



UNITED STATES DEPARTMENT OF EDUCATION  
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

The Honorable Matthew Blomstedt  
State Commissioner of Education  
Nebraska Department of Education  
500 S 84<sup>th</sup> St 2<sup>nd</sup> Floor  
Lincoln, Nebraska 68510

Dear Commissioner Blomstedt:

Beginning on June 7, 2022, as part of the consolidated monitoring of a selection of grants from the U.S. Department of Education's (Department's) Office of Elementary and Secondary Education (OESE), a team from OESE, including the Office of State and Grantee Relations (SGR), reviewed the Nebraska Department of Education's (NDE's) administration of its Elementary and Secondary School Education Relief (ESSER) funds. The review included the Coronavirus Aid, Relief and Economic Security (CARES) Act, Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, and American Rescue Plan (ARP) requirements for ESSER.

I am pleased to inform you that, based on a review of the documentation and responses provided by Nebraska, no corrective actions were identified by the Department for the State's implementation of ESSER. As a reminder, this performance review was broken into two separate parts: the first part covered the Financial Management & Cross-Cutting portion of the review; Title I, Parts A, B, and C; Title II, Part A; Title III, Part A; Title IV, Part A; Title V, Part B, Subpart 2; and Emergency Assistance to Non-Public Schools (EANS) funds.<sup>1</sup> The second part covered ESSER.

The table below includes a summary of the information provided by Nebraska, and the determinations made by the Department as a result of its review:

<b>Topic</b>	<b>Summary of response and documentation submitted</b>	<b>Further action required</b>
<i>A. State Context</i>	NDE reported operating in a challenging environment while working to manage the implementation of the ESSER program. In particular, NDE staff have been challenged with implementing new program requirements while also managing all other regularly assigned duties. Additionally, NDE reported that staffing shortages across the State have	No further action required

<sup>1</sup> <https://oese.ed.gov/files/2022/08/FY-2022-Nebraska-Report-Final-07-21-22.pdf>

	<p>impeded their grant administration and implementation, despite significant wage increases. Further, NDE noted that supply-chain delays and contractor shortages have affected local educational agencies' (LEA) ability to spend their ESSER funds on their planned timeline.</p> <p>Despite these challenges, all LEAs in Nebraska completed ESSER applications on time and received the requisite approvals necessary to proceed with implementing the program. LEAs reported during interviews that this was possible due to NDE's commitment to frequent communication with LEAs and other stakeholders allowing them to develop their ESSER plans quickly. These LEAs also reported that, in addition to the guidance provided by NDE during the application process, the State provided ongoing technical support to subgrantees throughout the year. Activities included targeted outreach, frequent website updates, weekly 'On Track to Thrive' meetings with NDE representatives, and NDE-hosted collaborative work sessions. This was in addition to the more general ESSER program information provided and guidance shared on specific topics such as school renewal and acceleration, strategic budgeting, and planning a safe return to in-person instruction.</p> <p>Early in the ARP ESSER budget development process, NDE identified five priorities to focus on. One priority was providing professional support, which NDE has funded through providing free professional development on digital &amp; hybrid learning. In addition, NDE demonstrated other methods it used to support teachers, such as providing planning and curriculum support, classroom support, mental health services, and a partnership with the Institute for Higher Education to reduce barriers to teachers of color. NDE has also worked with the Governor and GEER program as a subgrantee of some GEER funds to develop additional non-public school supports, such as gap-fundings that were ineligible for the EANS program.</p>	
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<p><i>B. Budgeting of the State Reserve and Sub-awards</i></p>	<p>Early in the budgeting process, NDE provided support to districts to ensure their budgeting lined up with the allowable use of funds through in-person technical assistance, online trainings, and live online work sessions. In order to support LEA implementation, NDE also provided its LEAs with written guidance on subjects such as time &amp; effort, construction, and pre-approval requirements. NDE also held a weekly internal Federal Programs meeting, where the team discussed ESSER-related questions and issues as they developed throughout the sub-award process. As the implementation process has been challenging to some LEAs due, in part, to staffing and supply shortages, NDE consistently encouraged LEAs to document those issues in preparation for ARP ESSER LEA application amendments and other LEA budget alterations.</p> <p>For ESSER, the State’s budget template includes a section to specify the 20% set-aside to address learning loss. NDE designed the budget template to allow the State to verify LEAs’ use of funds as they are expended and reimbursements are submitted. NDE’s return on investment (ROI) analysis is still in its early stages but began with supporting LEAs to develop the theories of change that were required in their ESSER applications. Currently, the ROI team is working on developing metrics that will evaluate the wide range of implementation work completed by LEAs.</p>	<p>No further action required</p>
<p><i>C. Allocations / Sub-award Process</i></p>	<p>NDE focused on thoroughly communicating with LEAs throughout their sub-award application and notification process, providing both written guidance &amp; announcements and access to SEA staff for timely meetings. Some examples of NDE’s written support include formal messages announcing grant application availability and due dates, frequent website updates, and formal Grant Award Notifications.</p> <p>NDE utilizes an online budgeting and grant application system for ESSER that mirrors that of its other Federal grant programs, allowing LEAs to focus on the budgeting and implementation of ESSER funds instead of orienting to a new system. The same procedure was used from ESSER I to ARP ESSER, which allowed LEAs to become more familiar with the application process as time progressed.</p>	<p>No further action required</p>

<p><i>D. CARES Act / Transparency Act Reporting</i></p>	<p>NDE has implemented a monthly FFATA review process that involves a monthly review for issues such as accidental over- or underreporting, missing data, and inaccuracies compared with USASpending.gov. As these issues arise, NDE staff searches for any missing data in SAM.gov and within the SEA program offices, and then contacts LEA program staff to reconcile any discrepancies. The State’s review process aims to resolve any issues within the reporting cycle that they arise.</p>	<p>No further action required</p>
<p><i>E. Risk Assessment</i></p>	<p>NDE performs a risk assessment annually on all LEAs to determine monitoring priority for the following year. This assessment includes twenty categories, ranging from audit performance to academic achievement, ultimately categorizing LEA risk levels from low to high. The State’s goal is to monitor each LEA at least every three years, while high-risk LEAs are monitored annually.</p>	<p>No further action required</p>
<p><i>F. Subrecipient Monitoring</i></p>	<p>NDE is currently piloting their ESSER subrecipient monitoring process with nine LEAs. The process involves an initial self-assessment that includes questions on stakeholder engagement, use of funds plans, return to school plans, selected interventions, recorded outcomes &amp; results. Once submitted, designated SEA reviewers follow up with the LEAs and help to develop individualized next steps, including corrective actions if issues are identified.</p>	<p>No further action required</p>
<p><i>G. Maintenance of Effort (MOE)</i></p>	<p>Nebraska’s State MOE data is automatically calculated by their financial system. The financial system tracks expenditures through codes, which allows the SEA to identify the source of the funds. There have been no notable issues related to Nebraska’s MOE work.</p>	<p>No further action required</p>
<p><i>H. Maintenance of Equity (MOEq)</i></p>	<p>Nebraska’s State MOEq data is calculated through their financial system, which tracks expenditures through codes that allow the SEA to identify the source of the funds. At the end of each cycle, NDE calculates the per-pupil costs and reviews that against an internal audit.</p> <p>To support LEAs as they navigated LEA-level MOEq reporting, NDE sent guidance emails and conducted regular calls about how to use existing data and systems to satisfy the federal requirements.</p>	<p>No further action required</p>
<p><i>I. Equitable Services</i></p>	<p>NDE worked closely with LEAs and non-public schools to ensure that their equitable services share was calculated correctly. While consultation with non-public schools did cause some delays at the start of the process, LEAs are now performing their required annual consultations with non-public schools on a regular basis. As LEAs receive budget</p>	<p>No further action required</p>

	requests, they upload them into the grants management system, which tracks non-public school inventory. NDE provides additional review of this process through including equitable services in their fiscal monitoring protocol.	
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The Department considers the performance review to be resolved and closed.

We would like to thank you and your team for the hard work and assistance related to this performance review. We look forward to continuing to work with you and your staff to support the needs of students and families in Nebraska.

If you have any questions regarding the performance review, please do not hesitate to contact Eve Allen at: [Nebraska.oese@ed.gov](mailto:Nebraska.oese@ed.gov).

Sincerely,

*Laura Jimenez*

Laura Jimenez  
Director, Office of State and Grantee Relations  
Office of Elementary and Secondary Education  
United States Department of Education