

Appendix A: COVID-19 Supplement to the State & Federal Grants Manual

Federal grant management has become more complex during the COVID-19 pandemic due to the waivers and flexibilities to ongoing federal grant programs and the influx of additional federal grants such as Emergency and Secondary School Emergency Relief (ESSER) Grant Programs.

Elementary and Secondary School Emergency Relief (ESSER) Grant Programs

ESSER grant funding was authorized in three (3) pieces of federal legislation. As a result, the ESSER programs are administered by TEA as separate grant programs. An ESSER side-by-side is under development. ESSER program information by federal legislation is provided below:

[ESSER I Grant Program](#)

(FAR code 266) Authorized in [Title VIII, Division B, of the Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), signed into law in March 2020. Period of availability is March 13, 2020 (with pre-award), to September 30, 2022 (with carryover).

[CRRSA ESSER II Grant Program](#)

(FAR code 281) Authorized in [Title VIII, Division B, of the Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), signed into law in March 2020. Period of availability is March 13, 2020 (with pre-award), to September 30, 2022 (with carryover).

[ARP ESSER III Grant Program](#)

(FAR code 282) Authorized in the [American Rescue Plan Act \(ARP\)](#), signed into law in March 2021. Period of availability is March 13, 2020 (with pre-award), to September 30, 2024 (with carryover).

[ESSER-SUPP Grant Program](#)

(Use ESSER III FAR code 282, along with a local option code to distinguish it as separate from ESSER III) The Texas Legislature authorized under TEC Section 29.930 as added by House Bill 1525, 87th Legislature, Regular Session, a portion of the state's discretionary ESSER III funding to provide additional resources to pay for unreimbursed costs due to the coronavirus pandemic and for intensive educational supports for students not performing satisfactorily.

Information related to these federal grant funds such as program guidelines, sample application, program-specific provisions and assurance, and critical event deadlines are available on the TEA Grant Opportunities webpage at: [GrantProgramDetails \(state.tx.us\)](#) [Hint: Search on keyword "ESSER".

TEA has created numerous resources to aid school districts in managing the federal grant funds such as:

- [ESSER Side-by-Side Requirements Document](#)
- [ESSER FAQ](#)
- [ESSER FAQ Submission](#)
- [ESSER Justification/Documentation of Allowable Users of ESSER Funds](#)
- [Pre-Approval for Construction, Remodeling, Alteration, Renovation, or Repair Costs](#)

Other federal and/or state pandemic-related grants are also available. Information on some of the additional grant opportunities is available on the TEA COVID-19 webpage at: [Coronavirus \(COVID-19\) Support and Guidance | Texas Education Agency](#)

Federal Grant Management COVID-19 Related Provisions

In addition to the general federal grant management provisions in the State and Federal Grant's Manual, the following changes have been implemented to ensure compliance with the new federal grant funds.

Grant Application Process:

The position(s) list below shall be responsible for leading the development of the ESSER grant applications. Due to the substantial supplanting of state funds, some districts have opted to assign an administrator, other than an existing federal grant coordinator/director to complete and submit the ESSER federal grant applications.

- ESSER I: Director of Business Operations
- ESSER II: Director of Curriculum & Instruction
- ESSER III: Director of Curriculum & Instruction
- ESSER III - TCLAS: Director of Curriculum & Instruction

Budgeting ESSER Grant Funds:

Due to the opportunity to budget and expend ESSER federal grant funds as pre-award costs retroactively to March 2020, the Director of Curriculum & Instruction and Director of Business Operations shall work collaboratively to ensure that the ESSER federal grant funds are budgeted and expended in each fiscal year in accordance with the ESSER grant application.

The Director of Business Operations shall budget ESSER grant funds in the appropriate fund code as authorized by Financial Accountability System Resource Guide, or the granting agency, as appropriate.

Period of Performance (Obligations)

The district shall ensure that the period of performance for the ESSER grant funds matches both the NOGA grant period and the specific quarters/fiscal years as noted on the grant application. The Director of Business Operations shall be responsible to oversee that all costs for ESSER grants are in compliance with both requirements.

Procurement Standards and Expenditures of Grant Funds

The district shall utilize either the [ESSER Justification/Documentation of Allowable Users of ESSER Funds](#) or a local similar form to document all ESSER grant fund expenditures. The district's purchasing procedures shall be utilized for all ESSER grant fund purchases.

Construction projects with ESSER grant funds shall be pre-approved by TEA before the bid process or construction begins. The [Pre-Approval for Construction, Remodeling, Alteration, Renovation, or Repair Costs](#) form shall be used to secure the preapproval from TEA. All Davis-Bacon Act requirements shall be adhered to if using ESSER grant funds for construction. The Director of Business Operations shall monitor and ensure compliance with the Davis Bacon Act including the use of prevailing wages and posting the legally-required Davis Bacon Act poster.

Property Standards and Management

All assets purchased with ESSER grant funds shall be added to the district's asset inventory records in compliance with EDGAR. The funding source, such as ESSER I, II or III shall be part of the asset records. The ESSER-funded assets shall be labeled with federal grant program. The district will purchase assets with ESSER grant funds. The district will use ESSER grant funds for construction.

Fixed Assets procedures reflecting changes due to the USDE COVID-19 flexibilities are not necessary because the District is not utilizing the flexibilities allowed.

Cost Principles – Allowable Costs

Although there is great flexibility with the use of the ESSER grant funds, the district shall ensure that all grant expenditures are allowable under the Federal Cost Principles (2 CFR 200 – Subpart E), the grant application program assurances, the granting agency's policies, and the district policies and procedures.

Specifically, the allowable costs shall be in compliance with the ESSER grant application and the statutorily allowed activities.

The following costs are unallowable with ESSER grant funds:

- Bonuses, merit pay, or similar expenditures, unless related to disruptions or closures related to COVID-19
- Subsidizing or offsetting executive salaries and benefits or individuals who are not LEA employees
- Expenditures related to state or local teach or faculty unions or associations
- Construction costs without prior written approval from TE

Revised procedures related to travel costs with USDE COVID-19 flexibilities are found in a separate document on the District website located with this one.

Compensation and Benefits

The district shall utilize the School Board approved compensation plan for all payments with ESSER grant funds. Additional compensation strategies such as one-time payments, retention payments, etc. shall be approved by the School Board as part of the district's compensation plan. Incentives are not allowed with federal grant funds; therefore, the district will not utilize ESSER grant funds to pay incentives to staff or others.

The School Board has authorized the following additional compensation strategies with ESSER grant funds:

- ESSER I: Supplanting salaries of core teachers as allowed in the grant
- ESSER II: Extended summer school, remediation programs before and after school
- ESSER III: Extended summer school, remediation programs before and after school, and retention payments

Job Descriptions for ESSER Grant Funded Staff

The Superintendent's Office shall develop and distribute a job description to all district staff that is wholly or partially funded with ESSER grant funds. The job description shall include the funding source(s) and the job duties as they relate to the grant position.

At a minimum the job descriptions for the ESSER-funded positions shall include the fund code number and the "intent" of the ESSER federal grant funding. A recap of the "intent" for ESSER I, II and III is listed below (excerpts from the ESSER Program Guidelines):

ESSER I – Fund 266

The intent and purpose of the CARES Act education funding is to prevent, prepare for, and respond to the coronavirus.

ESSER II - Fund 281

The intent and purpose of the CRRSA Act of 2021, ESSER II funding is to prevent, prepare for, or respond to the COVID-19 pandemic, including its impact on the social, emotional, mental health, and academic needs of students.

ESSER III – Fund 282

The intent and purpose of ARP of 2021, ESSER III funding is to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students.

ESSER III SUPP – Fund 282 (use local option to separate from ESSER III)

The intent of the ESSER-SUPP grant is to provide additional resources to pay for unreimbursed costs due to the coronavirus pandemic and for intensive educational supports for students not performing satisfactorily. The intent and purpose of ARP of 2021, ESSER III funding is to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on students.

Time and Effort Documentation

District staff wholly paid from ESSER grant funds will not be required to comply with federal guidelines related to time and effort. An LEA must maintain time distribution records (sometimes called “time and effort” reporting) only if an individual employee is split-funded between ESSER and activities that are not allowable under the ESSER program. The Director of Business Operations shall collect, review and monitor compliance with the time and effort federal guidelines, for ESSER-funded staff that are split-funded between ESSER and non-ESSER funds.

ESSER Grant Compliance Requirements

Supplement, Not Supplant

LEAs may supplant locally with ESSER funds. Due to having no supplement, not supplant requirement, an LEA may use its unrestricted indirect cost rate for these grants.

Maintenance of Effort (MOE)

There is no Maintenance of Effort requirement for ESSER grant funds. However, the district will evaluate the impact on ESSA and IDEA-B MOE if the district chooses to reclassify local and state funds to ESSER grant funds.

Equitable for Service for Private Schools

For ESSER I grant funds, the district shall provide equitable services to participating private non-profit schools per Title I, Part A Equitable Services Provisions. The Director of Curriculum and Instruction shall oversee compliance with these provisions. This provision does not apply to ESSER II or ESSER III grant funds. At this point, Sabine ISD has no private non-profit schools within the district boundaries.

Maintenance of Equity (MOEquity)

A new requirement for Maintenance of Equity (MOQ) applies only to ESSER III (and other grants authorized under the ARP). The local MOEquity requirement is that LEAs shall not reduce (1) per-pupil spending of state and local funds, or (2) FTEs, for any high poverty school by an amount that exceeds the total reduction(s) within the LEA. “High poverty school” is defined as a school with a higher percentage of economically disadvantaged students than the median school percentage of the LEA or the LEA’s grade span (based on Title I, Part A economically disadvantaged student data).

The Director of Business Operations and Director of Curriculum and Instruction shall ensure that the district is in compliance with the MOEquity requirement. The district must comply with this requirement through September 2023.

The district is automatically exempt from MOEquity compliance due to only having one campus per grade span.

ESSER III (and other ARP federal grant awards) Program-Specific Requirements

The district shall create and maintain an ESSER III Use of Funds Plan after conducting meaningful consultation with required stakeholders. The Plan shall be prominently posted on the district’s website. The Director of Curriculum and Instruction shall be responsible for oversight, update and posting of the ESSER III Use of Funds Plan.

The district shall create an **LEA Safe Return to In-Person Instruction and Continuity of Service Plan Requirements** plan. The plan must also be reviewed and, as appropriate, revised every six months until September 30, 2023, including stakeholder input and public comment. If the LEA revises its plan, the revised plan must address each of the aspects of safety currently recommended by the CDC at the time of the revision or, if the CDC has updated its safety recommendations at the time the LEA is revising its plan, each of the updated safety recommendations.

The Director of Curriculum and Instruction shall be responsible for oversight, update and posting of the LEA Safe Return to In-Person Instruction and Continuity of Service Plan.

ESSER III requires a minimum of **20% for learning loss strategies**. The school district must expend a minimum of 20% of their grant funds on evidence-based interventions, such as summer learning, extended day comprehensive after-school programs, or extended school year programs. Secondly, the district must ensure interventions respond to students' academic, social, and emotional needs and address disproportionate impact of coronavirus on student populations as defined in ESEA, Title I, Part A; students experiencing homelessness; and youth in foster care.

The Superintendent, Director of Curriculum and Instruction, and Director of Business Operations shall work collaboratively to ensure that at least 20% of the ESSER III grant funds are used in compliance with the learning loss requirements. The Director of Business Operations shall be responsible for monitoring the ongoing expenditures directly related to learning loss strategies to ensure compliance with this requirement.

USDE COVID-19 Waivers and Flexibilities

Several COVID-19 Waivers and Flexibilities were made available to federal grantees (school districts). A list of some of the flexibilities is noted below:

- [Procuring, Donating, or Loaning Personal Protective Equipment and Other Medical Supplies and Equipment Purchased with Federal Funds Updated November 2, 2020](#)
- [Fact Sheet Regarding Contracted Services Not Performed Due to COVID-19 Updated August 2020](#)
- [Fact Sheet for Repurposing Federal Equipment and Supplies to Combat COVID-19 Updated October 2020](#)
- [Fact Sheet: Select Questions Related to Use of Department of Education Grant Funds During the Novel Coronavirus Disease 2019, April 8, 2020](#)

If a grantee (school district) took advantage of one or more of the flexibilities, the temporary flexibilities should be noted below for audit purposes.

A few recommended flexibilities, included in the Select Questions document are listed below:

1. May a grantee or sub-grantee continue to pay the compensation of an employee paid with grant funds from the Department during the period the employee is unable to work because his or her organization is closed due to novel Coronavirus Disease 2019 (COVID-19)?
2. If a conference, training, or other activity related to a grant from the Department is cancelled due to COVID-19, may grant funds be used to reimburse nonrefundable travel (e.g., conveyance or lodging) or registration costs that were properly chargeable to the grant at the time of booking?
3. Districts are allowed, subject to the flexibilities, allows the temporary use of federally-funded assets that are currently not in use in the original program to meet the general education needs of students.

The district took advantage of the following waivers and/or flexibilities:

- The Board approved a resolution to pay our employees during the COVID closure in 2020.