

STATE OF NEBRASKA
Education Stabilization Fund Program
Governor's Emergency Education Relief Fund
Initial Report

The State of Nebraska submits this initial report to the U.S. Department of Education as required under Part B of Nebraska's Certification and Agreement for Funding under the Education Stabilization Fund Program Governor's Emergency Education Relief Fund.

SUMMARY OF DELIBERATIONS

The Coronavirus (COVID-19) pandemic has affected Nebraska schools, both public and non-public, since the first preventative closures began on March 7, 2020.

On March 13, President Trump declared a National Emergency and Governor Ricketts declared a State Emergency in Nebraska due to the coronavirus pandemic.

On March 18, Matthew L. Blomstedt, Nebraska Commissioner of Education, recommended K-12 schools in Nebraska no longer have students in attendance centers and, on March 23, further recommended schools should not return to normal operations during the 2019-20 school year. The Nebraska Department of Education (NDE) requested each public, private, denominational, and parochial school file a continuity of learning plan by April 3. These plans varied widely on the remote learning strategies used, with many limited by the digital divide.

On March 27, President Donald Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which included Education Stabilization Funds for Institutions of Higher Education, State and Local Education Agencies, and Governors. The assessment and coordination of CARES Act funding became a key consideration in determining how to best use the Governor's Education Emergency Relief (GEER) funds to provide emergency education services statewide.

On April 14, the U.S. Department of Education released the GEER Fund Certification and Agreements with an initial due date of June 1, 2020. Correspondence and other outreach from K-12 schools and institutions of higher education provided examples of the wide variation of impacts across the state while the State of Nebraska looked for further guidance from the U.S. Department of Education on the application for GEER Funds.

Initial reviews of the CARES Act funding distributed through the Higher Education Emergency Relief (HEER) Fund and the Elementary and Secondary Relief Fund (ESSER), and other CARES Act programs provided an opportunity to align funds to respond to the needs of education. After this initial review, Governor Ricketts decided GEER funds be used to address emergency education services by education-related entities within Nebraska essential for carrying out emergency educational services to students. Essential education-related entities must either provide direct educational services to K-12 students such as LEAs, non-public schools, state agencies, and home schools or be a public or private entities providing support and informational resources to schools related to distance education, remote learning, or online curricular resources

such as Educational Services Units (ESUs), the Educational Service Unit Coordinating Council (ESUCC), and home school organizations. It would not include non-profit entities for expanded learning opportunities, childcare entities licensed by the Nebraska Department of Health and Human Services, libraries, public school foundations, or other non-profit entities.

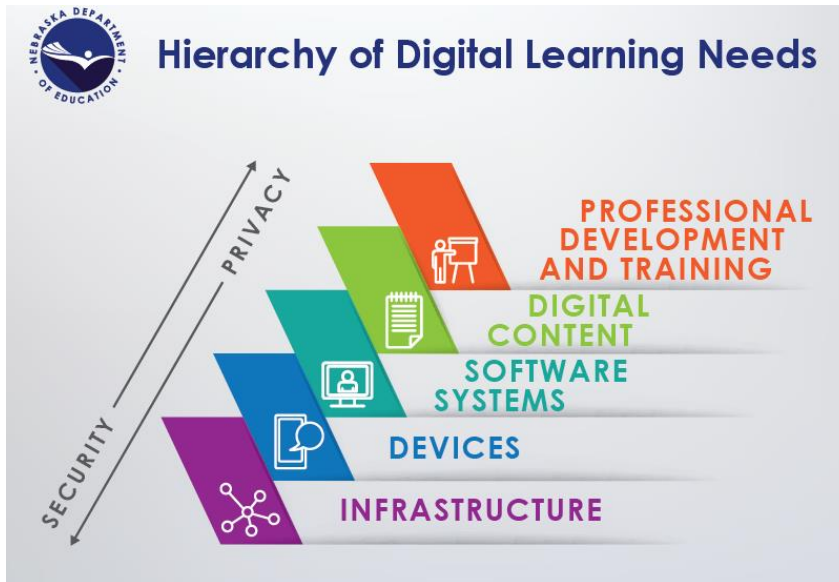
NDE administered a public feedback survey from April 30, 2020 through May 11, 2020 using Qualtrics survey software. The survey, made available in English and Spanish, was designed to measure public input on how the NDE can prioritize resources in a way that most benefits Nebraska K-12 students and schools. That survey indicated a clear need to enhance technology infrastructure (broadband, devices, platforms, data privacy) for students and families. It became clear that addressing the digital divide was essential to improving education services for students in the 2020-2021 school year, which begins July 1, 2020, and improving access high quality digital learning opportunities.

On May 24, Governor Ricketts announced \$40 million in Coronavirus Relief Funds would be used to extend broadband service to unserved and underserved communities by December 30, 2020. This investment addressed impacts of coronavirus on essential services including both healthcare and education noting that unserved communities faced hurdles, as many could not access remote services such as telehealth and distance education.

The Governor chose to focus GEER Funds to continue to address barriers to remote learning and reducing the digital divide for K-12 students. The State of Nebraska submitted its Certification and Agreement on May 29, 2020, and received the Grant Award Notice on June 1, 2020.

To address equitable access issues, GEER Funds will be used to improve student access to education while students are outside of the school setting through expanding the availability of devices and systems to deliver services remotely, and for high need student populations.

The Hierarchy of Digital Learning Needs serves as the model for the identifying the specific needs and gaps that exist among schools (public and nonpublic) in Nebraska. The model displayed in figure 1 below addresses all the components necessary to exist for access to digital learning. Infrastructure reflects the broadband and Internet access, devices are the computing resources connected to broadband, and the software reflects the collaborative and learning resource platform that allows the digital content to be accessed. The professional development and training components are essential for every layer for educators, students, and parents/guardians that are a partners in the digital learning process. All of these layers of the hierarchy must include a focus on privacy, security, and accessibility.



DISTRUBUTION PROCESS

The Nebraska Department of Education will coordinate with various governmental agencies, including, but not limited to, ESUs, the ESUCC, and the Nebraska Office of Chief Information Office (OCIO) to purchase and distribute the technology and systems to improve digital access and digital learning in K-12 schools, non-public schools, and home schools statewide.

The completion of a Digital Learning Profile and Plan submitted by school districts and nonpublic schools throughout Nebraska intends to capture the priority needs to address the digital learning gap. The list of needs to close the gap will inform the priorities and approach to best utilize for procurement, management, and dissemination of the resources.

The targets for purchases and distribution and deployment to begin in August 2020 through December 31, 2020.

Device purchasing may be up to 70% of GEER funding. NDE will consult with the Governor’s Office to determine the amount of available funds for purchasing devices with the goal of providing devices across all high schools in the state. Additional grades may be considered after the initial awards if funds remain.

Up to 25% of the will be reserved to assist schools to expand educational access opportunities if the community is a community that lacks broadband access and a local internet service provided did not receive a grant to provide broadband services from the Nebraska Department of Economic Development in 2020.

Up to five percent will be initially reserved for flexibility to address other potential issues related to distance education or to augment the allocations stated above based on need. Any direct administrative costs would be allocated out of this portion of the funds, though no administrative costs have been allowed as of July 15, 2020.

Contracts with key providers for services (e.g., ESUCC, ESU, etc.) will be used to manage the implementation and support of the identified priorities. The coordinated regional approach to dissemination makes use of the efficiencies of statewide purchasing and local supports and dissemination.

Funding Conditions or Requirements

Funds will be used to expand access to devices and related internet access issues, either internet connectivity for students in the home or community, but may not be used for community access where other state or federal funding has been granted to expand broadband services to an unserved or underserved community.

No Funds will be awarded or used for payments to SEA administrators, executives, or state or local teachers' unions or associations.

INTERNAL CONTROLS

The Nebraska Department of Education's purpose is to develop, implement and maintain meaningful grant administration and coordination for the State's GEER fund; maximizing grant-related activities, limiting exposure to grant-related liability, and improving the efficiency and impact of the program and services funded through this grant.

The management structure for implementing and supporting the GEER Fund grant includes Administrators, Directors, and Specialists from the following Offices of the Nebraska Department of Education:

- Office of Federal Programs, providing programmatic technical, managerial, and monitoring support to schools and program personnel. Managing the federal funds allocated for use by non-public schools.
- Office of Budget & Grants Management, providing financial management, reporting, and compliance support to grant program personnel and schools in accordance with applicable laws and regulations.
- Office of School Finance & Administrative Services, providing internal support for the financial activities, technical school finance assistance, and distributing flow through aid to school districts and other educational entities.

The Nebraska Department of Education relies on internal controls critical to the success in grants management, illustrated by best practices to serve as a guide to prompt reflection, self-assessment, and improve outcomes ensuring GEER funds are expended for allowable purposes and in accordance with cash management principles and Uniform Guidance. These internal controls include, but are not limit to: using management systems, managing risk, understanding federal and non-federal requirements, translating a proposed award in a program plan, managing and administering sub-grants, managing budget and finances, keeping records and documentation, and continuous review.

Internal risks, associated with implementing the program are based on past performance, internal reviews, and State audits; identifying strategies for mitigating such risks.

The State utilizes Enterprise Resource Planning technology to expend and account for grant funds in accordance with State laws and procedures for expending and accounting for its own funds. The system provides fiscal control and accounting procedures of the State, as well as its subgrantees and cost-type contractors sufficient to permit: preparation of reports required by the regulation authorizing the grant and tracking of funds.

To track the level of subrecipient expenditures adequate to establish that such funds have not been used in violation of the restrictions and prohibition of allowable uses, the Nebraska Department of Education utilizes a grants management accounting system which further supports subrecipient: financial reporting, reimbursement requests, accounting records, internal controls, budget controls, allowable costs, source documentation, and cash management.

For proper and efficient performance administration of this Federal Grant, the Governor may provide the Nebraska Department of Education direct administrative costs through GEER funds in an amount that is reasonable and consistent with cost principles in 2 C.F.R. part 200, subpart E of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). A Business Unit and Object Code accounting structure within the Enterprise Resource Planning technology will identify the amount of funds used for this purpose and how the funds are consistent with allowable uses of funds under section 18002(c) of the CARES Act. A Business Unit is a separate entity such within a Fund to track costs and revenues; such as a grant. Objects are attached to business units, these are the "what" of a transaction, while the Business Unit is the "where" of a transaction.

When funds are awarded as a contract to an eligible entity, the Nebraska Department of Education will administer through the Department's Administrative Memorandum procurement process. When funds are awarded to LEAs, or education-related entities through subgrants, the Nebraska Department of Education will administer and carry out the requirements for a pass-through entity described in 2 C.F.R. § 200.331.

All subrecipients are required to submit adequate documentation for every reimbursement request or the request is returned until adequate documentation is obtained to ensure the existence of primary documentation necessary to support fiscal reviews, including audits and improper payment assessments, by the Department. The State also requires entities to submit an annual independent audit report, which may include a single audit if those requirements were met.

Risk is identified in subrecipients through a risk-based compliance assessment model which consists of indicators and graded rubrics using several metrics in line with federal compliance requirements of 2 C.F.R. § 200.331, generally accepted accounting principles, and internal control best practices. LEA applications under which federal aid is administered through the Nebraska Department of Education contains assurances meeting the requirements of Section 442 of the General Education Provisions Act (GEPA), 20 U.S.C. 1232e and Section 427 of GEPA, 20 U.S.C. 1228a. Assurances are in effect for the entire duration of the program, unless there are substantial

changes in relevant federal or state law or other significant change in the circumstances affecting an assurance in that application.

Risk is mitigated by conducting fiscal monitoring reviews which targets accountability based on quantitative and then qualitative (sequential sampling, risk assessment categories, and field/desk determination) identified through subrecipient risk-based needs.

The objective of a fiscal monitoring review is to determine whether a subrecipient of federal grant funds is complying with applicable federal statutes, regulations, and with grant requirements; including the uniform administrative requirements and cost principles for federal awards given in 2 C.F.R. § 200. The reviews focus on the financial management systems' internal controls developed and implemented by the subrecipient to demonstrate compliance with applicable requirements, including organizational operations, policies and procedures, financial reports, and record-keeping. The review also tests the allowability of expenditures charged to the federal grant, as well as compliance with federal program requirements.

The key components of support the compliance program ensures:

- Subrecipients are monitored during the term of the grant subaward;
- Monitoring efforts focus on the area of most significant risk;
- All monitoring findings are addressed through appropriate noncompliance corrective actions with federal compliance requirements of 2 C.F.R. § 200.338; and
- Ongoing financial and administrative training and technical assistance is provided to all subrecipients and independently as assessed to enable subrecipients to comply with grant subaward requirements and maintain their funding.