

CARES Act Frequently Asked Questions (FAQ) Updated 9/25/2020

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The below questions and answers are in response to the following CARES Act's Education Stabilization Fund Programs: 1.) the Elementary and Secondary School Emergency Relief Fund (ESSERF), and 2.) the Governor's Emergency Education Relief Fund (GEERF).

The slides presented during the April 23, 2020, April 30, 2020, and May 14, 2020 webinars are available on the Department's <u>website</u> (education.alaska.gov/safeschools/infectiousdisease).

Many of the answers below reference specific parts of the CARES Act. The CARES Act (H. R. 748) can be found <u>here</u> (congress.gov/bill/116th-congress/house-bill/748).

The US Department of Education has also issued two FAQ documents -

- ESSERF: https://oese.ed.gov/files/2020/05/ESSER-Fund-Frequently-Asked-Questions.pdf
- GEERF: <u>https://oese.ed.gov/files/2020/05/FAQs-GEER-Fund.pdf</u>

<u>Allocations</u>

1. If the total GEERF is \$6 million, where is the \$2,271,144 not allocated to Local Educational Agencies (LEAs) going?

The remaining GEERF funding has been allocation by the Governor as follows:

- Provide \$1.5 million for institutions of higher education (University of Alaska);
- Provide \$0.2 million for institutions of secondary and higher education (Alaska Native Science and Engineering Program); and
- Provide \$1.0 million for grants to education and education-related entities that may include daycare facilities providing educational instruction, private schools, and/or private colleges.

2. What were the metrics used to determine whether a district would qualify for GEERF funds?

Approximately \$3.7 million from the State of Alaska's allocation will be distributed to 35 districts in order to ensure all districts receive funding equal to or greater than the allocation of the \$30 million one-time funds through the foundation formula versus the allocation based on the Title I-A funding formula for the ESSERF.

3. If a district gives one site/school funds, is the district required to allocate the same percentage to the other sites/schools?

Though DEED will allocate ESSERF to districts based on their relative share of Title I, Part A funds, the ESSERF funds <u>are not</u> Title I-A funds. Therefore, ranking and serving, school and student eligibility, and other Title I-A requirements do not apply to ESSERF. School districts may allocate the funding to site/schools as they determine.

4. When are the allocation estimates going to be made final?

The allocations have been made final and are posted on the Department's <u>website</u> (education.alaska.gov/safeschools/infectiousdisease).

5. How did DEED determine district allocations under the ESSERF?

DEED must award at least 90% of the ESSERF to districts. Districts receive funds based on the proportion of Title I, Part A funds they received in the most recent fiscal year (FY20). For example, if a district received 10% of a State's Title I, Part A funds in the most recent fiscal year, it would receive 10% of the available ESSERF. As far as the CARES Act funds, the total amount allocated to districts is \$34,567,123 (approximately \$6.8 million less than the FY20 Title I allocation) – a decrease in the total amount available to appropriate.

Use of Funds

1. Will districts be able to directly transfer these funds to the General/Operating Fund to replace lost revenue due to COVID-19?

Funds may not be transferred to the General/Operating Fund to replace lost revenue. While ESSERF and GEERF funds allow greater flexibility than other grants, they are federal grants that must be tracked in Special Revenue Funds and are subject to Education Department General Administrative Regulations Act (EDGAR) and the Uniform Grant Guidance (UGG) (2 CFR 200). The Governor's Emergency Education Relief Fund is CFDA 84.425C. The Elementary and Secondary School Emergency Relief Fund is CFDA 84.425D.

2. What are allowable uses of ESSERF?

The following delineates the twelve allowable activities outlined in the Act.

- 1. Authorized Programs
 - Elementary and Secondary Education Act (ESEA) of 1965, including the Native Hawaiian Education Act and the Alaska Native Education Equity, Support, and Assistance Act. *CARES Act Section 18003(d)(1).*
 - \circ ~ Title I-A Improving the Academic Achievement of the Disadvantaged

- o Title I-C Education of Migratory Children
- \circ $\:$ Title I-D Educational Support for Neglected, Delinquent or At-Risk Children and Youth
- o Title II-A Supporting Effective Instruction
- o Title III-A Language Instruction for English Learners and Immigrant Students
- o Title IV-A Student Support and Academic Enrichment
- o Title IV-B 21st Century Community Learning Centers
- \circ ~ Title VI Indian, Native Hawaiian, and Alaska Native Education
- Individuals with Disabilities Education Act (IDEA)
- Adult Education and Family Literacy Act (AEFLA)
- Carl D. Perkins Career and Technical Education Act (Perkins)
- McKinney Vento Homeless Education Assistance Act
- Coordination of LEA preparedness and response efforts to improve coordinated responses with other agencies to prevent, prepare for, and respond to coronavirus. CARES Act Section 18003(d)(2).
- 3. Providing principals and other school leaders with the resources necessary to address school needs. *CARES Act Section 18003(d)(3)*.
- 4. Activities to address the unique needs of low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth. *CARES Act Section 180003(d)(4)*.
- 5. Developing and implementing procedures and systems to improve LEA preparedness and response efforts. *CARES Act Section 18003(d)(5).*
- 6. Training and professional development for LEA staff on sanitation and minimizing the spread of infectious diseases. *CARES Act Section 18003(d)(6)*.
- 7. Purchasing supplies to sanitize and clean LEA facilities. CARES Act Section 18003(d)(7).
- 8. Planning for and coordinating during long-term closures, including how to provide meals, technology for online learning, guidance on IDEA requirements, and ensuring other educational services can continue to be provided consistent with all applicable requirements. *CARES Act Section 18003(d)(8)*.
- 9. Purchasing educational technology (including hardware, software, and connectivity) for students served by the LEA that aids in regular and substantive educational interactions between students and their classroom teachers, including assistance technology or adaptive equipment. *CARES Act Section 18003(d)(9)*.
- 10. Providing mental health services and supports. CARES Act Section 18003(d)(10).
- 11. Planning and implementing activities related to summer learning and supplemental afterschool programs and addressing the needs of low-income students, students with disabilities, English learners, migrant students, students experiencing homelessness, and children in foster care. *CARES Act Section 18003(d)(11)*.
- 12. Other activities that are necessary to maintain operations and continuity of services and continuing to employ existing staff. *CARES Act Section 18003(d)(12)*.

3. Are there supplement, not supplant, restrictions on the GEERF and/or ESSERF?

No. Supplement, not supplant, restrictions do not apply to GEERF or ESSERF. The US Department of Education has issued an FAQ (oese.ed.gov/files/2020/05/ESSER-Fund-Frequently-Asked-Questions.pdf) which states, "The ESSER fund does not contain a supplanting prohibition. As a result, ESSER funds take the place of State or local funds for allowable activities." *Please note, this is specifically ESSERF, not GEERF.*

4. What are the allowable uses of the GEERF?

- Any activity authorized by the ESEA of 1965, including the Native Hawaiian Education Act and the Alaska Native Educational Equity, Support, and Assistance Act (20 U.S.C. 6301 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) ("IDEA"), the Adult Education and Family Literacy Act (20 U.S.C. 1400 et seq.), the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.) ("the Perkins Act"), or subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.).
- 2. Support the ability of the LEAs to continue to provide educational services to public and nonpublic school students and to support the on-going functionality of the LEA.
- 3. The provision of childcare and early childhood education, social and emotional support, and the protection of education-related jobs.

5. What are unallowable costs associated with the ESSERF or GEERF?

The U.S. Department of Education does not consider the following to be an allowable use of ESSERF, under any part of Section 18003: 1) subsidizing or offsetting executive salaries and benefits of individuals who are not employees of the SEA or LEAs or 2) expenditures related to state or local teacher or faculty unions or associations.

Generally speaking, U.S. Department of Education does not expect administrative or executive salaries and benefits for LEAs referenced at Section 18002(c)(3) to be a lawful purpose for GEERF.

Additionally, all costs, for both ESSERF and GEERF, must align with the cost principles described in the Uniform Grant Guidance (Subpart E of 2 CFR Part 200). The cost principles require, among other things, that costs be reasonable and necessary, and be allocable (or chargeable) to the program relative to the benefit received.

6. Can funds be used as of March 13, 2020 for technology hardware and software purchases that were necessary due to providing distance delivery?

Districts will be able to request reimbursement for expenditures that occurred on or after March 13, 2020, this includes technology to facilitate remote learning.

7. Can ESSERF and GEERF be used for summer school and/or after school programs to help students catch up academically?

Yes. ESSERF and GEERF may be used for continuing to provide educational services, such as remote learning, while schools buildings are closed.

8. Do the ESSERF and GEERF have to be spent directly on COVID-19 expenses or can they be used on general education expenses similar to foundation funding?

ESSERF and GEERF are not foundation funding and can only be used if they meet the criteria below.

ESSERF must be used to address needs that resulted from COVID-19 and fit into at least one of the allowable activities under Section 18003(d) of Division B of the CARES Act. See Question 4 above.

GEERF must be used to address needs that resulted from COVID-19 and fit into at least one of the allowable costs listed in Section 18002 of Division B of the CARES Act. Section 18002 can be found on page 9 of the <u>Certification and Agreement for Funding under the Education Stabilization Fund</u> <u>Program Governor's Emergency Education Relief Fund (https://oese.ed.gov/files/2020/04/GEER-Certification-and-Agreement.pdf)</u>.

9. The allowability of the funds granted under ESSERF is still vague and open ended. What does "other activities that are necessary to maintain operations and continuity of services and continuing employ existing staff" mean?

The SEA and each LEA that receives ESSERF or GEERF must, to the greatest extent practicable, continue to compensate its employees and contractors during the period of any disruptions or closures related to COVID-19 in compliance with Section 18006 of Division B of the CARES Act.

Please refer to the U.S. Department of Education's <u>Fact Sheet: Select Questions Related to Use of</u> <u>Department of Education Grant Funds During the Novel Coronavirus Disease 2019</u> (www2.ed.gov/documents/coronavirus/factsheet-fiscal-questions.pdf) for more information.

10. Because a disproportionate amount of many Superintendents' time has been directed to preparing, coordinating, implementing, and evaluating responses to the COVID-19 school closure and subsequent programmatic changes, what is the department's position on covering some of the cost of senior district administration with CARES Act funds? Would these duties be considered within the normal duties and responsibilities of a Superintendent to respond to anything that comes up, therefore not a good use of CARES Act funds?

In general, executive compensation is unlikely to be a good use of CARES Act funds. The GEERF application specifies "Generally speaking, the Department does not expect administrative or executive salaries and benefits for IHEs, SEAs, or the other education related entities referenced at Section 18002(c)(3) to be a lawful purpose for GEER funds."

However, if a district believes the specific activities being carried out by the Superintendent fall under the allowable uses of the ESSERF under Section 18003(d) of the CARES Act (Use of Funds #2 above) the department recommends maintaining written justification supporting the cost allowability.

11. If a district does not participate in the national food service program, but does provide food service that is locally funded, can the district use GEER funds for this?

Yes. Similar to ESSERF, GEERF can be used to provide food service to children to support the ongoing functionality of the LEA.

12. Would purchasing iPads for students during COVID-19 to be used for virtual school work be reimbursed from this funding?

ESSERF specifies that "purchasing educational technology (including hardware, software, and connectivity) for students served by the LEA that aids in regular and substantive educational interactions between students and their classroom teachers, including assistance technology or adaptive equipment" is an allowable use of ESSERF. *CARES Act Section 18003(d)(9)*

GEERF can be used to continue to provide educational services to their students and to support the on-going functionality of the local educational agency. *CARES Act Section 18002(c)(1)*

13. We have been providing services to students since spring break, keeping all staff employed, mostly working from home. Can we use these funds to cover salaries and benefits which were already budgeted to be covered by general fund, so are not an additional cost?

ESSERF and GEERF are not foundation funding and can only be used if they meet the criteria below.

ESSERF must be used to address needs that resulted from COVID-19 and fit into at least one of the allowable activities under Section 18003(d) of Division B of the CARES Act. GEERF must be used to address needs that resulted from COVID-19 and fit into at least one of the allowable costs listed in Section 18002 of Division B of the CARES Act.

14. Regarding employment exiting staff and protection of education-related jobs. Do these definitions only apply to the Operating Fund? We operate licensed childcare facilities at our elementary schools. We have continued to pay staff through the closure, but the program is managed through a non-operating fund. Can I use ESSERF and GEERF to cover the costs of these employees since the program has lost so much revenue? The operating fund will have to cover the deficit in the program.

Funds may not be transferred to replace lost revenue. While ESSERF and GEERF funds allow greater flexibility than other grants, they are federal grants that must be tracked in Special Revenue Funds and are subject to Education Department General Administrative Regulations Act (EDGAR) and the Uniform Grant Guidance (UGG) (2 CFR 200). The Governor's Emergency Education Relief Fund is CFDA 84.425C. The Elementary and Secondary School Emergency Relief Fund is CFDA 84.425D.

However, as long as expenditures using ESSERF funds are appropriately tracked this use is specifically allowed under CARES Act Section 18003(d)(12).

15. Can ESSERF and GEERF be used to replace district's formula annual budget from the state?

Funds may not be transferred to the General/Operating Fund to replace lost revenue. While ESSERF and GEERF funds allow greater flexibility than other grants, they are federal grants that must be tracked in Special Revenue Funds and are subject to Education Department General Administrative Regulations Act (EDGAR) and the Uniform Grant Guidance (UGG) (2 CFR 200). The Governor's

Emergency Education Relief Fund is CFDA 84.425C. The Elementary and Secondary School Emergency Relief Fund is CFDA 84.425D.

16. Are travel related expenses allowable? Due to travel bans and a reduction in air service, staff have not had access to flights to Anchorage in order to return to their permanent residences. Can these funds be used in assisting staff with travel to a location where they can get a flight to Anchorage?

This situation does not appear to meet any of the allowable uses of ESSERF or GEERF as listed in number 2 and number 4 in the Use of Funds section of this document.

17. We were told that additional expenses for food service programs that were not covered under SLFP expenses (such as individual containers needed for non-congregate feedings) could be covered under these funds. Should these go under ESSERF or GEERF? If so, which "allowable activity"?

ESSER allows this type of cost under sections 18003(d)(4) and 18003(d)(11) if targeting low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth.

If meals are not targeted low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth the costs are still allowable under ESSER section 18003(d)(12).

Application

1. When will the application be available in GMS? Will it be in FY20 or FY21?

The FY20 CARES Act application was made available in GMS on Tuesday, May 12, 2020.

The FY21 CARES Act application will be available in early June.

 Because of the nature of the COVID-19 building closures and the need to be nimble in our responses, will DEED provide flexibility with approved budgets for CARES Act & GEERF funds? (It will be difficult to budget for unforeseen expenditures and needs.)

As with all grants, districts have the opportunity to amend their budgets when priorities and activities change. It is DEED's priority to provide as much flexibility available under the federal guidelines.

3. If we don't intend to spend any money in FY20, is there an application in FY21? Or do we have to apply in FY20?

An FY21 application was made available in early June. If you do not intend to spend CARES Act funding in FY20 do not apply using the FY20 application *except* if there are private schools in the district boundaries. All districts with private schools must complete the Private School Allocations page in the FY20 application as well as upload Affirmation(s) of Consultation or evidence of meaningful consultation. Please notify the department that you will not be applying for FY20 funding by emailing <u>DEED.CARES@alaska.gov</u>.

4. I'm the user administrator for our district, but the ESSERF and GEERF lines are not currently clickable links in our address book. Is there something I am forgetting?

If you have not yet assigned a grant contact for the CARES Act application in GMS that is the most likely reason. Directions for adding a grant contact can be found on page 5 of the application handbook, available in the <u>GMS Document Library</u> (gms.education.alaska.gov/DocumentLibrary/).

If the CARES Act roles have been assigned and you are still having this issue please contact the department program staff for assistance by emailing eed.gms.support@alaska.gov.

5. Will delaying the application to FY21 affect the amount of our allocation?

No, delaying the application to FY21 will not change the amount of your allocation.

6. When was the CARES Act Application Handbook sent out? Where can I find it?

The CARES Act Application Handbook was sent out on Tuesday, May 12, 2020, along with the notification that the application was live. The handbook can also be found in the <u>Document Library</u> in <u>GMS</u> (gms.education.alaska.gov/DocumentLibrary/).

7. What is the deadline to submit the application?

The deadline to submit the FY20 application or notify the department that you will not be applying until the FY21 application is June 1, 2020.

As far as the FY21 application, the FY20 FER deadline is August 15, 2020. Districts can submit their FY21 CARES Act Application for review before then, but the FY21 CARES Act Application cannot be approved by DEED until the FY20 FER is approved, carryover is loaded, and the FY21 budget is amended accordingly. As a reminder, in order to have a timely first quarter reimbursement, the FY21 CARES Act Application must be approved by October 31, 2020.

8. What should be entered in the PR/Award Number and/or Project Name field of the assurances packet?

As the grant award number will not be generated until the application is approved please put "CARES Act Grant" in this field.

Finance Logistics

1. Do the ESSERF and GEERF have to comply with the Uniform Grant Guidance (UGG) and Education Department General Administrative Regulations Act (EDGAR)?

Yes. LEAs comply with:

- the provisions of all applicable acts, regulations, and assurances;
- the provisions of the EDGAR in 34 CFR parts 75, 76, 77, 81, 82, 84, 86, 97, 98, and 99;
- the OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement) in 2 CFR part 180, as adopted and amended as regulations of the Department in 2 CFR part 3485; and

• the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, as adopted and amended as regulations of the Department in 2 CFR part 3474.

2. Will there be reporting requirements on each of these funds?

DEED will be responsible for the majority of reporting. To facilitate the FFATA reporting, grantees are asked to update their entities SAM.GOV registration to include the ZIP +4 on all addresses. Additional details on requirements for grantee reporting is forthcoming, it is expected that grantees will be reporting the number of jobs retained or created with these funds.

State CARES Act Reporting Requirements

CARES Act Section 15011(2) Not later than 10 days after the end of each calendar quarter, each covered recipient¹ shall submit to the agency and the Committee a report that contains

- 1. The total amount of large covered funds received from the agency [>\$150,000 from USDOE, in grants].
- 2. The amount of large covered funds [>\$150,000] received that were expended or obligated for each project or activity.
- 3. A detailed list of all projects or activities for which large covered funds were expended or obligated,
 - a. Name of the project or activity
 - b. Description of the project or activity
 - c. Estimated number of jobs created or retained by the project or activity, where applicable,
 - d. Detailed information on any level of subcontracts or subgrants awarded by the covered recipient or its subcontractors or subgrantees to include the data elements required to comply with FFATA, allowing aggregate reporting on awards below \$50,000 or to individuals
 - e. FFATA Requires:
 - i. Federal Award Identifier Number (FAIN)
 - ii. Federal Agency Name
 - iii. SOA DUNS
 - iv. SOA Name
 - v. SOA Address
 - vi. Principal state of performance (
 - vii. CFDA Program Number
 - viii. Project Description
 - ix. Total Federal Funding Amount (total amount of CFDA)
 - x. Obligation/Action Date

¹ Any entity that receives covered funds \$150,000 or greater; and includes any State.

- xi. Subaward Date
- xii. Awardee Names & Compensation of highly compensated officers (usually N/A)
- xiii. Subawardee DUNS
- xiv. Subawardee Names
- xv. Subawardee Address
- xvi. Amount of Subaward
- xvii. Subawardee Principal Place of Performance
- xviii. Subaward Number
- xix. Subaward Project Description

3. Are the GEER and ESSER funds interchangeable or must they be reported separately?

No. These funds are not interchangeable, they have different allowable costs and different CFDA numbers.

4. How will districts draw down these funds- reimbursement or lump sum?

Both ESSERF and GEERF will be reimbursement funds.

5. Are there any federal single audit requirements?

Yes. LEAs must follow the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR part 200, as adopted and amended as regulations of the Department in 2 CFR part 3474.

6. Can districts take indirect?

Yes. Districts can take indirect for both ESSERF and GEERF.

7. What is the timeframe for these funds? How will carryover be handled?

Both the GEERF and the ESSERF are available through 9/30/2022. The grant awards in the Grants Management System (GMS) will be based on the state fiscal year. Initial awards will have a period of availability through 6/30/2020. Any balance will be carried over to FY2021 and available through 6/30/2021. Any remaining balance at that point will be carried over to FY2022 and available through 6/30/2022. Carry forward will continue until the entire grant is spent, or until 9/30/2022, when the grant period ends.

For districts that applied for FY20 ESSER and/or GEER funding, carryover will not occur until the FY20 Final Expense Report (FER) is completed and approved by DEED. A small allocation has been loaded to the FY21 CARES Act application so districts can start working on this application. The FY20 FER approval will not automatically populate the FY21 budget and program details. The FER approval only automatically carries forward unexpended funds from FY20. There is a copy forward feature for the budget but no copy forward feature for the Program Details.

8. What is the latest news about legislative action? Do we know when they may reconvene to take action on this?

The Governor submitted a package of Legislative Revised Programs (RPLs) to the Legislative Budget and Audit Committee on April 21st. RPLs request additional authority for federal receipt authority. This additional authority is needed in order for DEED to issue grants and reimbursements out to districts. The Legislative Budget and Audit Committee approved the RPLs on 5/1/2020. The legislature reconvened on Monday May 18th and passed HB 313 to ratify the actions taken by the Legislative Budget and Audit Committee.

9. How will the district apply for the ESSER and GEER funds?

DEED created a CARES Act Application within the <u>Grant Management System (GMS)</u> (gms.education.alaska.gov). Within the CARES Act Application, the district will be able to budget for the funds they receive. There is separate budgets for the ESSERF and GEERF funds.

10. What will be the deadline for encumbrances?

FY2020 funds must be encumbered by June 30, 2020. However, since these grants will carry forward, encumbrances should be only for those goods with an order placed prior to 7/1/2020 or for those services that have been received by 6/30/2020 but an invoice has not been received.

11. Will time and effort reports be required for wages paid under CARES Act funds?

These funds are subject to Uniform Grant Guidance, standard time and effort documentation under 2 CFR 200.430 is required to be maintained for wages paid with CARES Act funds.

12. Will the department accept requests for districts to access additional GEER funds if a need emerges that cannot be met with existing funds? Will there be a process established to submit such requests?

Per federal guidance, GEERF may be allocated at the Governor's discretion. A decision on how the remaining funding will be allocated has not been made at this time.

Child Nutrition

Is there anything in the CARES act that would prevent these funds from being used on expenditures related to the unique model of food service we are providing during the COVID-19 closures?

Yes, Section 18003 of the ESSERF provides guidance on the uses of funds related to meals.

(d) USES OF FUNDS. A local educational agency that receives funds under this title may use the funds for any of the following:

(8) Planning for and coordinating during long-term closures, including for how to provide meals to eligible students, how to provide technology for online learning to all students, how to provide guidance for carrying out requirements under the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.) and how to ensure other educational

services can continue to be provided consistent with all Federal, State, and local requirements.

2. Will there be a future webinar regarding those Child Nutrition and Childcare funds that will be managed by DEED?

Jo Dawson and her team provide weekly round table webinars for districts to address questions related to Child Nutrition. The Zoom meeting invitations are sent out weekly. To be added to the mailing list, please contact Elizabeth Seitz at <u>elizabeth.seitz@alaska.gov</u>.

The Division of Public Assistance is taking the lead on distributing Child Care federal block grant funds. Shawnda O'Brien, Division Director, is the appropriate point of contact for legislative inquiries. Director O'Brien can be reached at shawnda.obrien@alaska.gov or at (907) 465-5847.

3. Can CARES Act funds be used to fund food for families over the summer?

Summer meal programs receive federal reimbursement similar to school meals on a per-meal reimbursement set by USDA (<u>https://www.federalregister.gov/documents/2020/01/30/2020-01607/summer-food-service-program-2020-reimbursement-rates</u>)

4. Will districts need to look into other sources of funds for any food service above normal due to the pandemic?

ESSERF funds may pay for extra costs in the meal service program.

5. Can districts in rural areas purchase pre-packaged meals and fruit cups, will this be funded?

Food expenses are allowable charges to the food service account; USDA funding is based on per meal reimbursement rates, not actual costs.

Equitable Services

[NEW 9/25/20] Special Note - In June, US ED sent to the Federal Register for publication an <u>Interim Final</u> <u>Rule (IFR)</u> to codify its interpretation of the equitable services provisions in the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, 134 Stat. 281 (Mar. 27, 2020) (Section 18005, entitled, "Assistance to Non-Public Schools"). The IFR has been unofficially published <u>here</u> on the Department's website. Once the rule was officially published in the Federal Register, it was effective immediately and open for public comment for 30 days.

Recently a federal judge in the United States District Court for the District of Columbia issued an order striking down the regulation which determines how the share of equitable services to private schools is calculated under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The decision is an order for summary judgment – a final order vacating the rule in its entirety nationwide, in contrast to the more limited preliminary injunctions which have been issued by courts in Washington and California. US ED <u>acknowledged the court's decision</u>. On September 4, 2020, in *NAACP v. DeVos*, the U.S. District Court for the District of Columbia issued an <u>opinion</u> and an <u>order</u> vacating the IFR. Accordingly, the IFR is

no longer in effect. Secretary Betsy DeVos sent a letter to Chief State School Officers dated September 25, 2020 that confirmed the US Department of Education will not appeal these rulings.

1. Will an example correspondence to private schools be available (equitable services consultation)?

DEED issued a sample affirmation of consultation for both ESSERF and GEERF on May 6, 2020. These documents have also been uploaded to the Related Documents as well as the Document Library in GMS. Additionally, US ED issued a <u>frequently asked questions document</u> on equitable services requirements of the CARES Act – funds allocated to LEAs are subject to equitable services as under Section 1117 of the Elementary and Secondary Education Act (ESEA). This document applies to both GEERF and ESSERF.

2. What are the equitable services requirements for both the GEERF and ESSERF?

- LEA receiving GEERF and ESSERF funds must provide equitable services to students and teachers in non-public schools located within the LEA in the same manner as provided under section 1117 of the ESEA, as determined through timely and meaningful consultation with representatives of non-public schools.
 - The LEA must maintain control of funds for the services and assistance provided to a non-public school under the GEERF and ESSERF.
 - The LEA must ensure that a public agency will have title to materials, equipment, and property purchased with GEERF and ESSERF.
 - The LEA must ensure that services to a non-public school with GEERF and ESSERF will be provided by a public agency directly, or through contract with, another public or private entity.

3. Are charter and private schools the same?

No, charter and private schools are not the same. In Alaska charter schools are legally within the district. Private schools are outside the district.

4. Regarding (Private school) equitable services, if you calculated an estimate of staff time within your reasonable administrative costs, would you need to keep records of time and effort?

Yes, these funds are subject to Uniform Grant Guidance. Standard time and effort documentation under 2 CFR 200.430 is required to be maintained for wages paid with CARES Act funds.

5. If a private school refuses to participate, we still provide special education services as usual, correct?

Yes, Special Education services should continue to be provided as usual.

6. Our district has a new private school that was "in existence" prior to March 13 but which does not currently have any K-12 students enrolled. They are currently recruiting for Fall 2020. Do we need to include them in this FY20 round of consultations, even though their equitable allocation would be zero? Or do we just plan to include them in consultation for FY21 once they have students enrolled?

As the private school had no K-12 students enrolled during the 2019-2020 school year, there is no need to consult with this private school for CARES Act funding.

Since the private school has no students currently enrolled, there is no requirement to consult with this private school for the FY21 ESEA Consolidated Application.

Should this private school enroll K-12 students during the 2020-2021 school year, the district will be required to consult this private school for the ESEA FY22 application during the spring of 2021.

7. May an LEA use CARES Act funds to reimburse a non-public school for allowable COVID-19 related expenses that the school incurred on or after March 13, 2020 but prior to the onset of equitable services by the LEA?

Under section 18005(b) of the CARES Act and 34 C.F.R. § 76.665(f), an LEA must control funds for services and assistance provided to non-public school students and teachers under a CARES Act program and keep title to materials, equipment, and property purchased with such funds, and the LEA must administer such funds, materials, equipment, and property. Thus, an LEA may only reimburse a non-public school for necessary expenditures the non-public school incurred in response to COVID-19 under limited circumstances where it can do so while also meeting these requirements. In doing so, the LEA must ensure those activities, materials, or equipment are allowable under the CARES Act and are secular, neutral, and non-ideological.

For example, an LEA may use CARES Act funds to reimburse a non-public school for costs related to cleaning and sanitizing a school facility that occurred on or after March 13, 2020, in response to the COVID-19 pandemic, but before the LEA and non-pubic school officials engaged in timely and meaningful consultation. To maintain control over the CARES Act funds, the LEA must ensure that the non-public school's expenditures represent allowable expenses, that the non-public school has sufficient documentation supporting such expenditures, and that the school actually received the services or assistance related to those expenditures.

Similarly, for example, if a non-public school purchased laptops for students and teachers to facilitate online learning, and if the non-public school officials and LEA both agree, the LEA may use CARES Act funds to purchase those laptops from the non-public school, thereby also obtaining title for the laptops from the non-public school. Provided these conditions are met, the LEA may continue to allow the laptops to be used by non-public school students and teachers.

In each case, such educational services or other benefits, including materials and equipment, must be secular, neutral, and nonideological. For example, under the conditions outlined above, it would be permissible for an LEA to reimburse a private school for devices used to establish a wireless hotspot for remote learning, but not for software designed to provide religious instruction.

8. May an LEA use CARES Act funds for repairs, renovation, or remodeling in a non-public school?

No. An LEA must maintain title to any materials, equipment, and property purchased with CARES Act

funds, and the LEA must administer and control the materials, equipment, and property. (Section 18005(b) of the CARES Act and 34 C.F.R. § 76.665(f)). In addition, under Department regulations applicable to equitable services under the CARES Act, equipment and supplies placed in a private school must be removable from the private school without remodeling (34 C.F.R. § 76.661(c)(2)), and program funds may not be used for construction (including renovation, remodeling, and repairs) of private school facilities (34 C.F.R. § 76.662).

An LEA may, however, provide equitable services in the form of non-permanent improvements in a non-public school, provided that these improvements are easily removable. For example, an LEA might set up a temporary screening area in a tent in front of a non-public school, rent and install temporary partitions to assist with social distancing, or provide hand sanitizing stations.

9. How long may equipment and supplies purchased with CARES Act funds and placed in a non-public school remain in that non-public school?

Equipment and supplies purchased with CARES Act funds for students and teachers in a non-public school may be used for the authorized purposes of the CARES Act during the period of performance, or until the equipment and supplies are no longer needed for the purposes of a CARES Act program (See 34 C.F.R. § 76.661(b); 2 C.F.R. §§ 200.313(a)(1), (c)(1) and 200.314(a)). The period of performance is the time during which an LEA may incur new obligations to carry out the work authorized under the CARES Act award—i.e., through September 30, 2022. (2 C.F.R. § 200.77).

In general, once equipment or supplies are no longer needed for purposes of a CARES Act program, an LEA must remove them from the private school. (34 C.F.R. § 76.661(d)(1)). However, after equipment and supplies are no longer needed for the purposes of a CARES Act program, the LEA may continue to use the equipment or supplies in the non-public school to the extent they are needed for other allowable purposes under another federal education program, such as the ESEA or the Individuals with Disabilities Education Act (IDEA). The LEA retains title to, and must maintain administrative control over, the equipment and supplies.

Other

1. Regarding CARES Act money going to municipalities, what are their restrictions? Currently they are indicating it cannot be used to replace money impacted by the bond-debt reimbursement veto.

Funding to municipalities is not being distributed through the Department of Education & Early Development (DEED). We recommend communicating with the granting department in order to receive the most accurate information.

2. Other than the 30 million for schools that the Governor has said he would try to get through the CARES program, what other funding sources are districts eligible for and which funds do districts need to apply for and which funds will the state be applying for?

Funding availability is changing rapidly. At this time we are not aware of any funds available directly to school districts, however boroughs/municipalities are receiving funding that may be subgranted to the districts.

Contact Information

Please email <u>DEED.CARES@Alaska.gov</u> with any additional questions.