



End of COVID Funding Guidance & Real Property Reporting

A guidance document to assist organizations in planning for the end of COVID funding

May 2024

Overview of COVID Funding

COVID Relief Funding was made available to organizations through three funding packages: the Coronavirus Aid, Relief, and Economic Security (CARES) Act; the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act; and the American Rescue Plan (ARP) Act. Additional funds were made available to the Governor through the Governor's Emergency Education Relief (GEER) Fund. These funds provided vital support to states, districts, schools, and organizations as they worked to reopen schools safely, maximize in-person instructional time, safely sustain in-person instruction, and address the impact of the COVID-19 pandemic on students, educators, and families. These Federal emergency resources were dispersed to address diverse needs arising from or exacerbated by the COVID-19 pandemic, or to emerge stronger post-pandemic, including responding to students' social, emotional, mental health, and academic needs.

COVID Funding Expiration Timeline

All Remaining COVID Relief Funding Expires
September 30, 2024





Expiring Funds in 2024

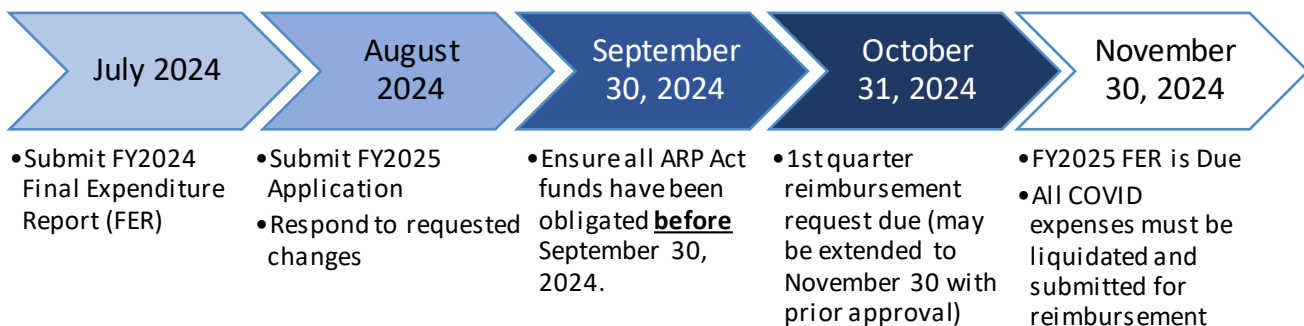
The final funding package, the ARP Act, expires **September 30, 2024**. No COVID funding will remain after September 30, 2024.

What happens if an organization doesn't spend ARP Act funding during the FY2024 fiscal year (July 1, 2023 – June 30, 2024)?

Any unspent ARP Act funds from the FY2024 application will carry over into an FY2025 application; however, the funds must be spent during the first quarter as those funds expire at the end of the first quarter. Reimbursement requests must be received by October 31, 2024.

Reimbursement requests in FY2025 cannot be processed until an application for FY2025 is approved. Applications for FY2025 are not approvable until the FY2024 FER is processed.

For organizations carrying ARP Act funds into FY2025, it is recommended to follow this timeline:



Will there be an extension to spend ARP Act funds?

There will not be any extensions for spending ARP Act funds. The funds must be spent prior to September 30, 2024. Salaries, contracts, and subscriptions may not be prepaid beyond September 30, 2024. The Department of Education and Early Development does not process reimbursement requests against obligations captured in an encumbrance, payment is made against expenditures only.

When do funds need to be obligated?

Funds should be obligated (orders placed, contracts signed, purchase orders signed) prior to September 30, 2024.

When do funds need to be liquidated?

The district has until October 31, 2024, to liquidate the funds and submit for reimbursement. Items should be received, and services should be complete before the district submits for reimbursement.

If the district requires additional time to liquidate/request for reimbursement, the district should contact DEED.CARES@alaska.gov. DEED may be able to provide the district an extension through November 30, 2024, for submitting the reimbursement request for expenditures that were properly obligated prior to September 30, 2024.

Questions?

Please contact us: DEED.CARES@alaska.gov

Last Updated: May 2, 2024





Salaries, contracts, and subscriptions may not be prepaid beyond September 30, 2024; however, is online curriculum considered a subscription?

COVID funds cannot be used to pay for subscription services beyond September 30, 2024; however, DEED understands that there are some online curriculum materials that may not be considered "subscriptions," but rather curriculum support, or supplies. In the future, auditors could ask the district to provide invoices or purchase orders to determine whether or not the district prepaid a subscription. Please carefully examine the language on invoices/purchase orders and reach out to DEED.CARES@alaska.gov with specific questions.

Scenario: An organization ordered some supplies/equipment with COVID funds in September, but the order won't arrive until November 1, 2024.

As long as the order was placed and properly obligated prior to September 30, 2024, COVID funding may be used. Contact DEED.CARES@alaska.gov to inquire about a reimbursement request extension through November 30, 2024.

Scenario: An organization ordered some supplies/equipment with COVID funds but didn't get the purchase order signed until October 3, 2024.

Unfortunately, this would not be an allowable use of COVID funds because the funds were not properly obligated prior to the expiration on September 30, 2024. Another funding source would need to be used.

Can an organization use COVID funds to pay for some professional development in September?

Yes. The professional development event must occur prior to September 30, 2024. If the district cannot liquidate before October 31, 2024, please reach out to DEED.CARES@alaska.gov. An extension to submit a late reimbursement request may be granted.

Disposition of COVID Funded Items

What if an organization needs to dispose of goods, supplies, or equipment purchased with COVID funds?

Equipment: LEAs that used ESSER or GEER funds to purchase equipment and find that the item is not needed for authorized purposes under ESSER or GEER or for any of the LEA's other Federal programs, and where the equipment has a current per unit fair market value of \$5,000 or less, may be retained, sold, or otherwise disposed of without additional responsibility to the Department. If an item of equipment has a current per unit fair market value in excess of \$5,000, the LEA may retain or sell the equipment. In this case, the Department is entitled to an amount calculated by multiplying the current fair market value or proceeds from the sale by the Department's share or proportion of the cost of the original purchase. ([2 C.F.R. § 200.313\(e\)](#)).

Supplies: Supplies that cost less than \$5,000 per unit vest in the State or LEA upon acquisition. If there is a residual inventory of supplies that are not needed and the unneeded supplies exceed \$5,000 in total aggregate value, the State or LEA may retain or sell the supplies but, in either case, must compensate the Department for its share. The amount of compensation must be computed in the manner required for equipment under [2 C.F.R. §200.313\(e\)\(2\)](#). The aggregate value of unneeded supplies is their fair market value at the time of disposition. Given that disposition may occur at different times (for example, some supplies may be needed longer than others, a State or LEA may

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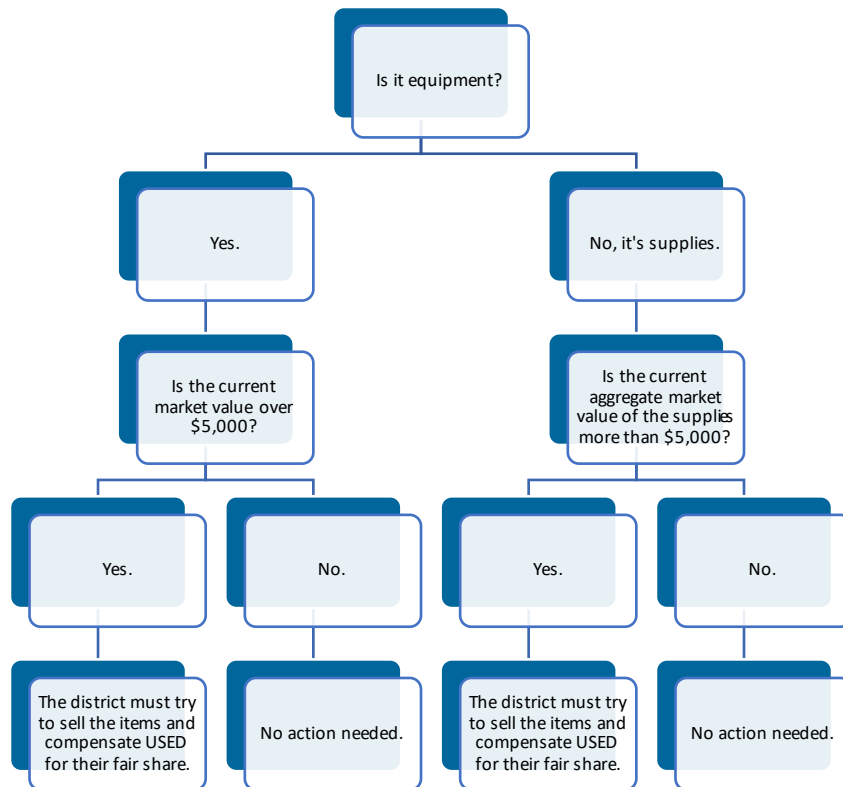




calculate the total aggregate value when disposition occurs—e.g., at the end of each year for which supplies are disposed.

A State or LEA must make a good faith effort to sell unneeded supplies purchased with ESSER or GEER funds in accordance with [2 C.F.R. §200.314\(a\)](#) and document its efforts. If a State or LEA cannot find a buyer and cannot use the supplies itself, the State or LEA has no further obligation to the Department.

Please contact DEED.CARES@alaska.gov for assistance.



Real Property Reporting

On March 21, 2024, the US Department of Education issued [clarifying guidance of reporting requirements for real property](#). This applies to most renovation, major remodeling, construction, or real property projects funded with Federal funds (COVID funding). Two separate reporting requirements are outlined. **DEED will personally notify your district if you are subject to either of these requirements. Notifications will be made this fall.**

Reporting Requirement #1, Requirements to Record a Notice of Federal Interest (NFI) *(This applies to a very small group of districts and organizations)*

Grantees who spent an excess of \$1 million on a singular renovation, major remodeling, construction, or real property project will be required to record the Notice of Federal Interest (NFI) to their local jurisdiction by January 28, 2025.

Questions?

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Reporting Requirement #2, Required Annual Real Property Reporting Requirements *(This is applicable to several districts and organizations)*

Grantees with qualifying renovation, major remodeling, construction, or real property projects will be required to comply with [2 CFR 200.330](#) and complete annual reporting ([Real Property Status Report](#), SF 429 cover page and either attachment A or C). This report will be coordinated by DEED annually. Additional information about this real property reporting will be made available this fall.

What is “qualifying renovation, major remodeling, construction, or real property projects?” DEED will analyze data provided in GMS budgets and will inform your district this fall if you have qualifying activities. [Real property](#) means land, including land improvements, structures and appurtenances thereto, but excludes moveable machinery (such as HVAC, mobile classrooms, building furniture, etc.) and equipment.

This reporting will continue for 15 years after the first year the project was funded.

What if I need to sell or transfer a building that has been renovated or constructed with COVID funds?

If for any reason the constructed/renovated building will be sold, transferred, or otherwise modified, contact DEED for proper disposition instructions. The district may be required to pay some funds back to the US Department of Education.

Upcoming Dates & Deadlines

<i>Date</i>	<i>Activity Due</i>
<i>January – May 2024</i>	FY2024 COVID Grant monitoring (selected districts and organizations)
<i>April – June 2024</i>	Year 4 (School Year 2022-2023) Federal Data Collection for all COVID grants (questions about how funds were spent)
<i>July – August 2024</i>	Complete FY2024 COVID Relief FER Submit FY2025 COVID Funding Application (for first quarter expenses only)
<i>September 1, 2024</i>	FY2025 COVID Funding Applications due (for any remaining ARP funds)
<i>September 30, 2024</i>	ESSER III (ARP Act) Funds expire (no extensions) All COVID funding should be obligated before this date
<i>October 31, 2024</i>	First quarter reimbursement requests due (may be extended to November 30 with prior approval from DEED.CARES@alaska.gov) This closes out reimbursement requests for all COVID funding
<i>November 30, 2024</i>	Last day for COVID Reimbursement Requests with approved extensions
<i>December 1, 2024</i>	COVID Final Expenditure Reports (FER) Due
<i>January 2025</i>	Final COVID Relief Annual Report (evaluation of goals and progress)
<i>January – April 2025</i>	FY2025 COVID Grant monitoring (selected districts and organizations)
<i>April - June 2025</i>	Year 5 (School Year 2023-2024) Federal Data Collection for all COVID grants (questions about how funds were spent)

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