



CARES Act Guidance: Elementary and Secondary School Emergency Relief Funds (ESSER) Distribution and ESEA Waivers

Purpose

The Coronavirus Aid, Relief, and Economic Security (CARES) Act represents the largest emergency relief package ever passed into law in the United States. Roughly two trillion dollars was appropriated to provide relief across multiple economic sectors, including \$30.75 billion in K-12 education and higher education. Iowa received \$71.6 million under the Elementary and Secondary School Emergency Relief (ESSER) portion of this act, \$64.4 million of which will go to Iowa school districts for the purpose of mitigating the effects of the COVID-19 pandemic. This guidance documents the process districts will use to apply for funds, report on their use, and consult with nonpublic schools to receive their proportionate share of services.

In addition, the CARES Act provides waivers from several requirements of the Elementary and Secondary Education Act (ESEA) as amended by the Every Student Succeeds Act (ESSA). This guidance outlines the waivers granted to Iowa districts.

District Allocations and Application for Funds

Allocations

All Iowa districts will receive an allocation under ESSER. Allocations are available in the CARES Act - Application for Funding, which is found in the COVID-19 folder in the Consolidated Accountability and Support Application (CASA) and are posted publicly on the Iowa Department of Education's (Department) [COVID-19 web page](#).

Nonpublic Consultation

As part of the ESSER funds, all participating accredited nonpublic schools will be allocated an equitable share, allowing them to receive services related to COVID-19 disaster relief in that amount. All nonpublic schools in Iowa have indicated their intent to participate or not participate in the ESSER fund process. Equitable share amounts are posted publicly on the Department's [COVID-19 web page](#) and are also available in the CARES Act - Application for Funding, which is found in the COVID-19 folder in CASA.

Districts must hold consultation meetings with their constituent nonpublic schools, even those who have not received services paid for by ESEA Title funds in the past. Guidance on [providing equitable services to students and teachers in non-public schools under the CARES Act](#) was provided by the U.S. Department of Education on April 30, 2020. Steve Crew is Iowa's ombudsman for nonpublic schools under both ESSA and CARES and may be reached at steve.crew@iowa.gov.

Application in the CASA System

Applications for ESSER funds will be completed in the CASA system. These applications will be found in the COVID-19 folder, not the Consolidated Application. **The application will open on Tuesday, May 5, 2020, and will be due by close of business on Monday, May 11.** Districts must designate which of the allowable spending categories they intend to spend ESSER funds in, then sign several assurances about the use of CARES Act funds. (For a list of the potential uses of these funds, please see the [CARES Act Summary](#).) Applications will be approved immediately as long as they are submitted with all fields filled out and assurances completed. Districts can expect to receive their allocation on May 13.

District Reporting and Accounting

Required Reporting

Districts and nonpublic schools will need to provide year-end reports to the Department documenting the amount of ESSER funds they have spent in each of the allowable categories. Districts should account for their ESSER expenditures on an ongoing basis, as the CARES Act allows the Secretary of Education to require additional reports from states on a more frequent basis at her discretion. In that case, the Department will ask districts and nonpublic schools to provide spending information more frequently.

Accounting and Applicable Laws

ESSER funds are not subject to a supplement not supplant requirement. These are emergency relief funds and may be used to supplant state and local funds. The spending window for these funds begins retroactively on March 13, 2020 and will close on September 30, 2022. CARES funds, including ESSER funds, are subject to all provisions of the Education Department General Administrative Regulations (EDGAR) and Uniform Grant Guidance (UGG) of the Office of Management and Budget (OMB).

The following are new source and project codes that have been added to the Iowa Chart of Account Coding for federal funding provided through the CARES Act.

4050 Federal Funding due to COVID-19 (Apr20)
 4051 Education Stabilization Fund (Governor's Emergency Education Relief Fund) (GEERF) (CFDA 84.425) (Apr20)
 4052 Education Stabilization Fund (Elementary and Secondary School Emergency Relief Fund) (ESSER Funds) (CFDA 84.425) (Apr20)

This revenue, which is miscellaneous income in the year expended, is recorded in the General Fund. Transfers to other funds may occur based on actual expenditures, provided the expenditure is more appropriate to another fund. The project number will be used in all parts of the transaction. If it is unclear whether an expenditure is allowable under the ESSER fund, or other restricted funding such as the Summer Food Service Program (SFSP), continue to track this expenditure in project 0019 (as described in earlier [guidance on school finance](#)).

Waivers of Current Requirements under the ESEA

In addition to funding under ESSER, the CARES Act provides waivers of requirements of ESEA. All districts will see a notification of waivers that have been granted to Iowa and, as a result, to all districts in Iowa when first attempting to file a fourth-quarter claim in the Consolidated Application within CASA. Please note these waivers are for the 2019-2020 year. The waiver notice includes:

1. The carryover limitation of 15 percent for Title I, Part A funds for federal fiscal year (FY) 2019.
2. The period of availability of FY 2018 funds for the following programs. This is money that would have expired on September 30, 2020. All money may now be carried over until September 30, 2021.

- a. Title I, Part A of the ESEA (Improving Basic Programs Operated by LEAs), including the portions of the SEA's Title I, Part A award used to carry out section 1003 school improvement, section 1003A direct student services (if applicable), and Title I, Part D, Subpart 2.
 - b. Title I, Part B of the ESEA (State Assessment Formula Grants).
 - c. Title I, Part C of the ESEA (Education of Migratory Children).
 - d. Title I, Part D, Subpart 1 of the ESEA (Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or At Risk).
 - e. Title II, Part A of the ESEA (Supporting Effective Instruction).
 - f. Title III, Part A of the ESEA (English Language Acquisition, Language Enhancement, and Academic Achievement).
 - g. Title IV, Part A of the ESEA (Student Support and Academic Enrichment Grants).
 - h. Title IV, Part B of the ESEA (21st Century Community Learning Centers).
 - i. Title V, Part B, Subpart 2 of the ESEA (Rural and Low-Income School Program).
 - j. McKinney-Vento Education for Homeless Children and Youth Program.
3. The following requirements in Title IV, Part A.
 - a. Needs assessment requirements for the 2019-2020 school year (this only applies to districts receiving at least \$30,000).
 - b. Content area spending requirements for FY 2019 funds and any available FY 2018 carryover funds (this only applies to districts receiving at least \$30,000).
 - c. The 15 percent limit on the use of funds to purchase technology infrastructure for FY 2019 funds and any available FY 2018 carryover funds (applies to all districts).
 4. The definition of professional development in the ESEA for the 2019-2020 school year.

These requirements are automatically waived: districts do not need to request a waiver. All districts must acknowledge receipt of the waiver notice when opening their first fourth-quarter claim and sign off on the assurances included.

These waivers create flexibility for all districts to:

- Carry over more funds in Title IA,
- Carry over funds in all Title programs that were already carried over previously,
- Temporarily disregard spending requirements and limits for Title IVA funds, and
- Provide professional development opportunities without the constraints of the definition used in the ESEA.

If you are unsure if an expense is allowable, please contact the appropriate [Title program consultant](#) and they will be happy to help you.

Questions and Additional Guidance

If you have questions, please contact your [school improvement consultant](#). If they are unable to assist you, they will connect you with the appropriate person. For additional COVID-19 guidance and information, please visit the Department's [COVID-19 webpage](#).