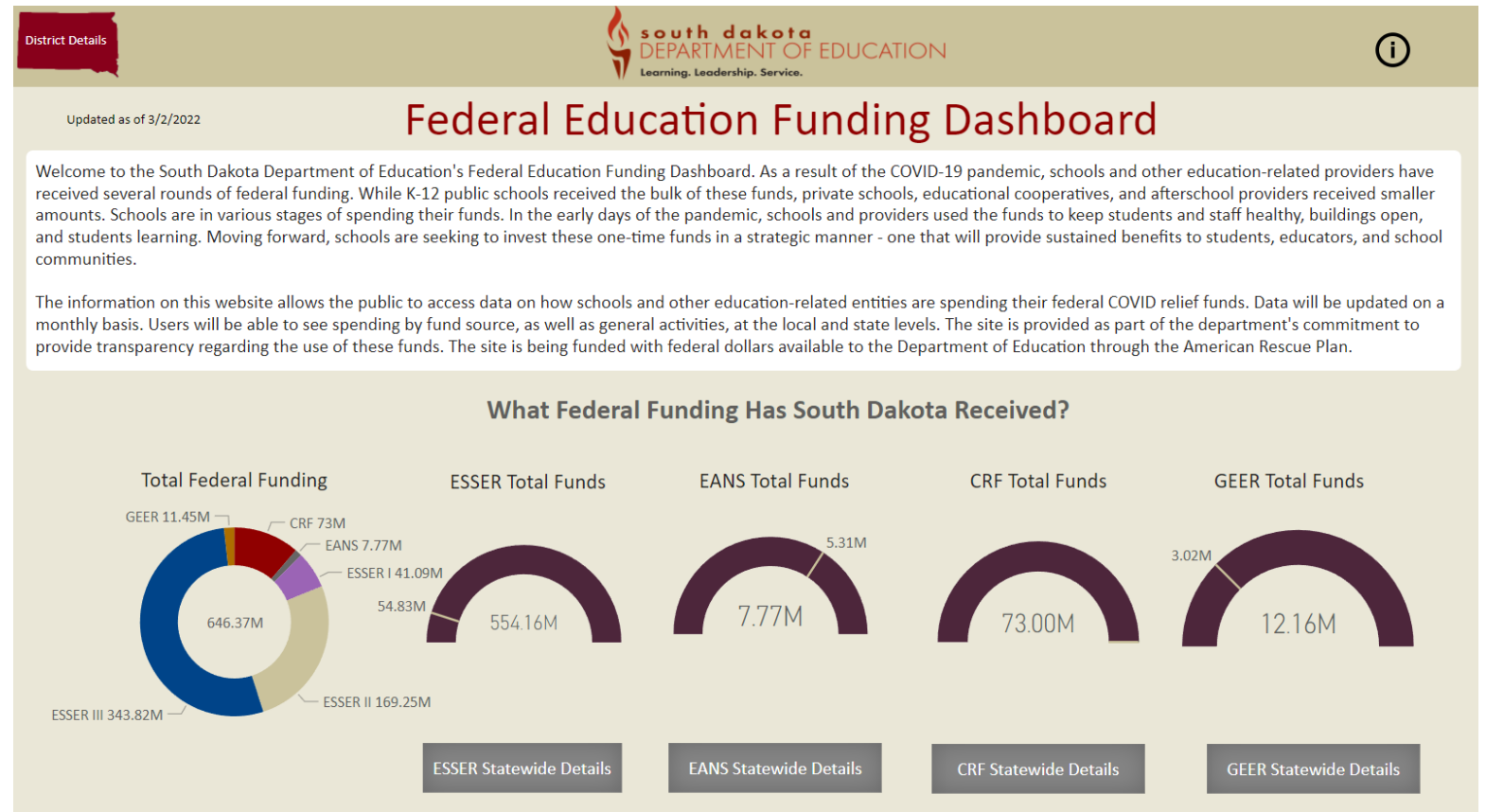
- Survey Release on April 25th to Superintendents via email from noreply@gemailserver.com
- Reporting period is reimbursements from October 1, 2020 – June 30, 2021.
 - You can see this information via your GMS system

Select	Reimbursement Request	Date Created	Date Submitted	Final Approval Date	Status	Status Date	Amount
<input type="checkbox"/>	Reimbursement Request 8	4/1/2021	4/1/2021	4/12/2021	Paid	4/16/2021	\$5,100.00
<input type="checkbox"/>	Reimbursement Request 7	2/3/2021	2/3/2021	2/11/2021	Paid	2/19/2021	\$24,596.00
<input type="checkbox"/>	Reimbursement Request 6	2/3/2021	2/3/2021	2/11/2021	Paid	2/19/2021	\$32,950.00
<input type="checkbox"/>	Reimbursement Request 5	2/3/2021	2/3/2021	2/11/2021	Paid	2/19/2021	\$26,989.00
<input type="checkbox"/>	Reimbursement Request 4	1/25/2021	1/25/2021	2/11/2021	Paid	2/19/2021	\$7,140.00
<input type="checkbox"/>	Reimbursement Request 3	12/1/2020	12/1/2020	12/14/2020	Paid	12/18/2020	\$13,420.00
<input type="checkbox"/>	Reimbursement Request 2	9/1/2020	9/1/2020	9/16/2020	Paid	9/18/2020	\$47,068.00
<input type="checkbox"/>	Reimbursement Request 1	7/20/2020	8/19/2020	9/16/2020	Paid	9/18/2020	\$550,173.00

- Webinar will be May 2nd at 3pm CST.
 - Office Hours for questions May 9th and May 16th at 3pm CST.
- Due Date for survey is May 23rd
 - DOE data verification and submission to US DOE will be between May 24th – July 1st.
- 2 pager 101

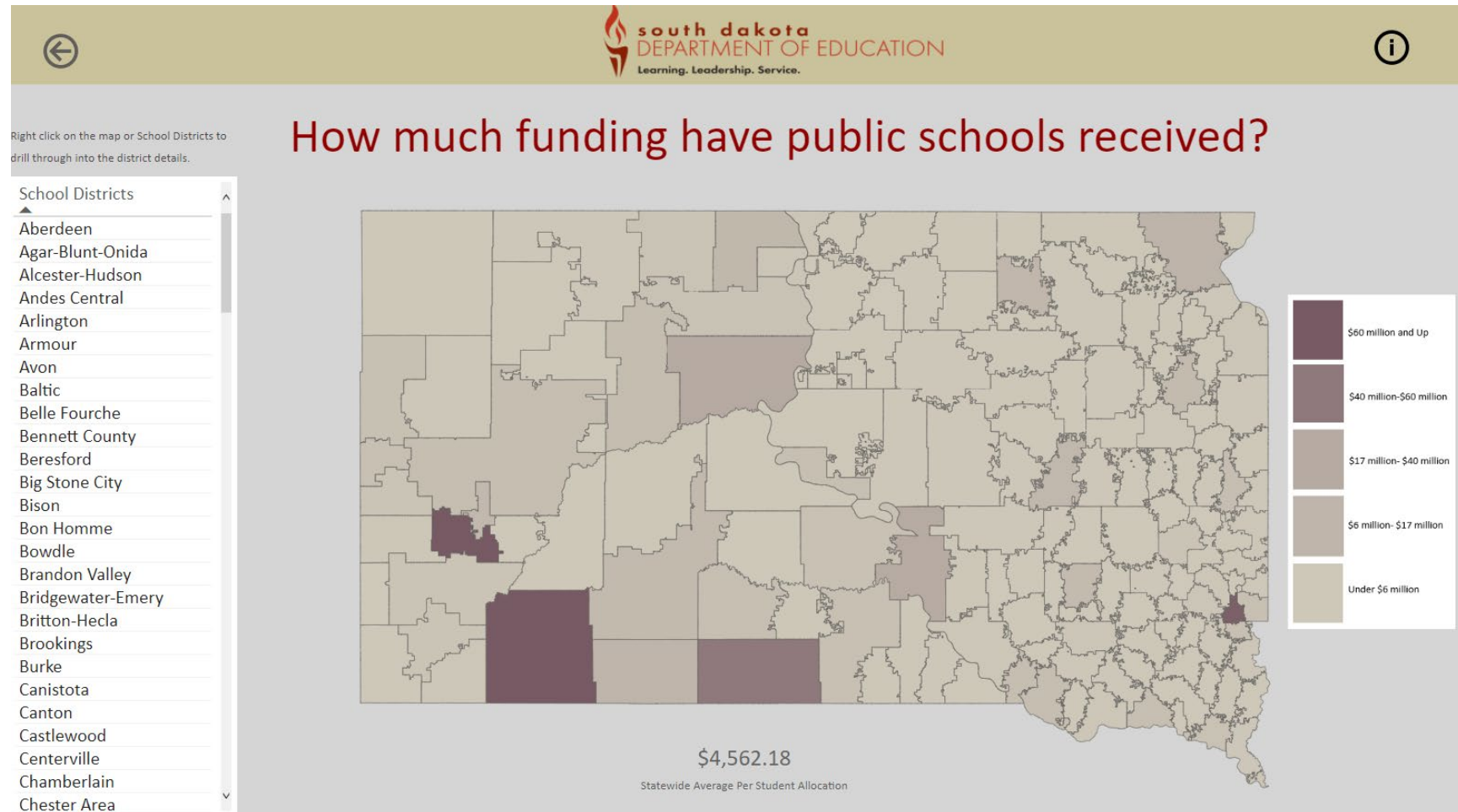
ESSER DASHBOARD

Once your reimbursement requests and periodic expense reports are approved and reimbursed, the data is collected and released to the public via the ESSER dashboard. You can see this by going to the SD DOE website and selecting “Federal Education Funding Dashboard”

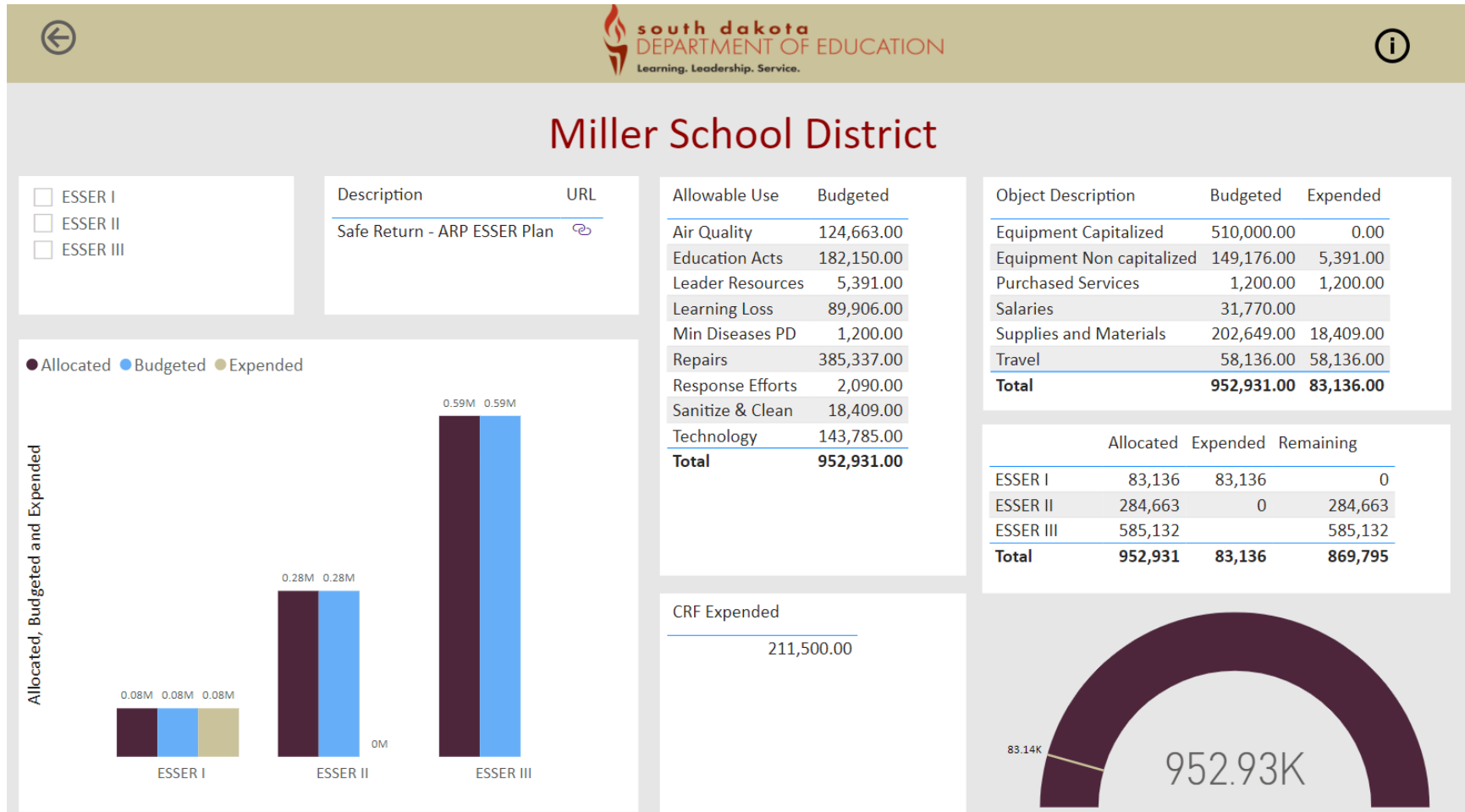


<https://www.powerbi.com/view?r=eyJrIjoiOTk0MTE3ODYtY2ExZi00YjQ1LTljOTUtMGI2YjgyNWVzMzYxliwidCI6ImIzMmE4ODRkLTUwMTMtdNDFhNy05NzU0LTRhZGRiNDA1NjlxYiIsImMiOiJF9>

ESSER DASHBOARD



ESSER DASHBOARD



QUESTIONS

