

## Questions and Answers

# The Elementary and Secondary School Emergency Relief (ESSER) Fund as authorized by the Coronavirus Aid, Relief, and Economic Security (CARES) Act

### General CARES Act/ESSER Fund Information

#### 1. *What is the CARES Act?*

The Coronavirus Aid, Relief, and Economic Security (CARES) Act provides an economic stimulus to individuals, businesses, and local education agencies (LEAs). Although the CARES Act releases additional supports indirectly to students, families, and educators through the Supplemental Nutrition Assistance Program (SNAP), Head Start, and childcare. This document focuses upon one of the two funding streams dedicated to K-12 education, the CARES Act § 18003 Elementary and Secondary School Emergency Relief Fund (ESSER Fund).

#### 2. *What are the requirements to receive funding through the ESSER Fund?*

The ESSER Fund is federal education funding, and therefore the fiscal regulations of Education Department General Administrative Regulations (EDGAR) and Office of Management and Budget (OMB) Guidance apply to implementation including but not limited to procurement, record keeping, and disposition. LEAs must consult with various stakeholders at the local level, especially to ensure that the most at-risk students' needs are met—including students with disabilities, English learners, foster children, McKinney-Vento eligible children, high ability students, free/reduced eligible children, and racial and ethnic student groups.

An LEA "that receives funds under "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." (CARES Act §18006)

As part of the application for the ESSER fund, each LEA must attest that, to the greatest extent practicable, it has been paying all employees and contractors during the closure or disruptions related to the coronavirus, or that it will begin doing so immediately.

#### 3. *Which employees and contractors does the department consider the payment provision to apply to?*

The Tennessee Department of Education (department) considers "employees and contractors" to include, but not be limited to, the following positions: teachers, administrators, counselors, social workers, nurses, paraprofessionals, bus drivers, custodians, food service, and administrative staff.

#### 4. *Are only Title I schools eligible to receive an ESSER Fund Allocation?*

No. Even though the FY19 Title I formula dictates how much money the LEA receives, once the LEA receives funding, it may support any Title I or non-Title I school in the LEA. There are many allowable uses of funds under the CARES Act, including those allowable under Title I, Part A; Title II, Part A; Title III, Part A; Title IV, Part A; Title IV, Part B (21st Century CLC); Perkins Act, McKinney-Vento, and additional uses such as cleaning supplies, mental health supports, and summer school.

##### **5. What are the allowable activities?**

According to the CARES Act, allowable uses of funds for LEAs include but are not limited to:

- planning for long-term closures;
- addressing the unique needs of special populations;
- purchasing education technology (including hardware, software, and connectivity);
- providing summer learning and supplemental afterschool programs (including on-line learning);
- providing mental health services; or
- conducting other activities necessary to maintain operation of services, employ existing staff, and coordinate activities.

##### **6. Do equitable services requirements apply to the ESSER Fund?**

Yes. More information on equitable services requirements under the CARES Act, can be found [here](#).

##### **7. How can an LEA apply for funding?**

The ESSER Fund application is embedded in the department's online grants management system, ePlan (<https://eplan.tn.gov>). More information on how to apply can be found in the department's [ESSER Fund Technical Application Guide](#), which is available on [ePlan](#) in [TDOE Resources](#) > CARES Act > CARES Act Application Training Materials.

## **General CARES Act/ESSER Fund Finance**

##### **8. When will LEAs receive ESSER Fund allocations?**

The U.S. Department of Education (ED) is required to provide notice of application to the department within 30 days of the CARES Act passage (March 27, 2020) and then has 30 days to approve the department's application. LEAs will have access to the ESSER Fund application in ePlan beginning **May 26**. The application will tentatively close on June 15 with applications expected to be approved by June 30, 2020.

##### **9. Should LEAs spend local and other federal funds immediately for COVID-19 needs with expectation that they can recode expenses to these new funds once they are allocated?**

Funding provided through the CARES Act is retroactive to the beginning of this crisis, **March 13, 2020**.

##### **10. Can I charge an indirect cost rate to this grant?**

Yes. Each LEA has an approved indirect cost rate with the department and may charge this rate as a budget line item in the ESSER Fund application.

##### **11. What administrative percentage does the grant allow?**

The CARES Act does not call out a specific administrative figure for LEAs but limits the department to allowing only 0.5% rate for administration. With that very low threshold for the department's statewide administration, the department would expect LEAs to limit administrative costs for the CARES Act only to what is reasonable and necessary (i.e., Point of Contact's [POC] time and effort).

LEAs should not charge more than ten percent of their allocation for administrative costs for the POC to carry out CARES Act activities, and this percentage should be less if a lower figure would be more **reasonable** and **necessary**.

**12. Will the Title I set aside for school improvement be required with this funding?**

While the Elementary and Secondary School Emergency Relief Funds allocates funds to state educational agencies (SEAs) and LEAs based on their Title I poverty numbers, these are not Title I funds. Therefore, the school improvement set-aside does not apply to funding provided under the Education Stabilization Act.

**13. Must states and LEAs pay existing employees and contracts in order to receive ESSER Fund allocations?**

CARES Act §18006 requires entities that receive Elementary and Secondary School Emergency Relief Funds or Governor’s Emergency Relief Funds to continue to pay employees and contractors “to the greatest extent practicable.” To clarify, paying employees and contractors is strongly encouraged, but it is not a prerequisite to receiving funds. Please refer to question two of this document for more information.