

# INITIAL 45-DAY REPORT

as required by the

## GOVERNOR'S EMERGENCY EDUCATION RELIEF (GEER) FUND

(CFDA # 84.425C)

July 23, 2020

Prepared by:



Division of Education Analytics & Resources  
Bureau of Federal Compliance  
101 Pleasant Street | Concord, NH 03301

## **1.0 PURPOSE**

This document has been prepared by the New Hampshire Department of Education (NHDOE) to provide the U.S. Department of Education (Department) with an Initial Report as required by the terms of the Governor's Emergency Education Response (GEER) Fund grant. The NHDOE was awarded a GEER Fund grant on June 1, 2020 as noticed by the Department's Grant Award Notification (GAN).

## **2.0 SCOPE**

Based on the requirements described in Paragraph II of Attachment T of the GEER Fund grant GAN and as further expanded in subsequent technical guidance from the Department, the NHDOE understands it is the Department's expectation that this initial report will address the following items:

- Describe the NHDOE's process for awarding GEER Fund grants or contracts to Local Education Agencies (LEAs), Institutions of Higher Education (IHEs), and/or other education related entities;
- Describe the system of internal controls the NHDOE will use to ensure that GEER Funds are expended for allowable purposes and in accordance with cash management principles and the Uniform Guidance (2 CFR 200); and
- Since the NHDOE will be awarding GEER Fund grants to LEAs, a brief description of the process the NHDOE will use to ensure that LEAs receiving GEER Fund grants provide equitable services to students and teachers in non-public schools located within the LEA in the same manner as provided under Section 1117 of the Elementary and Secondary Education Act (ESEA) is contained herein.

The NHDOE believes the following sections, and related appendices, will fulfill the NHDOE's obligations and meet the Department's expectations with respect to the initial report requirements for the GEER Fund grant.

## **3.0 GEER FUND AWARD PROCESS**

Following extensive consultation between the Governor's office and the NHDOE, the NHDOE has decided to award GEER funds for the following purposes: Implementation, training, and support for a statewide comprehensive learning management system (LMS) for all K-12 schools in New Hampshire, both public and nonpublic; support for two scholarship funds benefitting underprivileged New Hampshire students attending nonpublic schools; and support for LEAs in providing compensatory services for special education students.

### **3.1 Timelines for Awarding GEER Funds**

#### **Learning Management System**

NHDOE plans to have in place a LMS for all K-12 New Hampshire schools in time for the 2020-2021 school year, with implementation and training of LEA's and non-public schools on the use of this system to commence before the end of July 2020. To that end, NHDOE has entered into a grant

agreement with the University System of New Hampshire (USNH) on a multi-year agreement which became effective on July 22, 2020.

### Scholarship Funds

NHDOE is negotiating subgrant agreements with two established New Hampshire scholarship funds whose fund raising efforts have been significantly impacted by the COVID-19 pandemic. It is anticipated that these subgrant awards, which are contemplated to obligate funds for both the 2020-2021 and 2021-2022 school years, will be awarded in July or August of 2020.

### IDEA Compensatory Services

The NHDOE plans to make available non-competitive grant funds for all eligible LEAs for compensatory special education services commencing in the spring of 2021.

### **3.2 Criteria, process and deliberations used to determine which LEAs, IHEs, and/or other education-related entities are “most significantly impacted by coronavirus” and/or “essential for carrying our emergency educational service”**

New Hampshire has been fortunate that the direct health consequences to its student population due to coronavirus have been minimal. As of July 17, 2020, there have been only 9 hospitalizations and 0 deaths from COVID-19 among New Hampshire residents aged 0-19.

Rather, the principal impact of the pandemic on New Hampshire’s LEAs has been the transition to remote instruction necessitated by the state of lockdown it caused. Unlike the situation in many of our sister states, all New Hampshire LEAs transitioned to remote instruction at the same time. By emergency order of the Governor dated March 15, 2020, *all* New Hampshire public schools transitioned to remote instruction. See Emergency Order #1 Pursuant to Executive Order 2020-04, available here: <https://www.governor.nh.gov/sites/g/files/ehbemt336/files/documents/emergency-order-1.pdf>. (the emergency order was later extended through the end of the school year. While the Orders did not apply to New Hampshire nonpublic schools, the vast majority also transitioned to remote instruction at this time as well).

Thus, given the lack of a specific regional outbreak and the simultaneous disruption caused by the transition to remote instruction, the NHDOE has determined that **the pandemic has affected all New Hampshire LEAs equally, such that all New Hampshire LEAs are effectively the “most significantly impacted by coronavirus.”**

- **Compensatory Services.** Based on frequently solicited feedback from the LEAs (with the advent of remote instruction, the Commissioner of Education commenced three-times-per-week conference calls with all LEA leaders in the state to discuss various impacts of the transition to remote instruction) the NHDOE has determined that the provision of special education services has been significantly disrupted by the transition to remote instruction. Some services were able to be provided remotely, and still others could be provided in person by observing screening protocols. However, due to underlying health conditions of students, their family members, and teachers, many students were simply unable to receive the in-person services

they needed. As such, many LEAs find themselves with a need to provide compensatory special education services to such students. Therefore, given that all LEAs were equally impacted by coronavirus and many have compensatory education service needs, the NHDOE has decided to make non-competitive grants available to all NH LEAs from its GEER funds. These services are mandated by federal law and are clearly essential. The circumstances of the pandemic have created an enormous burden on all LEAs in providing these essential services.

- **Learning Management System.** Based on the “lessons learned” from LEA feedback on statewide remote instruction and the high likelihood that for at least the 2020-2021 school year LEAs will likely need to transition in and out of remote instruction periods as dictated by the changing circumstances of the pandemic, the NHDOE believes that a statewide learning management system available to all New Hampshire schools will be essential in effectively managing remote instruction going forward, and will also ease the logistical hurdles in transitioning to and from remote instruction and/or supporting hybrid models of instruction.
- **Scholarship Funds.** There are two organizations in New Hampshire that administer K-12 scholarship funds to underprivileged students to attend nonpublic schools. These programs are administered pursuant to a state law that allows tax deductions for donations for the scholarship funds. These entities are under tremendous financial strain as donations have dropped sharply due to the economic conditions precipitated by the pandemic. Additionally, there is an increase demand for these scholarships, as more families meet the eligibility criteria (families must be at or below 300% of the federal poverty level) due to the economic downturn. Without aid to the scholarship funds, the NHDOE has determined that many low income families and students would experience significant disruption to their education, as they would need to transfer from their current schools, either because of COVID-19-caused changes to their family’s economic circumstances or the disappearance of private donations to the funds. These low income NH students are therefore, along with the special education students noted above, the **most significantly impacted by the coronavirus** and in need of GEER Fund assistance to prevent disruption to their educations.

### 3.3 Funding Mechanisms

NHDOE plans to award subrecipient grants to LEAs and the scholarship fund entities and to enter into a contract with the USNH for the procurement and service of the LMS.

### 3.4 Specific Funding Condition

For the scholarship fund grant agreements, NHDOE will require that all scholarships be awarded to students who meet the means testing requirements of the scholarship program (300% of the federal poverty level) and that every student awarded a scholarship articulate in their application how the pandemic relates to their need for assistance.

## **4.0 INTERNAL CONTROLS**

The NHDOE is in the early stages of improving its internal control structure to come into compliance with the requirements of 2 CFR 200.303. The NHDOE anticipates the resulting internal controls will be in general compliance with guidance in Standards for Internal Control in the Federal Government issued by the Comptroller General of the United States. In the interim, the NHDOE has reviewed its current system of internal controls and practices as they may relate to the management of the GEER Fund grant. The sections below represent the internal controls to be implemented to ensure GEER Funds are spent for specific purposes or activities.

### **4.1 Establishing GEER Fund Grant in the NHDOE Fiscal System**

The NHDOE Office of Business Management (OBM) used existing processes and procedures to establish the GEER Fund grant within the NHDOE financial system. The NHDOE submitted a fiscal item to the Governor of New Hampshire requesting authority to accept and expend the GEER Fund grant in accordance with existing State procedures. A copy of the approved fiscal request document is included as Appendix A.1.

As an example of some of the other OBM internal controls around this action, Form 11 and Form 12 procedures (along with form templates) are included in Appendix A.2. The Form 11 process is used to document the establishment of the overall budget for the grant. This process is also used to establish and track any subsequent changes to the grant budget over time. The process controlled by the Form 12 procedure is specific to allocating the “pass-through” amount to be granted to LEAs into the NHDOE Grants Management System (GMS). Similar to the Form 11, the Form 12 process is also used to document and track any subsequent changes to the “pass-through” amounts over time.

In addition to the Form 11 and Form 12 processes, OBM also utilized additional processes/practices to create activity codes within the grant and establish the criteria for the Federal drawdown timing under the existing New Hampshire State Treasury Agreement in accordance with the *Cash Management Improvement Act (CMIA)*.

The implementation of these various procedures and practices by OBM reduces the overall potential risk of errors and/or omissions related to establishing the GEER Fund grant in the NHDOE financial system.

### **4.2 GEER Fund Grant Program Assurance Document**

#### **LEA GEER Program Assurance Document**

As is NHDOE’s practice, a separate grant-program-specific program assurance document will be prepared and provided to all GEER Fund grant LEA subrecipients requesting IDEA compensatory education funds. In developing the program assurance document, the NHDOE will review the requirements as contained in the Certification and Agreement for Funding Under the Education Stabilization Fund Program, Governor’s Emergency Relief (GEER) Fund document. All required assurances, including those noted by reference, will be incorporated into the GEER Fund Program

Assurance document. The GEER Fund Program Assurance document will be sent to all GEER Fund grant LEA subrecipients. A properly executed GEER Fund Program Assurance document will be one component of any GEER Fund subrecipient LEA grant application. The creation and distribution of a program specific set of assurances will reinforce the LEA's compliance with applicable rules, regulations and laws applicable to the GEER Fund grant.

#### LMS and Scholarship Fund Program Assurances Process

Unlike the LEA Program Assurance document process, a separate program assurance Document was not created for the LMS or Scholarship Fund subrecipients. Rather, the required assurances were incorporated directly into the GEER Fund grant agreement. Again, including the required GEER Fund grant assurances will reinforce the subrecipient's compliance with the rules, regulations and laws applicable to the GEER Fund grant.

#### **4.3 GEER Fund IDEA Compensatory Services Grant Application Development**

The NHDOE will develop a GEER Fund compensatory services grant application for LEAs use within its GMS. The application will allow LEAs to submit application documents, including GEER Fund grant program assurances, documentation of compliance with the General Education Provisions Act (GEPA), Equitable Services attestations, proposed grant activities, etc. The GMS enables two-way communications between the NHDOE and the LEA during the grant submittal and approval process and is the vehicle LEAs use to request reimbursement of grant funds.

#### **4.4 LEA GEER Fund GMS Grant Review and Approval Process**

The NHDOE staff assigned to manage the LEA GEER Fund grant IDEA compensatory education application process will review each LEA's grant application in GMS and complete the following:

- Verify that the GEPA 427 Statement has been uploaded to GMS and is appropriately responsive;
- Verify that the GEER Fund Grant Program Assurances document has been uploaded to GMS and are properly executed;
- Confirm the selected Private School Equitable Participation methodology and amount is entered;
- Confirm that the LEA's DUNS number is entered in the application and that the SAMS expiration date is current; and
- Review the proposed activities for allowability.

If the above five items are acceptable, the NHDOE staff will mark the application as "Budget Review". Should any of the five items not be acceptable, meaning the application is not in "substantially approvable" form, the application will be marked as "Returned" using the GMS functionality. Following this action, a notification will be sent to the LEA's designated contact so they may modify their application in accordance with the comments/guidance provided by the NHDOE staff in the GMS comment section. Once the LEA returns the updated application the review process is repeated until the application can be marked as "Budget Review".

Once the application has been marked as “Budget Review”, the NHDOE Federal Fund Accountant III is notified by GMS. The Federal Funds Accountant III then reviews the grant application from a fiscal perspective to verify the accuracy of indirect costs, function and object codes, determines an individual award number for identification of distinct grant, etc. Similar to the programmatic review completed by the NHDOE staff, the Federal Funds Accountant III will either mark the application as “Approved” or return the application to the LEA with comments for corrections. Once the application is marked “Approved”, a grant award notification (GAN) containing the required elements of 2 CFR 200.331(a) is automatically generated and sent to the LEA through the GMS.

It should be noted that when the status of an LEA application changes (from “Submitted” to “Budget Review” for example) an email is sent to multiple NHDOE staff by GMS. This allows the other NHDOE staff an opportunity to review the application and the review process on an as-needed basis to reduce the risk of errors or omissions.

#### **4.5 Learning Management System and Scholarship Fund Subrecipient Contracting Process**

##### **Learning Management System**

NHDOE contracted with USNH to provide the LMS and the ancillary services in support thereof. The State of New Hampshire and USNH entered into a Master Agreement for Cooperative Project Agreement on November 13, 2002 (the “Master Agreement”). Since that time, the State, acting through various of its agencies, has enacted a number of Cooperative Project Agreements (“CPAs”) pursuant to the Master Agreement. The LMS agreement between NHDOE and USNH, which had an effective date of July 22, 2020, took the form of a CPA pursuant to the Master Agreement, with the State of New Hampshire acting through its Department of Education, i.e., the NHDOE. Pursuant to standard state contracting procedures, the CPA with USNH was reviewed by the Attorney General’s Office after it was negotiated between NHDOE and USNH. The CPA was also reviewed by the Governor’s Office for Emergency Relief and Recovery.

##### **Scholarship Fund**

NHDOE plans to enter into subrecipient grant agreements with two established scholarship funds in New Hampshire. The form of the contemplated grant agreements will be based on a template prepared and vetted by the Governor’s Office for Emergency Relief and Recovery, tailored to meet the GEER requirements. Both intended scholarship entity recipients are subject to certain state law requirements for their existing scholarship programs, and NHDOE anticipates that the grant agreements will incorporate those state law requirements. Pursuant to standard state contract requirements, the completed grant agreement will be reviewed by the Office of the Attorney General.

#### **4.6 Determination of Allowable Activities**

In accordance with the requirements of 2 CFR 200.302(b)(7), the NHDOE will develop a written procedure for determining the allowability of GEER Fund grant costs related to LEAs providing IDEA compensatory education services in accordance with 2 CFR 200 Subpart E – Cost Principles.

The allowability of the activities to be provided by the LMS and Scholarship Fund subrecipients were determined by the New Hampshire Commissioner of Education as detailed in Section 3.0 above.

#### **4.7 Subrecipient Reimbursement Process**

##### **LEA Reimbursement Process**

Federal grant reimbursement requests are submitted by each LEA through the NHDOE's Grants Management System (GMS) on a monthly basis. NHDOE staff reviews each request and will use the GMS functionality to mark as "Approved". If the reimbursement request is not ready to be approved, the request will be returned to the LEA through the GMS with an explanation of why it was not approved and a request to make needed changes and resubmit.

On a weekly basis (typically Monday mornings), OBM staff open the GMS to process the grant reimbursement requests approved by the Federal Funds Accountant III from the previous week. After they have been processed, an automated overnight process transfers all of those payments from the GMS to NHFirst (the State of New Hampshire financial management system). The following morning, OBM staff reconcile the payments generated in NHFirst with the ones processed in GMS to confirm the transfer process operated correctly. An OBM job aid outlining this process is attached as Appendix A.3. After reconciling them, OBM staff release the payments in NHFirst and the OBM Business Administrator IV approves them. Then they are approved by the New Hampshire Department of Administrative Services (DAS) Bureau of Accounts (BOA) and either an ACH payment or a physical check is sent out to the LEA.

##### **LMS and Scholarship Subrecipient Reimbursement Process**

Both the LMS and Scholarship subrecipients will submit invoices for the reimbursement of allowable activities on a monthly basis. Following review and approval of these invoices by appropriate NHDOE program staff, the invoices are forwarded to the assigned Business Administrator III in OBM to further process the reimbursement. A copy of OBM's internal control document entitled Procedure: Coding Invoices is included in Appendix A.4

#### **4.8 GEER Fund Grant Closeout Process**

##### **LEA Grant Closeout Process**

Approximately two months before the end of the period of performance of the GEER Fund grant, NHDOE staff will contact the LEAs to remind them of the approaching end date of their grant. A second reminder will be sent approximately one month before the end date of the grant asking that the LEA submit their final grant reimbursement report. During the first 45 days after the end of the

grant's period of performance, delinquent LEAs are contacted and encouraged to submit their final reimbursement reports. Once the 45-day period expires, all LEA grants are closed in GMS by the NHDOE staff and marked as "Final".

Once the GEER grant has been marked as "Final", OBM initiates its closing process as outlined in their Closing Grants Procedure which is included in Appendix A.5.

## **5.0 SUBRECIPIENT RISK AND MITIGATION**

The following sections provide a brief description of some of the potential areas of subrecipient risks and related mitigation efforts (2 CFR 200.331(e)(1)) being undertaken as part of NHDOE's overall management of the GEER Fund grant.

### **5.1 Technical Assistance Efforts**

The NHDOE will engage in providing its GEER Fund grant subrecipients with technical assistance resources from very early on in the grant process. The following sections highlight some of the more substantial planned efforts.

#### **GEER Web Page on NHDOE Web Site**

The NHDOE developed a CARES Act web page on its public web site to provide both grant subrecipients and the general public with pertinent information about both programs. The web page currently includes only general information about the Elementary and Secondary School Emergency Relief (ESSER) Fund, a list of allowable activities, the language of the CARES Act as well as helpful documents. The NHDOE will provide similar content pertinent to the GEER Fund grant on this web page in the near future.

The current web page can be reached by using the following link <https://www.education.nh.gov/who-we-are/division-of-learner-support/bureau-of-instructional-support/cares-act-funding> . The NHDOE will continue to update the content of the web page as needed to reflect any changes to the CARES Act or to provide additional technical resources.

#### **Allowability Sheet**

In order to assist potential subrecipient LEAs in the planning and early preparation of their GEER Fund grant compensatory education grant application, the NHDOE will issue guidance on allowable uses of funds.

#### **Equitable Services**

The NHDOE plans to develop an equitable services guidance document, which will be provided to GEER Fund grant LEA compensatory education subrecipients.

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## **6.0 SUBRECIPIENT MONITORING PLAN**

The following sections provide a brief description of both the fiscal and programmatic monitoring to be applied to the GEER Fund grant by the NHDOE in general accordance with the requirements of 2 CFR 200.331(e)(2).

### **6.1 Subrecipient Risk Assessment Process**

#### *LEA Risk Assessment Process*

The NHDOE completes separate annual fiscal and programmatic LEA risk assessments for its current Federal programs. As such, this same approach was implemented relative to the development of the risk assessments for the GEER Fund grant program. However, as a relatively small agency, the NHDOE has a strong culture of cooperation and mutual support among its Federal program staff and fiscal and programmatic risks concerns are communicated across programs and taken into consideration during the assessment development process.

The BFC completes its LEA (School Districts) fiscal risk assessment in the Spring of each year. The School District risk assessment, entitled FY21 Subrecipient Fiscal Risk Assessment Report for School Districts, dated May 27, 2020, resulted in 16 School Districts designated as “High Risk” and 46 School Districts designated as “Moderate Risk” being selected for fiscal monitoring. A copy of the referenced risk assessment report is included in Appendix A.6.

The 62 LEAs selected for monitoring represent approximately 36 percent of the LEAs that may be receiving GEER Fund grants for compensatory education through the NHDOE. It should also be noted that additional LEAs, beyond those pre-determined by the risk assessment results, would be subject to GEER Fund grant fiscal and programmatic monitoring based on individual LEA risks that may come to the NHDOE’s attention during the period of performance of the GEER Fund grant.

#### *LMS and Scholarship Fund Subrecipient Risk Assessment Process*

Given there will only be three non-LEA subrecipients of the GEER Fund grant, the NHDOE has made the decision that all three entities will receive both fiscal and programmatic monitoring of their management of their GEER Fund grant.

### **6.2 Monitoring Protocols**

#### *LEA Monitoring Protocols*

The BFC has developed its LEA fiscal monitoring plan for FY21 based on experiences gained over the past two cycles of LEA monitoring. The fiscal monitoring plan to be implemented by the BFC, which will include the GEER Fund grant program, is outlined in a report entitled Fiscal Monitoring Program for Local Education Agencies for the 2020 - 2021 School Year, dated June 1, 2020. A copy of the report is included in Appendix A.7.

Similarly, the BFC intends to develop an LEA GEER Fund grant programmatic monitoring plan in order to appropriately monitor the subrecipients' implementation of funded compensatory education services.

Although not detailed in the fiscal monitoring program report mentioned above, the BFC has developed monitoring aids/tools to assist in the completion and documentation of its LEA fiscal monitoring program. These aids include checklists, allowability summaries, lists of required supporting documentation, etc. specific to various areas of Federal compliance. It is anticipated that similar aids will be developed to guide programmatic monitoring of the GEER Fund grant.

#### LMS and Scholarship Fund Subrecipient Monitoring Protocols

The BFC has not created a separate fiscal monitoring plan for the three non-LEAs receiving GEER Fund grants. Rather, the BFC will use the general processes described within the Fiscal Monitoring Program for Local Education Agencies for the 2020 - 2021 School Year when monitoring the LMS and Scholarship Fund subrecipients. Additional monitoring processes will be included on an as-needed basis to meet the requirements of both 2 CFR 200 and the CARES Act.

### **6.3 Subrecipient Monitoring Schedule**

#### LEA Monitoring Schedule

It has been the NHDOE's practice to complete the majority of its LEA monitoring (both fiscal and programmatic) between October 1<sup>st</sup> and May 30<sup>th</sup> of each year when school is in session in New Hampshire. The reasoning behind this schedule has been to avoid burdening the LEAs during the start-up month of September and the close-out month of June when LEA staff are the most busy. Although LEA monitoring could, and sometimes is, accomplished during the summer months, the BFC finds that many LEA staff are not under contract during this period or are taking leave time and as such are unavailable. Overall, the BFC finds the summer months a good time to provide targeted technical assistance and training to LEA staff.

#### LMS and Scholarship Fund Grant Subrecipient Monitoring Schedule

Given the nature of the non-LEA subrecipients participating on the GEER Fund grant program the BFC anticipates initiating its monitoring shortly after each subrecipient begins to implement its GEER Fund grant program. The purpose of this early monitoring will be to identify and deliver appropriate technical assistance. Thereafter, subsequent monitoring will be scheduled based on the BFC's evaluation of the grantee's initial performance in meeting its Federal compliance obligations.

### **7.0 LEA EQUITABLE SERVICES COMPLIANCE**

Section 18005 of the CARES Act requires that LEAs receiving a GEER Fund grant provide equitable services in the same manner as provided under Section 1117 of the ESEA of 1965 to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools. However, on June 25, 2020, the Department announced it had issued an Interim Final Rule (IFR) regarding the implementation of equitable services under the CARES Act. The NHDOE has developed a document entitled Equitable Services under the CARES Act that reflects the intent of the

IFR. If the contents of that document are still applicable, the NHDOE will provide it to LEAs that receive GEER Fund grants (currently planned for the Spring of 2021). A copy of this guidance document is included in Appendix A.8.

Further, the NHDOE is awaiting a response to a question it posed during a June 13, 2020 call with the Department relative to the calculation of equitable services as it may apply to the NHDOE's intended use of GEER Fund grants to provide LEAs with Special Education related compensatory education services.

The nature of additional LEA equitable services guidance to be developed by the NHDOE will be dependent on the Department's response to the NHDOE inquiry. Given that the NHDOE does not intend to begin the Special Education compensatory education grant application process until the Spring of 2021, there is ample time to await a comprehensive response from the Department and prepare appropriate guidance documents and monitoring protocols.

## **8.0 GENERAL EDUCATION PROVISIONS ACT (GEPa) SECTION 427 STATEMENT**

Each of the three currently proposed uses of GEER funds will be accomplished through the use of grant award agreements with entities classified as subrecipients as described below.

- The first use of GEER Funds will be through a grant agreement between the NHDOE and the USNH. The scope of the agreement will include USNH purchasing a learning management system and providing training to School Districts, Charter School and nonpublic schools on its use.
- The second use of GEER Funds will be through grant agreements between the NHDOE and two established New Hampshire scholarship funds that administer K-12 scholarships for underprivileged students to attend nonpublic schools.
- The third use of GEER Funds will be to provide non-competitive grants to LEAs (limited to School Districts) to provide Special Education related compensatory services.

Each of the three above uses of the GEER Fund grant were reviewed relative to meeting the requirements of GEPa Section 427 as required by the Improving America's School Act of 1994.

As the first two uses of funds involve only a direct grant agreement between the NHDOE and the subrecipient (and not LEA teachers or students directly), and no broad application process was utilized, the NHDOE did not identify any barriers to gender, race, national origin, color, disability, or age that would have impeded either of these subrecipient's access to the GEER Fund grant.

Similarly, the NHDOE did not identify any potential barriers to access for the third use of GEER Funds. The subrecipients directly interacting with the NHDOE with this third use of funds would be the LEA's grant manager, Special Education Director and Superintendent in completing and managing the GEER Fund grant using the NHDOE GMS. Again, the NHDOE did not identify any barriers to gender, race, national origin, color, disability, or age that would have impeded the LEA's grant related staff access to the GEER Fund grant while using the NHDOE GMS.

The NHDOE is aware that each of its subrecipients of GEER Funds will also be required to supply the NHDOE with a GEPA Section 427 Statement. Once these statements are received, the NHDOE will review each statement and any barriers to access that are identified. The NHDOE will then work with the subrecipients to assure any proposed solutions to such barriers are implemented in a comprehensive and timely manner.

# APPENDIX A.1

## Fiscal Request Document



**STATE OF NEW HAMPSHIRE  
OFFICE OF THE GOVERNOR**

**CHRISTOPHER T. SUNUNU**  
Governor

April 17, 2020

Frank Edelblut  
Commissioner  
New Hampshire Department of Education  
101 Pleasant Street  
Concord, N.H. 03301

Dear Commissioner Edelblut,

Pursuant to my authority under RSA 21-P:43, RSA 4:45, RSA 4:47, and Executive Order 2020-04, I have approved your written request, in attachment, to take the following actions related to CARES Act emergency relief funds:

1. Accept and expend Federal CARES Act Elementary and Secondary School Relief funds in the amount of \$37,641,372 from the United States Department of Education;
2. Accept and expend Federal CARES Act Governor's Emergency Education Relief funds in the amount of \$8,891,470 from the United States Department of Education;
3. Establish a temporary full-time position of, Administrator I labor grade 27, to administer the New Hampshire Department of Education's CARES Act Education funds and to provide assistance to local education agencies related to guidance and regulations.

The Department of Administrative Services is authorized to take the actions necessary to effectuate this authorization.

Sincerely,

A handwritten signature in cursive script that reads "Christopher T. Sununu".

Christopher T. Sununu  
Governor

CC Charles Arlinghaus, Commissioner, Department of Administrative Services

Frank Edelblut  
Commissioner



Christine Brennan  
Deputy Commissioner

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION  
101 Pleasant Street  
Concord, N.H. 03301  
TEL (603) 271-3486  
FAX (603)-271-1963  
Citizens Services Line 1-800-339-8800

April 15, 2020

His Excellency, Governor Christopher T. Sununu  
State House  
Concord, NH 03301

**REQUESTED ACTION UNDER RSA 21-P:43, RSA 4:45, RSA 4:47 & EXECUTIVE ORDER 2020-04**

1. Authorize the Department of Education, Division of Learner Support to accept and expend CARES Act Elementary and Secondary School Relief funds in the amount of \$37,641,372 from the United States Department of Education, effective upon approval by the Governor through September 30, 2021. The budgets for Fiscal Years 2020 and 2021 are listed below. 100% Federal Funds.

2. Authorize the Department of Education, Bureau of Learner Support to establish the following temporary full time position effective upon approval of the Governor through June 30, 2021. 100% Federal Funds.

<u>Title</u>	<u>Labor Grade</u>	<u>Salary Range</u>
Administrator I	27	\$55,556 - \$79,170

Funds to be budgeted as follows:

**CARES Act Education Fund**  
 Account: 06-56-56-562010-XXXX0000  
 Revenue Source Code: 400374

Class/Object	Description	FY 2020	FY 2021
020/500200	Current Expenses	\$ 396	\$ 749
027/582803	Transfers to DoIT	\$ 250	\$ 3,000
028/582814	Transfers to General Services	\$ 250	\$ 3,000
029/500290	Intra-Agency Transfers	\$ 100	\$ 50,500
030/500301	Equipment	\$ -	\$ 2,000
037/500173	Technology Hardware	\$ 2,500	\$ 150
038/500174	Technology Software	\$ 150	\$ 150
039/500177	Telecommunications	\$ 100	\$ 1,380
040/500800	Indirect Costs	\$ 411	\$ 8,367
041/500801	Audit Fund Set Aside	\$ 33,921	\$ 3,721
042/500620	Additional Fringe Benefits	\$ 305	\$ 7,914
050/500109	Personal Services Temp Appoint	\$ 917	\$ 9,723
059/500117	Temporary Full-Time	\$ 2,537	\$ 65,949
060/500601	Benefits	\$ 1,756	\$ 38,084
070/500704	In-State Travel	\$ -	\$ 500
072/500577	Grants-Federal	\$ 33,876,900	\$ 3,323,192
080/500710	Out-of-State Travel	\$ -	\$ 2,500
102/500731	Contracts for Program Svcs	\$ -	\$ 200,000
		\$ 33,920,493	\$ 3,720,879

**EXPLANATION**

The New Hampshire Department of Education received a grant through new legislation, the CARES Act. This program allows the state and its school districts to expend funds flexibly to meet the pressing demands created by the impact of COVID-19.

The New Hampshire Department of Education (NH DOE), upon receipt of regulatory and guidance documents from the US Education Department, will award CARES funds to all local education agencies (LEAs) according to a formula based on population and poverty rate (formula for Title I, A funds). The NH DOE will prepare allocations and deliver funds via the existing reporting and application software, the online Grants Management System (GMS). LEAs will submit application documents, including program assurances and allowable grant activities, through this software, enabling two-way communication and reimbursement of expenses.

The NHDOE will communicate allocations, guidance and regulations on allowable activities and expenditures. LEAs will submit program assurances and activities. NHDOE will review, approve or suggest edits, and LEAs will be allowed to spend available funds to be reimbursed through the reporting system.

CARES legislation will provide funding as indicated above, but it will also expand, through a waiver process, the flexibility of existing grant programs. The list below provides a very brief description of the allowable activities for current LEA grants.

- Any activities authorized under ESSA, IDEA, Perkins, Subtitle B of McKinney-Vento Homeless Assistance Act, Adult Education and Family Literacy Act
- Coordinate emergency response
- Support school teachers
- Ensure preparedness and coordination
- Purchase cleaning supplies
- Purchase education technology
- Mental health supports
- Summer learning
- Other qualifying expenditures, including equitable services, etc.

In support of the objectives noted above, the Department commits to: adequately monitoring the formula subgrantees; assisting in the development of remote learning programming; providing technical assistance to understand new legislation and new flexibilities; supporting fiscal compliance guidance and support.

#### APPROPRIATION EXPLANATION

<u>Class</u>	<u>Class Description</u>	<u>Explanation</u>
020	Current Expenses	Appropriation to cover materials and supplies that will be used by staff.
027	Transfers to DOIT	Appropriation to cover required IT support.
028	Transfers to General Services	Appropriation for staff work areas.
029	Intra-Agency Transfers	Appropriation to internal program support.
030	Equipment	Appropriation to provide new equipment to staff hired under the grant.
037	Technology Hardware	Appropriation for new computer hardware.
038	Technology Software	Appropriation for new computer software.
039	Telecommunications	Appropriation to provide VOIP and other telecommunications services.
040	Indirect Costs	Appropriation to meet the State of NH Statewide Cost Allocation Plan obligations.
041	Audit Fund Set Aside	Appropriation is based on .1 percent of the grant.
042	Post-Retirement	Appropriation to cover post retirement costs at the current rate of 10.43 percent.
050	Part Time Salaries	Appropriation to cover cost allocation of salary.
059	Personal Service Temp	Appropriation to fund requested positions in support of the grant activities.

TDD Access: Relay NH 711

EQUAL OPPORTUNITY EMPLOYER - EQUAL EDUCATIONAL OPPORTUNITIES

060	Benefits	Appropriation to cover Health, Dental, Life, Medicare, FICA and Retirement Contributions for full time and cost allocated positions.
070	In-State Travel	Appropriation to cover travel for in state meetings, presentations and technical assistance.
072	Grants – Federal	Appropriation for the distribution of funds to grant sub-recipients.
080	Out of State Travel	Appropriation to cover staff travel to attend out of state meetings and presentations.
102	Contracts for Program Services	Appropriation to contract with providers of evaluation services, technical assistance and trainings.

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981:

**1. List All Personnel Involved:**

New Positions:

- Administrator I

The Department is requesting authorization to use a portion of additional grant funds to support two existing positions. This existing position will provide leadership and support for the grant:

- Business Administrator II
- Accountant III

**2. Nature, Need, and Duration:**

As stated above, the primary goals of the CARES act is to provide funding for schools and districts in the current challenging environment brought about by COVID-19. The funds will help ensure fewer interruptions in learning by securing training, devices, infrastructure, safety protocols and supplies, as well as flexibilities to allow districts more time to spend down funds. This grant will be available until September 30, 2021, pending additional information from the USED.

**3. Relationship to Existing Agency Programs:**

This grant will work cooperatively with other existing grant programs in the State by increasing flexibility in the use of funds in several programs and to enable remote learning broadly with the purchase of needed materials/supplies, training, and technology infrastructure.

**4. Has a Similar Program been Requested of the Legislature and Denied?**

No.

**5. Why wasn't this Funding included in the Agency's Budget Request?**

At the time that the State's Biennial Budget was being prepared, the Grant Award Letter had not been received. The Department was not awarded the funds until April 2020.

His Excellency, Governor Christopher T. Sununu  
April 15, 2020  
Page 5 of 5

**6. Can any Portion of the Grant Funds Be Utilized?**

**No. The positions requested are necessary to fulfill the intent of the grant.**

**7. Estimate the Funds Required to Continue the Position:**

**Salary and benefits for the full-time temporary position is expected to be approximately \$99,375 for FY21.**

**In the event Federal Funds become no longer available, General Funds will not be requested to support this program. Attached are copies of the grant awards.**

Respectfully submitted,



**Frank Edelblut  
Commissioner of Education**

Frank Edelblut  
Commissioner



Christine Brennan  
Deputy Commissioner

STATE OF NEW HAMPSHIRE  
DEPARTMENT OF EDUCATION  
101 Pleasant Street  
Concord, N.H. 03301  
TEL (603) 271-3496  
FAX (603) 271-1963  
Citizens Services Line 1-800-359-9900

April 15, 2020

His Excellency, Governor Christopher T. Sununu  
State House  
Concord, NH 03301

**REQUESTED ACTION UNDER RSA 21-P:43, RSA 4:45, RSA 4:47 & EXECUTIVE ORDER 2020-04**

Authorize the Department of Education, Division of Learner Support to accept and expend CARES Act Governor's Emergency Education Relief funds in the amount of \$8,891,470 from the United States Department of Education, effective upon approval by the Governor through September 30, 2021. 100% Federal Funds.

Funds to be budgeted as follows:

**CARES Act Governors Ed Fund**

Account: 06-56-56-562010-XXXX0000

Revenue Source Code: 400374

<b>Class/Object</b>	<b>Description</b>		<b>FY 2020</b>
041/500801	Audit Fund Set Aside	\$	8,891
072/500577	Grants-Federal	\$	7,882,579
102/500731	Contracts for Program Svcs	\$	1,000,000
		\$	8,891,470

**EXPLANATION**

The New Hampshire Department of Education, through the New Hampshire Governor's Office, received a grant through new legislation, the CARES Act. This program allows the governor broad flexibility to expend funds to meet the pressing demands of New Hampshire's education systems created by the impact of COVID-19.

The Governor's funds under the CARES Act are to be used for emergency grants to New Hampshire education systems that are significantly impacted by the coronavirus as the Governor deems "essential for carrying out emergency educational services." LEAs, IHEs, and other education related entities can use these funds flexibly once received to provide educational services and to "support ongoing functionality." The state will not use the funds as replacement for its normal state aid formula. Instead, the state must decide which entities are most impacted by coronavirus, or are essential for carrying out emergency educational services, and allocate the funds there.

**APPROPRIATION EXPLANATION**

<b><u>Class</u></b>	<b><u>Class Description</u></b>	<b><u>Explanation</u></b>
041	Audit Fund Set Aside	Appropriation is based on .1 percent of the grant.
072	Grants - Federal	Appropriation for the distribution of funds to grant sub-recipients.
102	Contracts for Program Services	Appropriation to contract with providers of evaluation and other services, technical assistance and trainings.

In the event Federal Funds become no longer available, General Funds will not be requested to support this program. Attached are copies of the grant awards.

Respectfully submitted,



Frank Edelblut  
Commissioner

# APPENDIX A.2

## OBM Form 11 and Form 12 Procedures



## Procedure: Form 11 Process

### 1. Purpose

The purpose of the Form 11 is for the Office of Business Management to assist Programs within the Department of Education with the budgeting of anticipated grant funds, new grant funds, reoccurring grants, and other funding sources as needed throughout the fiscal year.

### 2. Procedure

- Upon notification of new grant by Program Administrator or at the start of a new Federal Fiscal year for reoccurring grants received by the Department of Education the Business Administrator (BA) will set up a meeting with the Program Administrator to set up the initial Form 11 for the grant.
  - The Program Administrator will need to bring;
    - All of the related grant documents to complete this process
    - Grant breakdown (admin, SL, program, etc.)
- The BA and the Program Administrator will first discuss all employees that will be paid with the funds and all related expenses to those employees.
- The Program Administrator will then work with the BA to take the remaining funds and budget them as allowable by the grant.
  - Only classes with available state appropriation can be budgeted
  - The Program Administrator at this time can choose not to budget 100% of their remaining funds.
- The Program Administrator and the BA will need to discuss if there is a Maintenance of Effort or Match Requirement and if yes what it is and what the Program is currently doing to meet the requirement
- The Program Administrator and the BA will also need to discuss if there are any federal reports and when they are due.
- At the end of each quarter or if there was a significant change to the grant the Program Administrator can then make changes to the Form 11 budget by working with their BA.
- Once the Form 11 is complete the Program Administrator will need to sign it confirming the items budgeted are allowable.
  - The signed copy will be filed by the Business Administrator





		<b>SOP #</b>	DOE-OBM-24
		<b>Revision #</b>	NA
		<b>Implementation Date</b>	
<b>Page #</b>	1 of 1	<b>Last Reviewed/Update Date</b>	NA
<b>Policy Owner</b>	<i>Office of Business Management</i>	<b>Approval</b>	CFO

## **Procedure: Form 12 Process**

### ***1. Purpose***

---

The purpose of this procedure is to outline how New Hampshire Department of Education is completing Form 12's. A Form 12 is filled out to put grant allocations into the Grants Management System (Form 12).

### ***2. Procedure***

---

- Once Program Administrators have completed their grant allocation process they will then communicate with their Business Administrator (BA) the allocation amount they would like entered into GMS.
- Once the BA receives the allocation amounts from the Program Administrator they will verify the allocation does not exceed the Form 11 amount.
  - If it is in excess of the Form 11 the Program Administrator and BA will need to schedule a Form 11 meeting (see procedure number DOE-OBM-021)
- Once that has been verified they will fill out a Form 12 and it will then be signed by;
  - The BA- verifying it does not exceed the Form 11 allocation
  - The Program Administrator- confirming the allocation is in compliance with the grant.
- The Form 12 will then be entered into GMS by the Office of Business Management (OBM).
- If a Program Administrator wishes to adjust their Form 12 amount they will need to follow this process from the beginning again.
- OBM will then email those that have signed the Form 12 that it has been entered into GMS.



# **APPENDIX A.3**

## **OBM LEA Reimbursement**

### **Job Aid**

# Job Aid: Releasing GMS Payments

GMS (Grants Management System) is used to disburse grant payments to various schools. Once a week, we process payments from GMS so they will interface with Lawson overnight. After reconciling the Lawson totals to the GMS totals, we release all of the GMS transactions in AP26.

## 1) Processing in GMS:

Log in to myNHDOE.

- Help
- Contact Support
- Frequently Asked Questions
- User Manual
- Additional Resources

**myNHDOE Login**

Username

Password

Login 

**LOGIN TROUBLE INSTRUCTIONS**  
*Before opening a support ticket, please read below*

New user? [Create an Account](#)

Existing myNHDOE user?

- Location
- Systems
- Help
- Contact Support
- Frequently Asked Questions
- User Manual
- Additional Resources

### System Listing

*ordered by the systems that you use most frequently*

Click here if you have a New Hampshire Teacher Number (EdID#).

-  Grants Management System  
Multiple educational entities are associated with this system. Click here to select one.
-  Educator Information System (EIS)  
New Applicant

1. After logging in, click on "Grants Management System"

- Location
- Systems
- Help
- Contact Support
- Frequently Asked Questions
- User Manual

### System Listing

*ordered by the systems that you use most frequently*

-  Grants Management System  
DOE Payment Processor
-  Grants Management System  
Read Only

2. Click on "DOE Payment Processor"

# Job Aid: Releasing GMS Payments

Selected Fiscal Year: 2018-2019

Home OBM Home Admin Help myNHDOE Logout

Office of Business Management Home Page

3. Click on "Process"

There is currently \$1,489,201.72 approved for invoice processing. [Process](#)  
 There is currently \$45,795.84 approved for manual invoice processing. [Process Manuals](#)  
 There is currently \$0.00 queued for payment transfer.

Invoice Search

Invoice Number(s): From  to  [Search](#)  
 Invoice Date: From  to  [Search](#)  
 NH First Vendor: 0 - 0 [Search](#)

CANs highlighted in yellow are expiring soon. CANs highlighted in red are already expired. If you encounter either, notify the appropriate BAI.

Selected Fiscal Year: 2018-2019

Home OBM Home Admin Help myNHDOE Logout

4. Check each entry to make sure the CAN is still active.

Process:	Vendor Code	Vendor Name	Agency Name	Grant Title	Grant Type	Report Period	Amount			
<input checked="" type="checkbox"/>	26582	All Children Cared for Educated Supported and Successful	All Children Cared for, educated, supported, and successful	Title IVB - 21st Century Community Learning Center	TITLEIVB21C	08/2018	\$5,914.93	CAN 843	Amount \$5,914.93	Return
<input checked="" type="checkbox"/>	177346	Allenstown School Dist Sau 53	Allenstown	Title II Part A	TITLEIIA	07/2018	\$2,245.23	CAN 762	Amount \$2,245.23	Return
<input checked="" type="checkbox"/>	159824	Ashland School District	Ashland	Title I Part A	TITLEIPARTA	08/2018	\$2,427.36	CAN 919L	Amount \$2,427.36	Return
<input checked="" type="checkbox"/>	159824	Ashland School District	Ashland	Title II Part A	TITLEIIA	08/2018	\$1,757.87	CAN 962	Amount \$1,757.87	Return

5. If there are no problems, click "Process"

A popup window will appear asking you to confirm. Click "OK." Another window will pop up to show you the number of invoices and the invoice number range.

Message from webpage

X Message

? Please press OK to confirm the processing of selected amounts, otherwise click Cancel.

Created 69 invoices starting with invoice number R1932409 and ending with invoice number R1932477

OK Cancel

OK

# Job Aid: Releasing GMS Payments

6. Click "Transaction Groups" under the "OBM Home" tab.

Welcome **Tyler Folsom** Selected Fiscal Year: 2018-2019

7. The topmost entry will be the batch you just processed. Click "View" and save the PDF to the "AP520 Reports" folder. Then click "View Breakdown" and do the same thing.

	Date Generated	Generated By	Invoice Count	Group Sum	Breakdown
<a href="#">View</a>	10/1/2018 8:13:02 AM	tyler.s.folsom	69	\$1,489,285.83	<a href="#">View Breakdown</a>
<a href="#">View</a>	9/24/2018 8:07:40 AM	tyler.s.folsom	72	\$869,079.10	<a href="#">View Breakdown</a>
<a href="#">View</a>	9/17/2018 8:05:53 AM	tyler.s.folsom	109	\$3,482,174.66	<a href="#">View Breakdown</a>

## 2) Reconciling GMS Payments:

The processed GMS payments interface with Lawson overnight. A report from the BI screen can be used to reconcile the payments that interfaced to the payments that were in GMS.

8. Go to "Interface Reports" then click on the Excel version of the "Invoices Passed" report.

Interfaces

- Interface Reports
- Payroll Interfaces
- TBIL - PBIL Interfaces

Report Name	Description
<input type="checkbox"/> AP520 Co 10 Invoices Errored [Details] [History]	AP520 Co 10 Invoices Errored Report
<input type="checkbox"/> AP520 Co 10 Invoices Errored - XLS [Details] [History]	AP520 Co 10 Invoices Errored - XLS
<input type="checkbox"/> AP520 Co 10 Invoices Passed [Details] [History]	AP520 Co 10 Invoices Passed
<input type="checkbox"/> AP520 Co 10 Invoices Passed - XLS [Details] [History]	AP520 Co 10 Invoices Passed - XLS

# Job Aid: Releasing GMS Payments

Clipboard Font Alignment Number

1112 DOE-GRANTS MANAGEMENT SYSTEM

1	Co	Co N	Upda	Proc	Proc	Inv S	Auth	Auth	Vend	Vend	Invoice	Tax	You
06	10	General	Up	Sort A to Z					DOE-G1 Pinkert		056GMR193236	402	
07	10	General	Up	Sort Z to A					DOE-G1 Pinkert		056GMR193236	402	
08	10	General	Up						DOE-G1 MONAD		056GMR193237	402	
09									DOE-G1 Lincoln		056GMR193237	402	
10									DOE-G1 Lincoln		056GMR193237	402	
11									DOE-G1 Gov We		056GMR193239	402	
12	10	General	Up						DOE-G1				
13	10	General	Up						DOE-G1				
14	10	General	Up						DOE-G1				
15	10	General	Up						DOE-G1 Haverhill		056GMR193237	402	
16	10	General	Up						DOE-G1 Profile F		056GMR193237	402	
17	10	General	Up						DOE-G1 Profile F		056GMR193237	402	
18	10	General	Up						DOE-G1 Profile F		056GMR193237	402	
19	10	General	Up						DOE-G1 John St		056GMR193240	402	
20	10	General	Up						DOE-G1 Souheg		056GMR193235	402	
21	10	General	Up						DOE-G1 Souheg		056GMR193235	402	
22	10	General	Up						DOE-G1 Souheg		056GMR193235	402	
23	10	General	Up						DOE-G1 Amhers		056GMR193234	402	
24	10	General	Up						DOE-G1 Auburn		056GMR193236	402	
25	10	General	Up						DOE-G1 Barnste		056GMR193238	402	
26	10	General	Up						DOE-G1 Barnste		056GMR193238	402	
27	10	General	Up						DOE-G1 Bartlett		056GMR193235	402	
28	10	General	Up						DOE-G1 Bartlett		056GMR193235	402	

9. Filter by the GMS auth code, then copy and save everything to a new workbook in the AP520 folder.

10. Delete cell G1 and select "shift cells left" from the delete options.

Text Filters

Search

- (Select All)
- DDS
- GMS
- VR2

OK Cancel

1	A	B	C	D	E	F	G	H	I	J	K	L	M
2	Drop Report Filter Fields Here												
3	Sum of Original Trans Amt												
4	Distribution Acct Unit	Activity	Distribution Acct	Total									
5	111310000	(blank)	500577	5,770.00									
6		(blank) Total		5,770.00									
7	11310000 Total			5,770.00									
8	25040000	56723P	502628	26,368.46									
9		56723P Total		26,368.46									
10		56823P	502626	268.75									
11			502628	17,783.55									
12			502629	38,648.70									
13		56823P Total		56,701.00									
14	25040000 Total			83,069.46									
15	25050000	(blank)	502626	8,745.39									
16													
17	25050000 Total												
18	25090000												
19													
20													
21													
22													
23		56819P Total		162,106.54									
24		56919P	500577	106,244.80									
25		56919P Total		106,244.80									
26	25090000 Total			268,048.72									
27	25100000	56762P	500577	99,972.26									
28		56762P Total		99,972.26									
29		56862P	500577	201,238.09									
30		56862P Total		201,238.09									
31	25100000 Total			301,210.35									
32	25110000	(blank)	500577	2,250.18									
33		(blank) Total		2,250.18									
34	25110000 Total			2,250.18									

11. Insert a pivot table using these settings. Change the "Value Field Setting" of "Original Trans Amt" to "sum."

PivotTable Field List

Choose fields to add to report:

- Tax Amt
- Journal Book Seq Nbr
- Distribution Date
- Distribution Amt
- Distribution Acct
- Distribution Sub Acct
- Original Trans Amt
- Unit Amt
- Taxable Amt
- Tax Code
- Tax Type2
- Tax Usage Cd
- Asset
- Distribution Amt
- Acct Cat
- Bill Cat

Drag fields between areas below:

Report Filter: Distribution A...

Column Labels: Sum of Origin...

Row Labels: Activity

Values: Distribution Acct

Print the pivot table and the Invoice Breakdown PDF. If they reconcile, release all GMS payments in AP26 and notify Tim.

# **APPENDIX A.4**

## **OBM Coding Invoices Procedure**



## Procedure: Coding Invoices

### 1. Purpose

---

- Coding Manual Invoices
- Coding Contracts

### 2. Procedure

---

#### Coding Manual Invoices:

1. The BA will receive a request from the program to make a purchase of an item through the use of the Purchase Request Form. The program will provide the grant and/or accounting unit (AU) they would like the funds charged to, as well as the Admin/Directors signature of approval to purchase.
2. The BA will check that there is sufficient funding for the requested purchase as well as determining the class and expense code the funds will be charged to.
  - a. If there is sufficient funding, the BA will initial the purchase request and return the request back to the program to purchase the item.
  - b. If there is not sufficient funding within that grant/AU, the BA will notify the program that they will need to determine another course of action for purchasing or they will be unable to purchase the item.
3. Once the program has purchased the item, they will resubmit the approved purchase request and invoice to the BA to code for payment.

#### Coding Contract Invoices:

1. The BA will receive an invoice from the program with the Admin/Directors initial showing that the work claimed on the invoice is accurate and completed in full.
2. The BA will confirm that there is sufficient funding to pay the invoice
  - a. If there is sufficient funding on the PO line, the BA will fill out the coding box and initial their approval.
  - b. If there is not sufficient funding on the PO line, the BA will communicate with the program on how to proceed with payment.
3. Once initialed by the BA, the coding box will need to be signed based on the appropriate Power of Attorney levels established.
4. Once approved by the program administrator, the invoice is put in Accounting Services inbox for processing.

### 3. References

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### 4. Definitions

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# **APPENDIX A.5**

## **OBM Closing Grants Procedure**



<b>SOP #</b>	DOE-OBM-25
<b>Revision #</b>	NA
<b>Implementation Date</b>	
<b>Last Reviewed/Update Date</b>	NA
<b>Approval</b>	CFO

<b>Page #</b>	1 of 1
<b>Policy Owner</b>	<i>Office of Business Management</i>

**Procedure: Closing grants**

***1. Purpose***

The purpose of this procedure is to outline how New Hampshire Department of Education is closing grants

***2. Procedure***

- The Office of Business Management (OBM) will remind Program Administrators approximately 90 days prior to the last day to draw that the last day to submit all payments for closing grants is Nov 15<sup>th</sup>.
  - If a grant has a last to draw different then December 30<sup>th</sup> we will calculate the 90 days and 45 days specific to that grant.
- Once all final payments have been processed and subsequent draws have been completed OBM will then reconcile the remaining balance in the draw system to the Recap page and/or Federal Control ledger.

# **APPENDIX A.6**

## **FY21 Subrecipient Fiscal Risk Assessment Report for School Districts**

**FY21 SUBRECIPIENT FISCAL RISK  
ASSESSMENT REPORT**

**for**

**SCHOOL DISTRICTS**

**May 27, 2020**

**Prepared by:**



Division of Education Analytics & Resources  
Bureau of Federal Compliance  
101 Pleasant Street | Concord, NH 03301

---

## 1.0 Annual Fiscal Risk Assessment

As a pass-through entity, the New Hampshire Department of Education (NHDOE) awards Federal grant funds to eligible subrecipients, including local educational agencies (LEAs). In New Hampshire, School Districts and public Charter Schools are considered LEAs. The responsibilities of pass-through entities are given in Title 2 of the Code of Federal Regulations, Part 200.331, which requires the NHDOE to “evaluate each subrecipient’s risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring.”

To comply with this requirement, the NHDOE conducts an annual fiscal risk assessment of School Districts (Districts) to determine their potential risk of fiscal noncompliance. Based upon the outcome of the risk assessment, Districts are assigned a risk level of low, medium, or high. A separate risk assessment is completed for Charter Schools due to their different risk environment.

**Programmatic risk assessments are completed by individual program specific NHDOE staff and will not be discussed further herein.**

The NHDOE updates the fiscal risk assessment model annually to ensure that risk indicators and weights reflect current risks, such as economic conditions; political conditions; regulatory changes; unreliable information; financial problems that could lead to the diversion of grant funds; loss of essential personnel; loss of accreditation; rapid growth; new activities, products, or services; and organizational restructuring. Also, both risk criteria and weighting may change year to year based on District monitoring results from prior years.

The risk assessment criteria includes indicators and weights derived from multiple sources. Each District is assigned a point value based upon these criteria, and assigned a risk level of high, medium, or low based on the total number of points assigned.

## 2.0 Purpose of the Annual Fiscal Risk Assessment

The fiscal risk assessment is used to determine the likelihood that a District may fail to comply with applicable laws, rules and regulations. If a District is assigned a high risk level (as a result of the annual risk assessment), it does not necessarily indicate that the District has failed to comply with applicable rules. Similarly, a low risk level does not indicate that the District is fully compliant with applicable rules. Only an independent auditor or a NHDOE fiscal or program monitor can determine if a District is compliant or noncompliant. Even then, areas of noncompliance may exist if those areas were not specifically reviewed during the auditing or monitoring process.

The fiscal risk assessment is conducted annually, so a District’s assigned risk category can change from year to year. A District assigned a high risk level for FY19 may be assigned a medium or low risk level for FY20.

---

The purpose of completing an annual risk assessment is to determine the appropriate level of District monitoring and technical assistance. The results are used to more efficiently assign NHDOE monitoring resources to those Districts that need greater compliance oversight and/or technical assistance.

### **3.0 Development of Fiscal Risk Assessment Tool**

Although Title 2 of the Code of Federal Regulations, Part 200.331(b) requires NHDOE, as a pass-through entity, to evaluate a District's fiscal risk, it does not specify how that evaluation should be completed. The limited guidance provided in Part 200.331 suggests the District's prior experience with subawards, the results of previous audits, whether the District has new personnel or systems and the results of any Federal audits should be included in any risk assessment.

In completing a cursory review of other State Department of Education risk assessment programs, it is evident that varied approaches are currently being used nationwide. Identified programs ranged from very brief questionnaires to highly elaborate quantitative approaches. In developing its risk assessment methodology, the NHDOE first assured some of the limited criteria provided in Part 200.331 was included. Thereafter, additional criteria the NHDOE felt best quantified the District's potential risk based on local concerns and the NHDOE's prior experience with its FY19 and FY20 District monitoring program was added.

The fiscal risk assessment methodology was incorporated into an Excel-based risk assessment tool (RAT) as included in Appendix A. The RAT is a numerical model that generally relies on readily available data sets related to the Districts' overall management of Federal grant funds. There were five general risk criteria, as discussed briefly below, used to develop the eight variables utilized in the final version of the RAT.

#### **Grant Award Amount Risk**

The total amount of Federal funds awarded to Districts in FY20 was a primary consideration in assessing District fiscal risk. The more Federal funds being managed the greater the fiscal impact should the funds be mismanaged or otherwise compromised.

#### **Grant Program Risk**

The total number of grant programs awarded to a District in FY20 was also a primary consideration in the fiscal risk assessment. The greater the number of Federal grant programs, the greater the number of program specific grant compliance requirements with which as District must comply.

#### **Single-Audit Risk**

If a District will have a single-audit of either their FY20 and/or FY21 grant funds completed, this additional level of monitoring would reduce the overall risk of non-compliance with Federal grant requirements not being identified. However, if the completed single-audit resulted in audit findings, this would tend to increase the risk profile of a District until the audit findings are corrected.

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NHDOE Monitoring Risk

Whether or not the District was included in the NHDOE Bureau of Federal Compliance's (BFC's) FY19 or FY20 monitoring program was also a factor when evaluating the District's risk of noncompliance.

Key Staff Turnover Risk

Based on the result of the BFC's prior two years of District fiscal monitoring, the turnover of key District staff, to include the Superintendent and the Business Administrator, appears to be a risk indicator relative to Federal grant compliance.

#### **4.0 Variables Used in the Risk Assessment Tool**

Assessment of the following six fiscal risk variables; grant award amount, number of grants awarded, single-audit status, unresolved single-audit findings, prior BFC monitoring status and key staff turnover were considered appropriate to adequately quantify a District's potential risk relative to their management of Federal grant funds. The span for each variable was set at two (0 to 2 points) to equalize the variables prior to applying the weighting. The criteria that defines each variable range and the corresponding point value is shown on the top of the RAT spreadsheet included as Appendix A.

The justification for inclusion of each of the six risk variables and weighting, as well as any simplifying assumptions, are described in more detail below.

Grant Award Amount Risk

*Grant Award Amount (20%)*

This variable includes the total amount of Federal funds awarded to each School District in FY20 plus the amount of the Elementary and Secondary School Emergency Relief (ESSER) Fund allocated to each District. The amount of this specific grant was included as it was unclear in what fiscal year these funds would be awarded due to the late nature of the award. Further, as the ESSER allocation represents a significant increase in a District's total annual Federal funds, the NHDOE felt its inclusion was necessary to adequately represent a District's total amount of Federal funds being managed in FY20 and/or FY21.

A simplifying assumption that was applied in arriving at the amount of Federal grant funds awarded during FY20 was to not include any grant funds associated with the NHDOE Food and Nutrition programs. This was done to simplify the data collection process as these funds are not included in the NHDOE Grants Management System (GMS) from which the data was pulled. Additionally, as almost every District participates in the Food and Nutrition programs to some extent, the exclusion of these programs was not anticipated to be a significant differentiating factor.

The higher the total dollar amount of Federal grant funds managed by a District the higher the potential risk for loss of funds should waste, fraud or abuse be occurring. If underlying waste,

fraud or abuse is not occurring, the magnitude of the grant funds being managed is not material. As such, the 20 percent weighting of this risk parameter is considered appropriate.

Total District Federal funds less than \$1,000,000 was assigned a value of 0, between \$1,000,00 and \$2,000,00 was assigned a value of 1, and above \$2,000,000 was assigned a value of 2.

### Grant Program Risk

#### *Number of Federal Grant Programs (20%)*

This risk factor primarily relates to the complexity of the Federal compliance requirements related to each individual grant program. Although many requirements with respect to fiscal compliance are common to multiple programs, each program may have specific regulatory requirements which need to be managed by the District. These may include equitable services, earmarking, matching, maintenance of effort, etc. Based on the foregoing, the 20 percent weighting of this risk variable was considered to be appropriate.

Similar to the *Grant Amount* variable above, a simplifying assumption that was applied in arriving at the number of grant programs awarded to each District during FY20 was to not include any NHDOE Food and Nutrition programs. In addition, as all Districts are receiving an ESSER grant, but the FY in which it will be awarded is still not known, it was omitted from the each District's grant count for simplicity.

When the number of Federal Grant Programs variable was less than 6 it was assigned a value of 0, between 6 and 11 it was assigned a value of 1, and above 11 it was assigned a value of 2.

### Single-Audit History Risk

#### *Single-Audit Status (10%)*

If a District will more likely than not be required to have a single-audit of either their FY20 or FY21 grant funds completed, this additional level of fiscal monitoring would reduce the overall risk of non-compliance with pertinent Federal grant requirements not being identified.

Whether a District would be required to have a single-audit of their FY20 or FY21 Federal fund expenditures was determined by assuming that if they had a FY18 single-audit (last complete data set) they would likely also have a FY20 or FY21 single-audit completed particularly due to the additional funds to be provided to School Districts by the ESSER Fund grant.

The weighting of this risk variable has been assigned a value of 10 percent. When a District had a FY18 single-audit completed the variable was assigned a value of 0. When a FY18 single-audit was not completed the variable was assigned a value of 2.

#### *Unresolved FY18 Single-Audit Findings (20%)*

A non-compliance or internal control finding within a District's single-audit related to the management of Federal grant funds is a significant risk indicator. As such, this variable was assigned a weighting of 20 percent.

Given the extension of the deadline for submission of District single-audits to the Federal Audit Clearinghouse (FAC) due to the COVID-19 pandemic, the NHDOE relied on its review of the Districts' FY18 single-audits (last complete data set) rather than the FY19 single-audits when populating this variable field.

When a District is has unresolved FY18 single-audit Findings the variable was assigned a value of 2. When a District does not have any unresolved FY18 single-audit Findings the variable was assigned a value of 0.

### NHDOE Monitoring Risk

#### *Last Monitored (15%)*

This variable is based on whether the District was subject to an on-site fiscal monitoring visit from the BFC during FY19 or FY20. FY19 was the first time the NHDOE had completed a formal fiscal risk assessment and comprehensive fiscal monitoring program in a number of years. Further, based on discussion with numerous District staff during the site visits, very little technical assistance and/or guidance around fiscal Federal grant compliance had been provided by the NHDOE over the past 10 to 15 years. As such, the vast majority the Districts which were monitored were unaware of numerous Federal grant compliance requirements.

As it is anticipated that Districts that were not monitored in FY19 or FY20 may have a similar general lack of understanding of fiscal Federal grant compliance, focusing the FY21 fiscal monitoring program on those Districts that have not been visited yet seems reasonable. The weighting of this variable was set at 15 percent.

When a District was monitored by the BFC in either FY19 or FY20, the variable was assigned a value 0. When a District was not monitored by the BFC the variable was assigned a value 2.

### Key Staff Turnover Risk

#### *Superintendent/Business Administrator Turnover (15%)*

Based on the results of the last two years of fiscal monitoring completed by the BFC, it is evident that turnover of key staff in leadership positions can have a significant impact on compliance with Federal grant funds. The risk to proper Federal fund management is due primarily to a loss "institutional knowledge" as well as continuity and an understanding of local initiatives. The risk due to key staff turnover in many Districts is further exacerbated by the absence of written internal control documents.

For the purposes of defining this variable, data on the turnover of either the School District Superintendent or the Business Administrator during the past 12 months, or anticipated for FY21 (after June 30, 2020) was collected. This variable was assigned a weighting of 15 percent.

It should be noted that given the fluid nature of this data set it may not perfectly represent the employment conditions that exist at the end of FY20.

When turnover of key leadership staff was identified, the variable was assigned a value 2. When a key staff turnover was not identified the variable was assigned a value 0.

## 5.0 Collection of Fiscal Risk Assessment Data

Both the *Grant Award Amount* and *Number of Federal Grant Program* data were collected from the NHDOE GMS and were subject to the simplifying assumptions stated above. The *Single –Audit Status* and the *Unresolved FY18 Single-Audit Finding* data was pulled from the BFC maintained District FY18 audit tracking spreadsheet. Similarly, whether a District was subject to an on-site fiscal monitoring visit (*Last Monitored* variable) during FY19 or FY20 was also determined using internal BFC tracking documents. Lastly, *Superintendent/Business Administrator Turnover* information was collected reviewing data submitted to the NHDOE I4C system or through personal knowledge.

## 6.0 Risk Assessment Index and Classification

The point values generated for each of the six variables for each District were weighted and then summed to arrive at a final index for each District. After a thorough review of the RAT scores, the NHDOE determined that for the FY21 monitoring program a District having an index below 0.7 was classified as low risk, 0.7-0.9 was classified as moderate risk, and above 0.9 was classified as high risk.

The attached Table 1 lists the Districts that have been categorized as having either a high or moderate risk index. The Districts listed on Table 1 are intended to receive scheduled fiscal monitoring (either on-site or desk monitoring) by the BFC during the upcoming 2020-2021 school year.

In the opinion of the NHDOE, both the risk assessment methodology and the resulting RAT generally meet the requirements of 2 CFR 200.331. The application of the risk assessment tool to categorize Districts is both appropriate and resource efficient.

## 7.0 School District Monitoring Based on the Results of Fiscal Risk Assessment

The extent of District monitoring is dependent on the level of risk assigned to the District. The risk assessment index, and any identified areas of weakness, will assist the BFC in determining the depth, scope and priority for each individual District's individual monitoring plan.

# APPENDIX A.7

Fiscal Monitoring Program for  
Local Education Agencies for  
the 2020 - 2021 School Year

**FISCAL MONITORING  
PROGRAM  
for  
LOCAL EDUCATION AGENCIES  
for the  
2020 – 2021 SCHOOL YEAR**

**June 1, 2020**

**Prepared by:**



Division of Education Analytics & Resources  
Bureau of Federal Compliance  
101 Pleasant Street | Concord, NH 03301

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## **1.0 PURPOSE AND AUTHORITY**

As a “pass-through” entity for Federal grant funds, the New Hampshire Department of Education (NHDOE) is required to monitor its Federal grant subrecipients in order to ensure compliance with federal statutes and regulations in accordance with the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (2 CFR 200.331). This document describes how the NHDOE intends to meet this obligation for subrecipients that are Local Education Agencies (LEAs) which in New Hampshire include School Districts and Public Charter Schools for FY21 (2020 – 2021 school year).

Monitoring is the review process used in determining an LEA’s compliance with the requirements of Federal programs/Federal funds, adhering to applicable laws and regulations, and measuring progress toward stated results and outcomes. Monitoring includes an assessment of documentation and data maintained by the LEAs; information obtained in interviews; and information obtained through observation and/or on-site or desk monitoring. Monitoring efforts determine the LEA’s level of compliance with Federal expectations can and identify needed operational changes. Monitoring also determines if the financial management and the accounting system are adequate to account for program funds in accordance with Federal requirements.

This document outlines only the “fiscal” monitoring to be completed by the NHDOE Bureau of Federal Compliance (BFC). NHDOE program staff, in accordance with their own documented LEA monitoring programs, will complete programmatic monitoring. Although, the fiscal and programmatic monitoring is done independently, the BFC constantly communicates its findings to program staff as needed.

## **2.0 GOALS**

The goals of the BFC fiscal monitoring process are as follows:

1. To ensure compliance with federal fiscal requirements;
2. To identify and, to the extent feasible, address the technical assistance, professional development and quality improvement needs of LEAs.
3. Reduce the potential for waste, fraud and abuse related to the management; and expenditure of Federal grant funds.

## **3.0 LEA FISCAL MONITORING CYCLE**

The fiscal monitoring cycle to be applied to LEAs for FY21 includes the following;

1. Complete LEA (School Districts and Public Charter Schools) risk assessments in June 2020 to inform which LEAs will receive fiscal monitoring during FY21.

2. Notify School Districts identified as “High Risk” by email of their categorization no later than August 1, 2020 and attempt to schedule the monitoring procedure by the BFC.
3. Notify “Moderate Risk” School Districts and all selected Charter Schools no later than September 1, 2020 and attempt to schedule the monitoring procedure by the BFC.
4. Complete fiscal monitoring between October 1, 2020 and May 30, 2021. Monitoring reports will be issued to LEAs on a rolling basis with a target interval of no more than 45 days.
5. Monitor the LEA’s completion of corrective action items on an ongoing basis.
6. Complete a FY21 LEA Fiscal Monitoring Summary Report to be presented to the New Hampshire Commissioner of Education no later than May 30, 2021.

### LEA Fiscal Monitoring Cycle



It should be noted that the fiscal monitoring cycle summarized above may be impacted by the ongoing pandemic. The BFC will modify the cycle as needed to maximize its resources in meeting the goals of this LEA fiscal monitoring program as described above.

#### 4.0 LEA RISK ASSESSMENTS

Both a School District and a Charter School risk assessment were completed in June 2020 to inform which LEAs will be monitored in FY21. The results of these efforts are summarized in two individual reports. The Charter School risk assessment report, entitled FY21 Subrecipient Fiscal Risk Assessment Report for Charter Schools, dated May 27, 2020, resulted in 14 Charter School being selected for monitoring. Similarly, the School District risk assessment, entitled FY21 Subrecipient Fiscal Risk Assessment Report for School Districts, dated May 27, 2020 resulted in 16 School Districts designated as High Risk and 46 School Districts designated as “Moderate Risk” being selected.

The LEAs to be monitored in FY21, based on the risk assessments, are listed on Table 1.

#### 5.0 FEDERAL GRANTS AVAILABLE TO BE MONITORED IN FY21

Due to the manner in which the BFC is funded, in order to not violate period of performance requirements BFC staff can only charge to active Federal grants. Given this requirement, and the planned LEA monitoring period of October 1, 2020 through May 30, 2021, the following Federal grants can be included in a LEA’s fiscal monitoring plan.

**Federal Grants Available During the FY21 Monitoring Period**

#	CFDA#	Federal Grant Program Title	FY20	FY21
1	84.002	Adult Education	Yes	Yes
2	84.010	Title I, Part A – Grants to Local Education Agencies	Yes	Yes
3	84.011	Title I, 1003(a) (CSI)	Yes	Yes
4	84.011	Title 1, Part C – Migrant Education State Grant Program	Yes	Yes
5	84.013	Title I, State Agency Program for Neglected and Delinquent Children and Youth	Yes	Yes
6	84.027	Special Education – Grants to States	Yes	Yes
7	84.173	Special Education – Preschool Grants	Yes	Yes
8	84.027A	Special Education – Distinguished Educator	Yes	Yes
10	84.048	Career and Technical Education – Basic Grants to States (Program Improvement)	Yes	Yes
11	84.144	Migrant Education – Coordination Program	Yes	Yes
12	84.196	Education for Homeless Children and Youth	Yes	Yes
13	84.287	21 <sup>st</sup> Century Community Learning Centers	Yes	Yes
14	84.358	Rural Education	Yes	Yes
15	84.365	English Language Acquisition State Grants (Title III)	Yes	Yes
16	84.367	Supporting Effective Instruction State Grants (Title II)	Yes	Yes
17	84.424	Student Support and Academic Enrichment Program	Yes	Yes
18	84.425D	Elementary and Secondary School Emergency Relief Fund	Yes	Yes
19	93.104	System of Care	No	No
20	93.243	Project Aware	Yes	Yes
21	16.839	Threat Assessment	Yes	Yes
22	16.839	Stop School Violence	Yes	Yes

**6.0 TYPES OF FISCAL MONITORING PROCEDURES**

It is the BFC’s preference to complete fiscal monitoring by visiting the LEA business office/school and working with LEA staff directly. The BFC finds this type of monitoring, which has been implemented over the past two years, to be more productive for both the BFC and the LEA. However, given the current COVID-19 pandemic, the BFC has also developed a remote fiscal monitoring process, as described below, which will be implemented should on-site monitoring not be prudent.

**6.1 General Onsite Fiscal Monitoring Procedure**

Once an LEA is scheduled for their fiscal onsite monitoring visit, BFC staff will start compiling a request list for the LEA business office. The LEA should expect to receive an email outlining what items the BFC will be reviewing during the monitoring visit. This email will be sent to the LEA business office not later than three weeks before the scheduled on-site visit. For each LEA to be monitored in FY21, the following information will be requested;

1. Policies/procedures required by 2 CFR 200 and other Federal program regulations (See attached list – Appendix A).
2. Supporting documentation for a number of Grant Management System (GMS) activity reimbursement requests the LEA made to the NHDOE during FY20 and FY21 (open grants only). The number of GMS activities that will be reviewed will depend not only on the risk category of the LEA but also on the type of grant program and the need to cover multiple aspects of grant compliance as discussed below (see example GMS Request - Appendix A).
3. Copies of employment contracts/certification for employees paid using Federal grant funds.

In selecting an LEAs' GMS activities for review, the BFC will consider the following areas of compliance:

1. Procurement;
2. Equitable Services (as applicable);
3. Time and Effort;
4. Inventory/Supply Management;
5. Period of Performance;
6. Indirect Charge Calculations;
7. Federally Compensated Staff Certifications (teachers, para-professionals); and
8. Contract Authorizations.

GMS activities will also be selected to review compliance specific to any Federal grant program (i.e. Maintenance of Effort for IDEA funds) as deemed necessary.

During the onsite visit, other areas of compliance may be tested based on the results of the review of the initial GMS requests. Following the completion of the onsite monitoring, BFC staff will have a discussion with the Business Administrator and/or Superintendent (and the Federal grants manager if available) to go over areas of concern, request additional supporting documentation and discuss next steps in the compliance monitoring process, if applicable.

## 6.2 General Remote Fiscal Monitoring Procedure

Should the current pandemic prohibit BFC staff from completing on-site fiscal compliance monitoring, a transition to remote monitoring will be made. In general, the method/timing of the monitoring request (email) and the type of information requested from the LEA (policies/procedures, GMS activities and employee contracts/certifications) will be the same as for the on-site monitoring process described above. However, instead of assembling the supporting documentation for review at the LEA, the LEA will be required to email the necessary supporting documentation to the BFC staff member assigned to monitor the LEA.

It is anticipated, based on experience with on-site monitoring process, the BFC will likely need to request additional supporting documentation as the review process progresses. As such, it is

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anticipated the remote monitoring process may take longer overall than the on-site monitoring process. As part of this process the LEA will be reminded to redact any personally identifiable information (PII) from documents submitted to the BFC.

Following the completion of the remote monitoring process, BFC staff will have a remote (Zoom, Skype, etc.) discussion with the LEA Business Administrator and/or Superintendent to go over areas of concern, request additional supporting documentation and discuss next steps in the compliance monitoring process, if applicable.

## **7.0 BFC REPORTING PROCEDURE**

Following completion of the fiscal monitoring process, the BFC will prepare a report summarizing the results of the fiscal monitoring process. The report will include a listing of the policies/procedures reviewed, the specific GMS reimbursement requests requested and any related fiscal compliance concerns identified. The report will also list any corrective actions required to be completed by the LEA.

It is the BFC's practice to provide the LEA a draft copy of the monitoring report so they can have an opportunity to clarify any issues before the final report is issued. However, the BFC issues the final monitoring report within a predetermined timeframe whether or not the LEA responds to the draft monitoring report. Both the draft and final reports are sent by email to the LEA Superintendent and the Business Office representative. A copy of the final report is also sent by email to the LEA School Board Chair.

Along with the final monitoring report, a Corrective Action Plan form (CAP) (see Appendix B) is provided to the LEA contacts. The LEA is directed to explain how they will complete any required corrective actions and the timeline to complete the work. The CAP is required to be returned to the BFC within 30 calendar days of the date the final monitoring report is emailed to the LEA.

## **8.0 MONITORING LEA CORRECTIVE ACTIONS**

The BFC monitors the progress of the LEA's efforts in completing the corrective actions detailed in the final monitoring report. Monitoring is completed by assuring the LEA returns the CAP to the BFC within the stipulated 30 day period and that they provide reasonable timelines for completing the work. Thereafter, the BFC follows up with the LEAs when their deadlines are approaching to confirm the work is being completed.

The LEA must demonstrate that it has completed corrective actions by providing appropriate supporting documentation to the BFC for review. Enforcement actions allowed by 2 CFR 200 are initiated when an LEA does not comply with the stipulated deadlines despite repeated written requests from the BFC.

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## **9.0 ENFORCEMENT ACTIONS**

The NHDOE may impose an enforcement action as part of a corrective action or for noncompliance with a previous corrective action. 2 CFR 200.338 authorizes the NHDOE to impose those enforcement actions. Enforcement actions may include the following:

1. Temporarily withhold cash payments pending correction of the deficiency or more severe enforcement action;
2. Disallow all or part of the cost of the activity or action not in compliance;
3. Wholly or partly suspend or terminate the federal award;
4. Initiate suspension or debarment proceedings;
5. Withhold further federal awards for the grant; or
6. Take other remedies that may be legally available.

Similarly, the NHDOE may impose specific conditions on a non-compliant LEA's Federal grant in accordance with 2 CFR 200.207. Specific conditions that the NHDOE may impose include the following:

1. Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
2. Requiring additional, more detailed financial reports;
3. Requiring additional project monitoring;
4. Requiring the LEA to obtain technical or management assistance; or
5. Establishing additional prior approvals.

It is always the BFC's preference to work cooperatively with an LEA in resolving non-compliance issues. The BFC provides technical assistance and other supports to LEAs in their efforts to address corrective actions as resources allow. However, it is made clear to the LEAs that compliance with their Federal grant regulations is their responsibility.

## **10. FY21 LEA FISCAL COMPLIANCE MONITORING REPORT**

Following completion of the FY21 LEA fiscal monitoring program as outlined above, the BFC will complete a summary report to be presented to the Commissioner of the Department of Education. The report will include a table listing the LEAs monitored along with a summary of the policies/procedure deficiencies identified and the GMS activities reviewed for each LEA. The status of any compliance findings will also be summarized along with a discussion of the general compliance environment.

The results of the report, along with input from the Commissioner, will then be used to identify LEA technical assistance needs and to inform the next cycle of fiscal compliance monitoring.

# **APPENDIX A.8**

## **Equitable Services Under the CARES Act Guidance Document**



New Hampshire

**Department of Education**

## **Equitable Services under the CARES Act**

### **New Hampshire Department of Education Non-Regulatory Guidance**

#### **Introduction**

The CARES Act creates a \$30.75 billion Education Stabilization Fund (ESF), which is administered by the US Department of Education and divided out among states. The NH Department of Education will distribute a portion of those funds, under the Elementary and Secondary School Emergency Relief Fund (ESSER) directly to Local Educational Agencies (LEAs). Under the CARES Act, those funds are subject to equitable services provisions, as defined by the Every Student Succeeds Act (ESSA), which allow non-public schools to receive services provided by LEAs receiving ESSER funds.

Under the CARES Act Education Stabilization Fund, LEAs that receive funds “shall provide equitable services in the same manner as provided under section 1117 of the ESEA of 1965 to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools.” CARES Act, Division B, Title VIII, Section 18005.

On April 30, 2020, the U.S. Department of Education (“USDOE”) published non-binding guidance interpreting this statutory language against the broader backdrop of the entire CARES Act (the “April 30 Guidance”). The April 30 Guidance directed LEAs to provide equitable services to non-public school students and teachers based on the ratio of all students in the public and non-public sectors (hereinafter the “the proportional-student enrollment formula”).

Some members of Congress responded with a letter to USDOE on May 5, 2020 arguing that the plain language the CARES Act “requires LEAs to use emergency relief funds to provide equitable services based only on the number of low-income students at private schools” (the “Title I, Part A formula”).

On June 25, 2020, the USDOE announced that it had issued an Interim Final Rule (“IFR”) regarding the implementation of equitable services under the CARES Act. The IFR, which is effective immediately upon its publication in the Federal Register, includes concepts from the April 30 Guidance but also affords LEAs additional options in how equitable services may be allocated.

The NHDOE recognizes that some LEAs have expressed strong opinions regarding the equitable services allocation model required by the CARES Act and that those LEAs’ reading of the CARES Act may or may not accord with the IFR. It is not, however, within NHDOE’s authority to independently interpret that CARES Act provisions. NHDOE will follow the duly enacted, biding IFR until such time it is amended or revoked by either Congress, the USDOE, or the courts.

#### **Allocations**

The ESSER funds will be distributed by NHDOE directly to LEAs as a matching proportion to last fiscal year’s Title I funds. Under this formula, an LEA will receive a proportion of ESSER funds in direct proportion to the Title I funds they received in the last fiscal year.

LEAs are required to set aside funds to provide equitable services to participating non-public schools, though the law and the guidance from the US Department of Education seemed to offer different processes for determining the share of equitable services for non-public schools.

The US Department of Education released an interim final rule to address some confusion about section 18005(a) of Division B of the CARES Act, Pub. Law 116-136, 134 Stat. 281 (Mar. 27, 2020) with respect to the equitable services obligation owed by LEAs that receive CARES Act funds to students and teachers in non-public schools. Section 18005(a) of the CARES Act, titled "Assistance to Non-public Schools," requires an LEA to "provide equitable services in the same manner as provided under section 1117 of the ESEA of 1965 [Elementary and Secondary Education Act of 1965 (ESEA)] to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools." Section 18005(b) lodges control of funds for the services and assistance mandated in section 18005 (a) in a "public agency."

"An LEA that spends funds from a CARES Act program *only* on students and teachers in Title I schools may determine the proportional share on the basis of enrollment or by either using the LEA's Title I proportional share for the 2019-2020 school year or by using the number of students from low-income families in participating non-public schools compared to the total number of students from low-income families in Title I and participating non-public schools in the LEA. All other LEAs must determine the proportional share based on enrollment in public and participating non-public schools."

This ruling offers LEAs an operational choice in their budgeting of funds. The first choice for LEAs is simply whether or not the funds from the CARES-ESSER act will be used for all of their schools and students, regardless of Title IA (low-income) status. If the LEA chooses to use its funds across all schools and students, the share for equitable participation follows and will be set-aside for private schools according to the Title VIII formula.

If, on the other hand, the LEA selects to spend funds to support only its Title IA schools or students, the share for equitable participation follows and will be set-aside for private schools according to the Title IA formula.

Information on the specific allocations to each LEA will be published by the NH Department of Education and funds will be available directly through Grants Management System.

**IMPORTANT NOTE:** As with all equitable services, the funds are held by the LEA and at no point are funds distributed directly to a non-public school. The LEA is directly responsible for the management and spending of all funds for services provided directly to the non-public school. Likewise, any equipment that is purchased for a non-public school must remain the property of the LEA in title and be inventoried as such.

#### **The Role of an LEA vs. a Non-Public School Official**

Ultimately, the LEA is responsible for planning, designing, and implementing the program and may not delegate that responsibility to the nonpublic schools or their officials. As a result, nonpublic school officials who want services for their eligible students should be aware of their roles in the consultation process to ensure that programs designed by the LEA effectively meet the needs of their participating children, their teachers, and their families. Roles for the nonpublic school officials are:

- Participating in consultation;
- Providing lists of addresses and grades of low-income families;
- Suggesting ideas, program designs, and modifications that meet the needs of their eligible children, their teachers, and their families; and
- Providing a dedicated space, if appropriate.

If the nonpublic school official does not believe that the LEA engaged in timely and meaningful consultation, or that the LEA did not give due consideration to the views of the nonpublic school official, or disputes the low-income data on nonpublic school children, or for any other reason does not believe that the nonpublic school children are receiving fair and equitable Title I services, the nonpublic school official may file a complaint with the SEA.

### **Consultation**

The consultation process between the LEA and non-public school officials should result in a program designed to meet the education needs of the non-public school. Consultation must include meetings between LEA officials and appropriate non-public school officials and must occur *before* the LEA officials make any decision that affects the opportunity for non-public schoolchildren to participate. In addition, consultation must occur in a timely and meaningful manner during the design, development, and implementation of the program. Ultimately, the LEA officials make the final decisions regarding provision of services after consultation has occurred.

Consultation topics must include at a minimum:

- How the LEA will identify the needs of the non-public school.

The public and non-public school officials must discuss the current needs of the non-public school as it relates to any of the relevant, allowable federal programs and any additional COVID-19 related needs.

- What services the LEA will offer to eligible nonpublic schools.

The LEA must design and implement services offered by the LEA that address the needs of eligible non-public schools.

- How, where, and by whom the LEA will provide services.

The options available for service delivery, including how, where, and by whom, must be discussed.

- How the LEA will academically assess the services.

Prior to program implementation, it is important to determine how the program will be assessed and to establish benchmarks for determining the effectiveness of the program.

- Determining the poverty count cooperatively by public and nonpublic school officials.

Nonpublic school officials should know how the poverty data are collected and the number of nonpublic school children from low-income families who reside in Title I public school attendance areas.

- How and when the LEA will make decisions about the delivery of services to eligible children.

This includes a thorough consideration of the views of the nonpublic school officials on the provision of services through a contract with a potential third-party provider.

- How LEA officials must provide in writing to the nonpublic school officials an analysis of the reasons why the LEA has chosen not to use a contractor, if applicable.

To ensure that the views of the nonpublic school officials regarding provision of services by a third-party provider are adequately considered, the LEA must provide a written explanation to the nonpublic school officials if the LEA declines the nonpublic school officials' request for a third-party provider.

#### **Written Affirmation**

Finally, an LEA must obtain a written affirmation signed by the official of each participating nonpublic school, or a representative of those schools, that the required consultation process has occurred. A signature on an affirmation form signifies that the nonpublic school official is satisfied that an equitable program has been designed to meet the school's needs and has a reasonable promise of being effectively implemented. The written affirmation form must be maintained in LEA records and be provided to the state educational agency (SEA). If nonpublic school officials do not provide the written affirmation within a reasonable period of time, the LEA must forward documentation to the SEA that the required consultation has occurred.

#### **Allowability**

The CARES Act funds may be used for any reasonable and allocable fund request that is allowable under the following programs:

- the ESEA of 1965 (Titles I, II, III, IV, IC Migrant, ID Neglected and Delinquent, 21st Century Community Learning Centers, and Rural and Low Income Schools Grant)
- Individuals with Disabilities Education Act (IDEA)
- Adult Education and Family Literacy Act (20 U.S.C. 1400 et seq.)
- Carl D. Perkins Career and Technical Education
- McKinney-Vento Homeless Assistance Act

- Coordination of preparedness and response efforts of local educational agencies with State, local, Tribal, and territorial public health departments, and other relevant agencies, to improve coordinated responses among such entities to prevent, prepare for, and respond to coronavirus

## **Frequently Asked Questions**

### **Non-Public School (NPS) CARES Act Guidance**

*Sec. 18005 (a). IN GENERAL - A local education agency receiving funds under section 18002 and 18003 of this title (The CARES Act) shall provide equitable services in the same manner as provided under section 1117 of the ESEA of 1965 to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools.*

*(b) PUBLIC CONTROL OF FUNDS - The control of funds for the services and assistance provided to a non-public school under subsection (a), and title to materials, equipment, and property purchased with such funds, shall be in public agency and a public agency shall administer funds, materials, equipment, and property and shall provide such services (or may contract for the provisions of such services with a public or private entity).*

### **Education Stabilization Relief Fund (18003)**

#### **1. How will the CARES Act affect our annual initial and on-going spring consultation?**

LEAs will need to consult with nonpublic schools regarding the CARES Act regarding whether the nonpublic school (NPS) would like to participate and how to budget the equitable services. The proportionate share that the nonpublic school will receive through equitable services will be based upon the same proportionate share of the regular Title I, A allocation. The nonpublic school will not have to provide any additional data to participate in CARES funding other than providing budget preferences to the LEAs, as the LEAs can utilize the data from the 2019-2020 Title I, A consultation process. Consultation for the CARES Act funding will not impact other required consultations, such as the annual initial and on-going consultation required for Title I, A and other covered programs under Title VIII.

#### **2. Will every NPS have to consult with the LEA, in which they are geographically located?**

Yes, non-public schools will participate with the public school district where they are geographically located.

#### **3. Will the same rules of consultation apply to the CARES Act, such as timely, meaningful, and on-going consultation as well as LEA having ultimate say on decisions?**

Yes.

#### **4. What if I don't accept Title services from the LEA, but as a NPS, I do want to accept the CARES Act funding?**

The NPS can choose to accept CARES Act funding even if it turned down Title I, A equitable services for the 19-20 school year. The non-public school should notify the public school district that they intend to participate if the public school has not already reached out.

**5. How does the LEA calculate the equitable share for NPSs for the CARES Act?**

The LEA will calculate the equitable services share of funds to set aside based upon the proportion of students in each school (public and non-public). The funds are reserved based upon the percentage of students out of the total student population in the geographic boundaries of the LEA. See the above guidance for an example of how the fund shares are calculated. Additionally, the grant funds are administered through the NH Department of Education's Grant Management System, which includes a calculator for determining equitable services based upon the student enrollment data collected by the Department.

**6. Can a NPS, which annually declines Title Services, consult directly with the state for CARES Act funding?**

Generally, no. The NPS needs to consult with the LEA in which it is geographically located.

**7. How is this information being relayed to those schools with limited electronic access?**

The LEA will need to utilize a multitude of methods to communicate with NPSs, including email, certified mail, and in-person visits.

**8. What are allowable costs under the CARES Act funding?**

Any activity authorized by

- the ESEA of 1965 (Titles I, II, III, IV, IC Migrant, ID Neglected and Delinquent, 21st Century Community Learning Centers, and Rural and Low Income Schools Grant)
- Individuals with Disabilities Education Act (IDEA)
- Adult Education and Family Literacy Act (20 U.S.C. 1400 et seq.)
- Carl D. Perkins Career and Technical Education
- McKinney-Vento Homeless Assistance Act
- Coordination of preparedness and response efforts of local educational agencies with State, local, Tribal, and territorial public health departments, and other relevant agencies, to improve coordinated responses among such entities to prevent, prepare for, and respond to coronavirus

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**For more information, you can reach out directly to**

**Ashley Frame, Administrator, ESEA Programs [Ashley.Frame@doe.nh.gov](mailto:Ashley.Frame@doe.nh.gov)**

**Nate Greene, Administrator, Bureau of Educational Opportunities [Nathaniel.Greene@doe.nh.gov](mailto:Nathaniel.Greene@doe.nh.gov)**

***Attached below is the guidance for Equitable Services under the CARES Act released by the United States Department of Education. It is included here along with the guidance from the NH Department of Education for additional clarification.***