

Questions and Answers: Elementary and Secondary Emergency School Relief (ESSER) Fund 2.0 Allowable Costs

Updated Feb. 10, 2023

General Overview

	ESSER 1.0	ESSER 2.0
Allocation	\$259 million	\$1.1 billion
Pre-Award Costs	March 13, 2020	March 13, 2020
Last Day to Obligate Funds	June 30, 2022*	Sept. 30, 2023*
Supplement Not Supplant	No	No
Indirect Cost	Yes, Unrestricted	Yes, Unrestricted
Equitable Services	Yes	No

Updates on ESSER 2.0 Closeout

Remaining Funds as of July 1, 2023, after state fiscal year ending:

Any LEA who has funds remaining as of July 1, 2023, that have not been either obligated or liquidated must follow the procedures below:

1. Prioritize the submission of the FY23 ESSER 2.0 final expenditure report (FER).
 - a. The FER must be submitted and approved by the department in order for carryover funds to become available in the FY24 ESSER funding application.
2. Complete the FY24 ESSER 2.0 funding application as soon as possible after it is available in ePlan.
 - a. The deadline for FY24 ESSER 2.0 funding applications is Aug. 15, 2023.
 - b. The funding application must be approved by the department prior to obligating funds.
3. **Obligate all funds by Sept. 30, 2023.**
4. **Ensure all funds are liquidated by Dec. 15, 2023.***

**Recommended deadline to ensure funds are reimbursed in ePlan for adequate time for grants to close. The Tennessee Department of Education (the department) is awaiting guidance from the U.S. Department of Education (ED) on the extension of liquidation for ESSER 2.0 and ESSER 3.0. Extension of liquidation will provide an additional 14 months for LEAs to draw down these funds, which will extend the period of performance for each grant.*

Below are questions we have received. Please see this document for Questions and Answers shared during office hours: [Questions and Answers ESSER Fund 2.0 Office Hours](#)

January 13, 2021

1. Can an LEA renovate and repurpose existing playground equipment to spread out students in grades K-5?

Yes, purchasing new or renovating existing playground equipment is allowable to promote social distancing and prevent virus spread among students.

2. Can an LEA use ESSER 1.0 or ESSER 2.0 for teacher vaccinations?

Yes, ESSER 1.0 and ESSER 2.0 may be used for teacher vaccinations. LEAs may also want to consider expanding capacity to administer coronavirus testing, monitor the virus, conduct contact tracing activities, and support other activities related to coronavirus testing for students, teachers, and staff.

3. Could the school use the CARES act funds to pay for subs or other staffing related needs caused by teachers missing school to get vaccinated?

Yes, the LEA could use ESSER 1.0 or ESSER 2.0 to pay for subs or other staffing related needs caused by school-level staff getting vaccinated.

4. UPDATED Jan. 27: Please share the sub-fund and revenue code for ESSER Funds.

- Any subgrant in the range of **931-939** is a Federal Projects Fund.
- The revenue code is **47301** for ESSER 1.0 Funds.
- The revenue code is **47307** for ESSER 2.0 Funds

5. REVISED 12.20.21 Is it permitted to rent a facility utilizing ESSER 2.0 funds to house pre-K and K that we may better distance students in the buildings?

Yes, this would be allowable for pre-K and Kindergarten based on federal guidance leasing of sites or spaces to ensure safe social distancing to implement public health protocols.

6. Additional Allowable Expenditures to consider:

- Training and professional development for staff on sanitation, the use of PPE, and minimizing the spread of infectious diseases;
- Physical barriers to facilitate social distancing;
- Materials, supplies, or equipment to implement public health protocols, including
- Guidelines and recommendations from the Centers for Disease Control and Prevention (CDC) for the reopening and operation of school facilities to effectively maintain the health and safety of students, educators, and other staff during the qualifying emergency;
- Reasonable transportation costs to encourage social distancing.

January 11, 2021

7. Can an LEA replace a roof?

Replacing a roof would be an allowable use, especially if the LEA can support that replacing the roof would improve the environmental health of the building and improve air quality in the building. School facility repairs and improvements should enable operation of schools to reduce risk of virus transmission and exposure to environmental health hazards and to support student health needs.

8. Our school needs more space to spread out students and classrooms – without using the cafeteria and auditorium for classrooms. Is that allowable? What if our existing building will not allow for this?

LEAS may consider an addition to an existing building to ensure safe social distancing to implement public health protocols, including guidelines and recommendations from the CDC. These purchases will require additional discussion with department staff and context in the funding application. The LEA may also consider leasing sites or spaces to implement public health protocols as an alternative.

- 9. *This summer, we put in over \$300,000 worth of HVAC units in our schools. Our old boiler/chiller system was on their last leg. We took out a loan to pay for this. We also hired a company to sanitize our ductwork to prevent mold. Would it be possible to cover this with the ESSER 2.0 funds and pay off the loan?***

Since ESSER 2.0 can fund eligible expenses back to March 13, 2020 and has no supplement not supplant (SNS) provision, this is allowable if the expense improved the environmental conditions and improved air quality for students and staff.

- 10. *Could we use the ESSER funds for FFCRA (Families First Coronavirus Response Act: Employer Paid Leave)? May districts use ESSER 2.0 to recoup the funds that were paid to employees due to the FFCRA requirements?***

Yes, ESSER 1.0 and ESSER 2.0 may be used to pay employees and subs due to the FFCRA requirements.

- 11. *What types of school and facilities improvements are allowable? Our LEA has multiple boilers and pumps that control the heating in my schools that need replacing. Can I use ESSER 2.0 to upgrade/replace these?***

Inspection, testing, maintenance, repair, replacement, and upgrade projects to improve the indoor air quality in school facilities, including mechanical and non-mechanical heating, ventilation, and air conditioning systems, filtering, purification and other air cleaning, fans, control systems, and window and door repair and replacement – all would be allowable.

- 12. *Do ESSER 2.0 funds have to be used for classroom units or can it be used for common areas that all students use like cafeterias, libraries, or gymnasiums?***

ESSER 2.0 Funds may be used to improve the air quality for common areas like cafeterias, libraries, gymnasiums. However, it should not extend to improvements to the press box at the football stadium, for example.

January 8, 2021

- 13. *Will the ESSER 2.0 budget require the school board to approve the plan and budget?***

The LEA must follow local policies and protocols for obtaining grant signature authority and informing the school board of grant funding and uses of funds.

- 14. *We have a space connected to our onsite facility which was scheduled to provide more space to meet the health needs of staff and students. Are we able to finish that space with ESSER 2.0 funding?***

More information would be needed to determine the type of expenses but generally, renovating and updating existing space would be allowable to meet the health needs of staff and students.

- 15. *One of our many challenges this year has been making ends meet with our school nutrition program. As you are likely aware, during a “normal” year, our nutrition program is mostly self-sufficient. Unfortunately, this year has been anything but normal, leading to a deficit situation. May ESSER funding be used to make-up shortfalls that are due to COVID?***

Yes, ESSER 1.0 and ESSER 2.0 may be used to offset costs of serving school meals in-person or during virtual instruction days (not covered through USDA reimbursements).

January 6, 2021

1. **Will there be any funds for summer school or should I plan to use my ESSER 2.0 funds for that?** ESSER 2.0 funds can be used to cover the costs of extended learning, remediation, and/or enrichment opportunities for students (summer learning, afterschool programs, additional pay for teachers and staff, extended schedules, etc.)
2. **REVISED 12.20.21 Can an LEA use ESSER 2.0 funds to support learning loss of pre-K?**
Yes, ESSER 2.0 funds can be used for pre-K.
3. **Budgeting for indirect costs is allowable.**
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 2.0 application. Indirect costs are the FY21 unrestricted rates. LEAs are not required to take the maximum amount of indirect cost allowed.
4. **Can we use funds for PPE?**
Yes. ESSER 2.0 funds may be used for covering costs of sanitizing/disinfecting buildings, additional personnel costs ('hazard pay', hours, etc.), and equipment (gloves, masks, PPE, cleaning supplies, etc.) as can ESSER 1.0.
5. **Can it be spent on already approved and funded projects?**
LEAs may pay expenditures starting March 13, 2020 (date of the declaration of national disaster by the president) if aligned to the funding's intent of providing relief for existing needs and planning for future needs from the COVID-19 pandemic.
6. **Will ESSER 2.0 expect public schools to share these funds with non-public schools in their area?**
There is **no** equitable services provision in ESSER 2.0. They are provisions in the GEER funding for non-public schools.
7. **Is hazard pay an allowable reimbursement?**
LEAs may use ESSER funds for bonuses or additional pay, such as hazard pay, **only** when such expenses are related to disruptions or closures resulting from COVID-19.
8. **Can we amend ESSER 1.0 where we would spend on tutoring and move that expense to 2.0, spending 1.0 funds on something else like more devices?**
Yes, ESSER 1.0 and other funding applications (i.e., CFA) may be revised to move expense to allowable activities that align to the funding's intent to provide relief for existing needs and plan for future needs the COVID-19 pandemic.

9. How does the ESSR funding reach public charter schools? Directly or through their authorizers?

Public charter schools in Tennessee will receive ESSER 2.0 funding through their authorizers. ESSER 1.0 and ESSER 2.0 funds in the CARES Act were required to be allocated to LEAs based on the LEA's relative share of Title I. These allocations are derived from U.S. Census data for students aged 5-17 and would include charter schools as they are public schools within LEAs. However, the clear legislative intent is to benefit all public schools and students regardless of school type, and the expectation is that LEAs would serve and allocate funds to charter schools in the same manner as traditional public schools.

10. Is technology sustainability allowable under ESSER 2.0 because it was allowable under ESSER 1.0?

Correct, examples of technology sustainability under ESSER 1.0 and ESSER 2.0 include but are not limited to:

- Technology infrastructure, including devices and equipment for students and teachers
- Purchasing software applications and digital platforms
- Digital and online instructional resources
- Devices or equipment to provide internet access (i.e., hot spots) for students who do not have access at home
- Supplemental equipment and devices (i.e., computers, web cameras) for virtual learning/online instruction
- Technology-related professional development for district and school staff
- Technology support or training for parents and guardians
- Integrating well-rounded educational services into online learning
- Virtual instruction programs, platforms, and tools
- Resources to engage all students and their families with virtual education, especially prioritize disadvantaged populations listed in CARES Act § 18003(d)(4)