
SDASBO FALL CONFERENCE 2022



south dakota
DEPARTMENT OF EDUCATION

Learning. Leadership. Service.

GOOD NEWS!!!!

- School Finance Accountability Board approves new waiver for the General Fund Cash Balance Requirement
 - Current waiver goes through June 2023
 - New waiver period July 2023 through June 2024
 - Covers Fiscal Year 2023 data for 2024 general state aid penalties
 - Slight difference than the current waiver in place
 - Schools who do not meet the general fund cash balance requirement are required to appear in front of SFAB.
 - Provide additional information on excess balance.

ESSER I

- Period of Availability ends September 30, 2022
- Remaining funds need to be liquidated by December 30, 2022
- As of September, \$40.9 million has been reimbursed
- 99.7% of \$41 million

ESSER II

- Period of Availability ends September 30, 2023
- Remaining funds need to be liquidated by December 30, 2023
- As of September, \$72.3 million has been reimbursed
- 42.7% of \$169 million

ESSER III

- Period of Availability ends September 30, 2024
- Remaining funds need to be liquidated by December 30, 2024
 - Possible liquidation extension
- As of September, \$51.7 million has been reimbursed
- 15.1% of \$343.8 million

ESSER III SPECIFIC RESERVATION

- LEAs required to reserve 20% of its ESSER III Allocation for learning loss
- Need to track this set aside within the ESSER III funds
 - Loaded as a separate budget on the GMS
 - To address learning loss through evidence-based interventions
 - Ensure that those interventions respond to students' academic needs and overall wellbeing
 - Address the disproportionate impact of COVID-19 on underrepresented student subgroups

ESSER USES OF FUNDS

- Safely Reopening 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 infectious diseases
 - Purchase supplies to sanitize and clean
 - Improve indoor air quality
 - Repair and improve school facilities to reduce risk of virus transmission and other environmental hazards

ESSER USES OF FUNDS

- Support Student's Academic Needs and Overall wellbeing
 - 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 USES OF FUNDS

- Activities to Prepare, Prevent and Respond to COVID-19 that are authorized under the following programs
 - 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)

ESSER PURPOSE OF FUNDS

- Reasonable
- Necessary
- Must meet the overall purpose of the program, which is “To prevent, prepare for and respond to” the COVID-19 pandemic

ESSER CAPITAL EXPENDITURES

- Capital expenditures
 - Requires the prior written approval of the SDDOE
 - This is provided with approval of the grant application or amendment
 - Item needs to be clearly identified in the application budget
- Uniform Grant Guidance (UGG)
 - LEAS follow 2 CFR 200.313 for equipment
 - Includes safeguarding tangible property with a useful life of more than one year
 - 2 CFR 200.302
- Federal and State Procurement Rules Apply

ESSER 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 responding to the COVID-19 public health emergency
- Provide an itemized cost estimate of each item of equipment in the proposed budget
- Include the planned Fiscal Year purchase

ESSER REAL PROPERTY/CONSTRUCTION

- Requires the prior written approval of the SDDOE
 - Follow 2 CFR 200.439 Equipment and other capital expenditures
 - May be provided separately from the application approval
 - May be provided separately for each project
- LEAs must follow UGG
 - Real property and/ or equipment management rules
 - 2 CFR 200.311 and 200.313
- Federal and State procurement rules apply
 - 2 CFR 200.317-327

ESSER REAL PROPERTY/CONSTRUCTION

- Additional requirements that apply to construction and renovation projects
 - EDGAR Construction Rules 34 CFR 75.600-617
 - Davis Bacon prevailing wage rules
 - Americans with Disabilities Act
 - Assurances for construction programs
 - Standard Form 424D

ESSER REAL PROPERTY/CONSTRUCTION

- Construction Concerns
 - Delays
 - Simultaneous demand
 - Labor and Materials shortages
 - Costs must be incurred during the grant period
 - US ED doesn't have the authority to extend the period of availability
 - Possible liquidation extension up to 18 months
 - LEAs should have back up plans to use the funds within the grant period

ESSER CONSTRUCTION PROJECTS

- Separate and Identify Construction Projects
- Name or number projects
 - Building
 - Specific activity
 - Number
- 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

UGG BASIC CONSIDERATIONS

- Necessary
- Reasonable
- Allocable
- Consistent treatment
- Adequately documented

NECESSARY

- Needed for the proper and efficient performance of the grant program
- It is identified in the approved budget
- Aligns with the identified needs of the LEA and program
- Existing resources are NOT sufficient

REASONABLE

- Market prices for comparable goods or services in your area
- Do not deviate from established practices
- Can you defend this purchase
 - Applications are available to the public

ALLOCABLE

- Are expenditures supporting the overall purpose of the program
 - Example - Purchasing HVAC system to respond to Covid
 - Example – Purchasing computers for distance learning

CONSISTENT TREATMENT

- Costs 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

DOCUMENTATION

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

REIMBURSEMENT REQUESTS

- Reimbursement requests due by the 1st of the month
 - Allows staff sufficient time to review expenditures before payment
 - A matching account inquiry must be uploaded with every reimbursement request
- Documentation must be maintained at the LEA
 - Receipts, invoices, purchase orders

ESSER CODING

- ESSER II revenue coding
 - 4190
- ESSER III revenue coding
 - 4191

OTHER FEDERAL GRANTS

- Complete FY22 close out reports for other federal grants
 - Title I, II, REAP, IDEA, Perkins
- Carryovers will be loaded when programs are closed out
 - Automatic
 - Manual

TITLE I CARRYOVER LIMITS

- LEAs can not carryover more than 15% of their allocated funds from the current Fiscal Year
- Carryover and reallocated funds are not part of the calculation limit
 - Example – FY22 Title IA allocation is \$100,000 – Allowable carryover into FY23 is $\$100,000 \times 15\% = \$15,000$
- Transferred funds are subject to the program requirements that the funds are transferred to.
 - Example – FY22 Title IA allocation is \$100,000,
FY22 Title IIA transferred into TIA is \$30,000,
FY22 Title IVA transferred into TIA is \$10,000
Total FY22 TIA plus transferred funds is \$140,000
Allowable carryover into FY23 $\$140,000 \times 15\% = \$21,000$

CARRYOVER LIMIT EXCEPTIONS

- Carryover Limit Exception – LEAs with a FY Title I allocation (including transfers in) of less than \$50,000 are exempt.
- Carryover Limit can be applied at the end of the Federal FY. For FY 22 that is September 30, 2022. LEAs should report expenditures for the first quarter of the LEAs FY 23 Title I program. To do this an LEA must report expenditures on their 1st request reimbursement for SY 22-23 indicating the period is for July 1, 2022 to September 30, 2022. **Do not go into October.**

Payment Tracking Number 47-0012309001
Expenditures from 07/01/2022 to 09/30/22 Enter as MM/DD/YYYY

Payment Tracking Number 47-0012309001
Expenditures from 07/01/2022 to 10/09/22 Enter as MM/DD/YYYY

NO

CARRYOVER LIMIT WAIVERS

- If after September 30, 2022, there is remaining funds, the LEA can apply for the carryover waiver
- SDDOE may waive the 15% requirement once every three years.
 - LEA must request the waiver to SDDOE
 - Carryover form will be made available upon request
 - SDDOE will review request
 - Not automatic approval
- LEA must provide a reasonable and necessary justification description
 - Why did the LEA have excess carryover and what obstacles the LEA faced in spending funds
 - A description of how the LEA plans to reasonably expend the excess funds
 - Ensure that funds required for specific reserves be used for those same activities
 - IF no waiver is given the excess funds are returned SDDOE

CARRYOVER LIMIT WAIVER TIMELINE

Waiver Status	Fiscal Year
Waiver Approved to carryover into next FY	FY 22
Not Eligible for a Waiver	FY 23
Not Eligible for a Waiver	FY 24
Eligible to Apply for a Waiver	FY 25

SINGLE AUDIT ACT THRESHOLD

- LEAs 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
 - Other???

SD DOE'S FEDERAL COVID FUNDING

<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

CONTACTS

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 - Program Specialists
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 - Kristina Healey - Monitoring/Title/ESSER
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