



May 14, 2020

Federal Elementary and Secondary School Emergency Relief Fund (ESSER Fund)

On April 23, 2020, U.S. Secretary of Education (USED) Betsy DeVos announced the availability of an application for State education agencies (SEAs) to apply for the Federal [Elementary and Secondary School Emergency Relief Fund](#) (ESSER Fund) authorized through the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The USED awards grants to SEAs for the purpose of providing local educational agencies (LEAs), including charter schools that are LEAs, with emergency relief funds to address the impact that Novel Coronavirus Disease 2019 (COVID-19) has had, and continues to have, on elementary and secondary schools across the nation.

The Montana Office of Public Instruction (OPI) has been approved for Federal ESSER funds to support Montana LEAs in meeting needs resulting from COVID-19. Federal ESSER funds are allocated to LEAs based on the LEA's State FY 2020 (Federal FY 2019) percentage of Title I, Part A funds. LEAs that were not eligible for State FY 2020 Title I, Part A funds or chose to waive Title I, Part A funds will receive an allocation from the SEA reserve.

The OPI has received an official Grant Award Notification (GAN) for ESSER funds from USED and the OPI is working to create an application for LEAs in the Egrants Management System.

LEA Uses of ESSER Funds

The CARES Act has general guidance that all grants be used *"to prevent, prepare for, and respond to coronavirus."* All LEA expenditures of grant funds must meet this requirement and adhere to the designated allowable expenditures specific to the ESSER funding listed below.

Although ESSER funds are based on the Title I, Part A formula, there is flexibility in the ways in which LEAs may use the funds. LEAs may use ESSER funds for any purposes listed in section 18003(d) of the [CARES Act](#).¹ Under these provisions, an LEA that receives ESSER funds may use the funds for any activity authorized by the following Federal education acts:

¹ Section 18003 (d) of Title VIII of Division B of the CARES Act, Pub. Law 116-136 (enacted March 27, 2020)

- A. The Elementary Secondary Education Act (ESEA) of 1965, currently reauthorized as the [Every Student Succeeds Act](#) (ESSA) of 2015.

ESSA includes the following Federal education programs:

- a. Title I, Part A: Improving Basic Programs Operated by LEAs, including the portions of the State Education Agency's (SEA's) Title I, Part A award used to carry out section 1003 School Improvement for Schools Identified for Comprehensive Support and Improvement (CSI) and Targeted Support and Improvement (TSI)
 - b. Title I, Part C: Education of Migratory Children
 - c. Title I, Part D: Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent or At Risk
 - d. Title II, Part A: Supporting Effective Instruction
 - e. Title III, Part A: English Language Acquisition, Language Enhancement, and Academic Achievement
 - f. Title IV, Part A: Student Support and Academic Enrichment Grants
 - g. Title IV, Part B: 21st Century Community Learning Centers
 - h. Title V, Part B, Subpart 2: Rural and Low-Income School Program
 - i. Title VI: American Indian and Alaska Native Education
 - j. Title VII, Part B: McKinney-Vento Education for Homeless Children and Youth Program
- B. The [Individuals with Disabilities Education Act](#) (IDEA)
- C. The [Adult Education and Family Literacy Act](#) (AEFLA)
- D. The [Carl D. Perkins Career and Technical Education Act](#) (CTE)
- E. Subtitle B of Title VII of the [McKinney-Vento Homeless Assistance Act](#)

Additional LEA Uses of ESSER Funds

In addition to supporting authorized activities under the Federal education programs listed above, LEAs that receive ESSER funds may use the funds for any of the following purposes:

- A. Coordination of preparedness and response efforts of LEAs with State, local, Tribal, and territorial public health departments, and other relevant agencies, to improve coordinated responses among such entities to prevent, prepare for, and respond to coronavirus.

- B. Providing principals and others school leaders with the resources necessary to address the needs of their individual schools.
- C. 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, including how outreach and service delivery will meet the needs of each population.
- D. Developing and implementing procedures and systems to improve the preparedness and response efforts of LEAs.
- E. Training and professional development for staff of the LEA on sanitation and minimizing the spread of infectious diseases.
- F. Purchasing supplies to sanitize and clean the facilities of the LEA, including buildings operated by the LEA.
- G. Planning for and coordinating during long-term closures, including 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 IDEA, and how to ensure other educational services can continue to be provided consistent with all Federal, State, and local requirements.
- H. Purchasing educational technology (including hardware, software, and connectivity) for students who are served by the LEA that aids in regular and substantive educational interaction between students and their classroom instructors, including low-income students and students with disabilities, which may include assistive technology or adaptive equipment.
- I. Providing mental health services and supports.
- J. Planning and implementing activities related to summer learning and supplemental afterschool programs, including providing classroom instruction or online learning during the summer months and addressing the needs of low-income students, students with disabilities, English learners, migrant students, students experiencing homelessness, and children in foster care.
- K. Other activities that are necessary to maintain the operation of and continuity of services in LEAs and continuing to employ existing staff of the LEA.

Timing

The OPI has received the GAN for the grant and LEAs will be able to access funds as soon as the Egrants application is available. The grant requires the SEA to award funds within one year of receipt of the GAN, or April 29, 2021. LEAs will have until September 30, 2022 to obligate expenditures.

Pre-Award Costs

The grant allows the use of funds for pre-award cost, meaning the LEA may use the ESSER funds to reimburse itself for expenditures made on or after March 13, 2019. Please note the section “Supplement not Supplant” below.

Supplement Not Supplant

The ESSER Fund does not contain a supplanting prohibition. At the LEA level, ESSER funds may take the place of State or local funds for allowable activities. However, the ESSER grant does not change the maintenance of effort requirements of other federal grants.

Restrictions on LEA Uses of ESSER Funds

Funds may not be used for 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.

Other Assurances LEAs Must Make to Receive ESSER Funds

Any LEA receiving funding under this program will have on file with the SEA a set of assurances that meets the requirements of section 442 of the General Education Provisions Act (GEPA) (20 U.S.C. 1232e).

To the extent applicable, an LEA will include in its local application a description of how the LEA will comply with the requirements of section 427 of GEPA (20 U.S.C. 1228a). The description must include information on the steps the LEA proposes to take to permit students, teachers, and other program beneficiaries to overcome barriers (including barriers based on gender, race, color, national origin, disability, and age) that impede equal access to, or participation in, the program.

A LEA, State, institution of higher education (IHE), or other entity that receives funds under the CARES Act Education Stabilization Fund, shall to the greatest extent practicable, continue to pay

its employees and contractors during the period of any disruptions or closures related to coronavirus.²

LEAs must continue to document the time and effort of employees paid in whole or in part by Federal education funds.³

Equitable Services to Non-Public Schools

LEAs receiving funds under — sections 18002 or 18003 of the CARES Act shall provide equitable services in the same manner as provided under section 1117⁴ of Title I, Part A of the ESEA of 1965 to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools.⁵ No ESSER funds may be transferred to a non-public schools. The LEA has the responsibility to initiate the equitable share consultation with non-public schools within its boundaries to agree on the services to be provided.

The control of funds for the services and assistance provided to a non-public school under subsection (a), and title to materials, equipment, and property purchased with such funds, shall be in a public agency, and a public agency shall administer such funds, materials, equipment, and property and shall provide such services (or may contract for the provision of such services with a public or private entity).⁶ Further information can be located on the OPI [private school participation](#) webpage.

The calculation of the value of equitable services that the LEA must provide to non-public schools is different for ESSER as compared to Title I and IDEA. For ESSER funds the non-public school share of the allocation to an LEA is determined by dividing the total enrollment of the non-public schools by the total combined enrollment of public and non-public schools within the LEA's boundaries. This methodology was contained in [U.S. Department of Education guidance](#) on equitable services published on April 30, 2020. The Department has received requests from various stakeholders to reconsider this methodology. If the Department changes the allocation method, LEAs will be notified and the calculation reprogrammed in Egrants.

² CARES Act Sec. 18006

³ USED COVID-19 Fiscal FAQs: Select Questions Related to Use of Department of Education Grant Funds During the Novel Coronavirus Disease 2019

⁴ [USED Equitable Services Guidance](#)

⁵ CARES Act Sec. 18005(a)

⁶ [USED Non-public Education FAQs](#)

Funding Amount and Allocation to LEAs

Montana has received \$41,295,230 in federal funds for this grant. Under the terms of the grant 90% of this amount must be allocated to LEAs proportionate to the Title I Part A allocation for this school year. As allowed under the grant terms, the Superintendent has elected to set aside the remaining 10% for discretionary use and has decided to allocate the funds in the following manner:

- Supplement the 90% allocation to ensure each LEA receives a minimum of \$10,000.
- Allocate \$3,000,000 for the purpose of supporting school districts and special education cooperatives to supply special education related services to children with disabilities during school closures.
- Support added administrative costs at the OPI including hiring one FTE for one year to administer the grant.
- Set aside \$308,025 for emergency needs that may arise.

The breakdown of the funding is shown in the following table:

Montana Elementary and Secondary Education Relief Fund Distribution	
Total funds received from the U.S. Department of Education	41,295,230
90% Distributed to LEAs Based Upon Title I Part A Formula (SY 2020)	37,165,707
10% Allowable Set Aside	4,129,523
Total Funds	41,295,230
Break Out of the Set Aside:	
Portion to Adjust LEAs to a Minimum of \$10,000	615,022
SPED Allocation to LEAs Who Are Not SPED Cooperative Members	2,059,851
SPED Allocation to SPED Cooperative Members and Passed Through to SPED Cooperatives	940,149
0.5% OPI Administrative Costs	206,476
Remaining Set Aside for OPI Covid-19 Emergency Needs	308,025
Total Administrative Set Aside	4,129,523

The amount to be paid to each LEA is posted on the OPI's [COVID-19 webpage](#).

Allocation for SPED Assistance of \$3,000,000

The allocation method selected to equitably distribute funds to LEAs uses the allocation methodology for the related services portion of State special education funding. LEAs who are special education cooperative members will pass these funds through to their special education cooperative.

For account coding information about this transfer from the LEA to the special education cooperative, please see the accounting guidance document maintained by the OPI School Finance Division. ESSER funds expended for special education do not reduce the amount of state and local funds expenditures required to meet special education maintenance of effort requirements.

LEA Application for Funds

The ESSER funds will be distributed to LEAs and administered using a new Egrants module named ESSER. The set-up of the module is like other federal grants. LEAs will have to sign the grant assurances, create an initial budget, and enter the equitable services information before applying to draw down funds.

Within Egrants, the ESSER funding will be handled as two funding sources. The first will be the 90% allocation and the supplemental amount from the set aside to provide a minimum of \$10,000 for each elementary and high school program. The second funding source will be the \$3,000,000 that has the added emphasis that it is to be used for special education related services.

The equitable services calculation must be done for each funding source to give a total amount of equitable services due to each non-public school. However, during the consultation with the non-public school, the services agreed upon do not have to match the proportionate breakdown of the main allocation and the special education related services allocation. In other words, if the calculation for a particular school shows \$900 due from the main allocation and \$100 from the special education related services allocation, the LEA and the non-public must agree on up to \$1,000 of services to be provided and not break the services down into two components.

Quarterly Reporting

The SEA is required to report on a quarterly basis how the ESSER funds are spent. The OPI has consolidated the twelve allowable expenditures into eight cost categories expressing the use to which the funds will be applied. The LEA will detail the initial budget and subsequent cash draws in Egrants using these categories. The OPI will use the Egrants information to provide quarterly reporting to the US Department of Education.

Expenditure Categories for ESSER Reporting

- **Remote Learning Technology** – purchase of computers, mobile devices, hot spots, cable and Wi-Fi connections for schools and students, remote learning software, online tools to support English Learners and minorities, network enhancements, new or enhanced security for remote users
- **Professional Development** – training for teachers and administrators regarding:
 - remote learning concepts and practice
 - behavioral and emotional issues for children in remote learning environments,
 - training on remote learning software and general online tools
- **Facility** – cleaning and sanitizing school facilities, redesign and conversion of spaces for social distancing, furniture changes, signs and posters, and floor distance markers
- **Wellness** – purchase of wipes, thermometers, masks, and other tools for maintaining safety of students and staff
- **Community Collaboration** – costs of collaboration with state, county, and Tribal public health, medical providers, mental health organizations, and improving school preparedness for public health emergencies
- **Meals** – costs of making and delivering meals for students
- **At Risk Children and Children with Disabilities** – costs for providing FAPE to children with disabilities due to disruption of normal routines and facilities including additional fund transfers to special education cooperatives, provide supports for English learners, low income, and homeless children
- **Other** – other activities that arise to prevent, prepare for, and respond to coronavirus

Key Contacts for the ESSER Grant

[Ken Bailey](#), Chief Financial Officer, 406-444-2562, General ESSER Questions

[Jack O'Connor](#), Federal Programs Director, 406-444-3083, Equitable Distribution to Non-Public Schools and Title I Part A Allocation Method

[Jenifer Cline](#), Student Support Services Division Administrator, 406-444-4424, Questions Regarding SPED Allocation

[Dick Trerise](#), Student Support Services Assistant Division Administrator, 406-444-4429, Questions Regarding SPED Allocation

[Renee Richter](#), Financial Analyst, 406-444-1960. Questions Regarding LEA Accounting Guidance

[Jay Phillips](#), Centralized Services Division Administrator, Egrants Questions

[E-Grants Security](#), 1-888-231-9393, Local 406-444-3095, Access to Egrants

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