Sharon: Welcome, and thank you for joining today's US Department of Education overview of the updated ESSER and GEER FAQ.

Before we begin, please ensure you have opened the chat panel by using the associated icon located at the bottom of your screen. If you require technical assistance, please send a chat to the event producer.

You may submit questions throughout the presentation to everyone from the dropdown menu in the chat panel. Enter your question in the message box provided and send.

With that, I'll turn the call over to Lakesha McKenzie, technical assistant lead. Please go ahead.

Lakesha McKenzi...: Thank you. Thank you, Sharon. Greetings everyone. Thank you for joining the office hour today. Today, we are going to go over the ESSER and GEER updated FAQs with you all. You have the opportunity to ask any questions that you may have about those updated FAQs.

Just put your questions in the chat, and we will get right back to you as soon as possible with an answer. If we are unable to answer a question during the office hour today, we will be following up with you after the office hour has concluded.

At this time, I'm going to turn the presentation over to our director, Laura Jimenez, and she will give her opening remarks. Thank you.

Laura Jimenez: Hello, everyone. Good afternoon. I'm so pleased that you all have taken the time out of your very busy schedule to join us. We are happy to have released these updated ESSER and GEER FAQs to both grantees as well as auditors. We hope that this provides additional clarity on allowable uses of funds.

You will have an opportunity to ask us questions. Please type those in the chat function. We will have our teams monitor that and ask them of the presenters. With that, I'm going to hand it over to Diane.

Diane Rentner: Thanks, Laura. Before we dive into a detailed presentation on the FAQs and what's new and what's different, I want to give you some general information to keep in mind as we go through this presentation.

If you can go to the next slide, thanks, Eve. First, this December update adds 27 new FAQs to the document that we released in May of 2021 and provides updated responses to eight existing FAQs. We're going to highlight both the new FAQs and some of the changes to the existing FAQs as we go forward.

We also have a new appendix that incorporates some previously released single topic FAQs. They were maybe on the vaccination use of funds or the testing use of funds or student transportation.

We thought it'd be best to incorporate all of those into this one document, so it's sort of one-stop shopping for grantees. That's supposed to be easy for everyone, and we hope we've achieved that.

Another feature that we hope helps with the ease is that we have kept the numbering convention from the May document. For example, FAQ A-4 remains FAQ A-4. Any new or related FAQs will be numbered as A-4.a, A-4.b. So if there's a particular FAQ that you know pretty well by heart, that number should remain that number in this document as well.

Some things to keep in mind as we go forward, we want you to know that we have maintained the references to things like school reopening or using funds for social distancing. That was purposeful because we want the grantees to know that, here are the uses of funds over the life of the programs.

We know that in particular parents, press, some folks may raise questions about uses of funds in the past. So we wanted to have this document be able to show the broad uses of funds from what the response was in March 2020, to what is going to be the needs of students in the summer of 2023 and '24.

Those are some of the key things that you need to remember as we go through this presentation. Eve, I think you are up next.

Eve Allen: Yes. Thank you, Diane. At this point we will just go back and forth through the different sections of the FAQs to give you a brief overview on what has been added to each section, what has been changed, and any other context that would be helpful.

Within Section A, which focuses on the uses of funds, we've added four new FAQs. A-4.a addresses the need for periodic reviews of and updates to LEA's return to in-person instruction plans.

Then for A-4.b, as you're coming to the end of your program period, there may be circumstances where it would be appropriate to count reasonable and then necessary activities, and then 20% set aside to address learning loss. We just really wanted to emphasize here, the importance of using these funds for emergency needs and, in particular, the use of this set aside to address learning loss in students.

A-23 includes some more information on the disposition of equipments and supplies. As per other federal programs, you must dispose of equipment and supplies at the end of the period of performance, unless they're in use for an allowable program under ESSER or GEER. Disposition can include reallocating the supplies to another ongoing federal program or your regular disposal procedure, according to your state.

Then finally, A-24 now includes a section to remind subawardees, including LEAs, that they may not subgrant funds. I think I'm passing it back to Diane for Section B.

Diane Rentner: [inaudible 00:06:18]. Section B, this includes questions on safely reopening schools and promoting health and safety. There are a series of new FAQs that provide some additional information on using funds for construction projects, including some information on prior approval.

Just as a reminder, the US Department of Education grants prior approval to states, and the states grant prior approval to LEA for activities like construction or capital costs. These two new FAQs outline some of the information that could be included in a prior approval request.

The state is ultimately responsible for what it wants its subgrantees to submit for prior approval requests, but we provide some sort of suggested information that could help states in making decisions. Similar for states up to the Department of Ed, we include some basic information that we would need to consider a prior approval request.

We also have a new FAQ that includes information about the responsibilities for grantees and subgrantees under the National Historic Preservation Act and also the reporting requirements that are associated with using federal funds to purchase land or to construct or improve a building.

One thing that we really wanted to highlight here is a new FAQ, which is numbered as B-6.e, that clarifies that the National Environmental Policy Act, or NEPA as it is called, does not apply to construction projects that are funded with ESSER or GEER. The May 2021 FAQs did indicate that NEPA would apply, but we did share in webinars that in the summer of '21, right after we released those FAQs in May, that NEPA does not apply.

This new FAQ does note that while an environmental impact study is not required, the department strongly encourages grantees to require some type of environmental assessment for projects where you're breaking ground, because it could help determine if there's a potential environmental ramification of expanding or replacing a school facility and also help ensure compliance with state or local environmental requirements. Next slide.

Other new FAQs in Section B include information on using ESSER or GEER funds to construct athletic facilities, assist with mitigating the impact of a natural disaster, support energy costs, cover student fees for low income students, and create safe and supportive learning environments. We also have a new FAQ that includes some information on using ESSER or GEER funds for video security systems in schools.

For these FAQs in particular and in general, we just want folks to keep in mind that we're providing general guidance to states and grantees. Often, whether or not something is allowable is really fact-specific and specific to the circumstances around that uses of funds.

If you have a question about whether or not something is allowable, please reach out to us. Use your state mailbox. We are happy to discuss that with you and help you going forward.

Finally, in this section, B-6, as I mentioned, we have updates to two FAQs. They are two of the more important ones. One is B-6, which addresses construction. The other is B-7. That includes information on making improvements to indoor air quality using ESSER or GEER funds.

For FAQ B-6, the changes were pretty small. First of all, we removed the reference to the NEPA environmental assessment as being a requirement, as I discussed on the previous slide. Then also, we included the requirement for reporting when using federal funds for construction. There's more information on that particular requirement in the new FAQ B-6.e.

For B-7, which is the FAQ that addresses HVAC projects, we note that some HVAC projects may be considered as minor remodeling. So the department's construction regulations would not apply. We also did some updated links and provided some updated information that became available after we issued these FAQs in May of '21.

Those are the major changes to FAQs B-6 and B-7. I'm going to turn it back over to Eve to talk about what is in sections C and D.

Eve Allen: Great. Thank you, Diane. In section C, which as we know includes FAQs on advancing equity, we've included a number of new FAQs. As we all know, we're working with an unprecedented amount of funds. We've taken some time in this section to provide some additional suggestions on how you might use these funds.

That includes using funds to support, engage, and assess multilingual learners, to develop early warning indicator systems, to track student attendance, course completion, and other factors, and to eliminate school lunch balances for low income students. Generally using funds for these purposes is allowable, if not encouraged.

In contrast to the allowable uses of funds slide, we also want to highlight to you a new FAQ in section C that clarifies the department's long-standing policy that is not a reasonable and necessary use of federal funds, including GEER and ESSER funds to provide incentive payments directly to parents or students in order to encourage students to undertake a mandatory activity like attending school or to pay families to ensure that students attend schools.

We really want to emphasize that LEAs may use ESSER or GEER funds for incentives, but they cannot be direct payments to parents or students for a mandatory activity. For example, incentives could be provided to students for getting COVID vaccinations or an LEA could reward perfect monthly attendance with a book that is related to something students are studying in class.

As with all uses of ESSER and GEER funds, allowable incentives must be related to preventing, preparing for, or responding to COVID-19 and the costs must be necessary and reasonable. If an SEA finds that an LEA used ESSER or GEER funds to support an unallowable activity, such as direct payments to students and parents to encourage students to undertake a mandatory activity, please do reach out to us by sending an email to your state mailbox so we can discuss the situation and possible next steps.

Then finally, Section C also includes some updated FAQs. These include just some more additional information on using ESSER or GEER funds to do things such as address chronic absenteeism, to support health services, and to support student meals.

Moving on to Section D, Section D includes FAQs on supporting educators and other school staff. We have one new FAQ here and one updated FAQ. They both provide further guidance on using funds to promote education workforce stability.

For example, ESSER and GEER funds could be used in this case to increase educator and staff compensation or to invest in the educator pipeline, among other uses. Now I will pass it back to Diane for Section E.

Diane Rentner: Thanks, Eve. Section E includes questions on fiscal considerations. There are two new FAQs, one that addresses the state's ability to establish shorter periods of availability for grants made with the SEA reserve funds under ESSER. We also have a new FAQ on liquidation of funds and the lapsing of funds and a new FAQ on using ESSER or GEER funds for federal matches.

We also, also have some minor updates to existing FAQs E-1 and E-2. Those FAQs address the timeline to obligate and liquidate funds.

When I say minor, it's very minor. The GEER program was inadvertently left out of one sentence. So, basically we are putting the GEER program back in that sentence where it needed to be. Next slide.

We also want to highlight for you a new FAQ in Section E. It's FAQ E-3.d. This answers a question that we received from several grantees about program activities continuing after the liquidation period ends.

First of all, the FAQ reminds grantees, and I know you've heard this before, that ESSER and GEER funds are emergency funds and should therefore be used in a timely manner. That is what we would like to see done, is that all the funds and activities are obligated and used within the program period.

Second, the new FAQ notes that it's generally not good stewardship of federal funds to prepay for services that will extend many years into the future, but we do provide some limited circumstances under which a grantee or subgrantee may continue program activities beyond the liquidation period.

Those factors are listed here in the bottom of the slide and include, first of all, whether the funds were properly obligated and liquidated in a timely manner, whether the activities would be allowed to extend beyond the liquidation period under applicable state and local procurement rules, whether the extended activities constitute a reasonable and necessary use of federal funds, and whether prudent business practices and internal controls would support the continued activities for the length of time proposed.

I want to note that these are ands, so these four factors need to be present if an activity is going to continue past the liquidation period. For example, if state procurement rules would not allow program activities to go past the liquidation period, then that would not be a possibility for grantees in that state. Next slide.

Additional information on this issue, we note that because ESSER and GEER are state-administered programs, it's up to the SEA or the governor to determine whether or not activities will extend past the liquidation period.

Also, we want grantees to keep in mind a couple of cautions. First of all, remember that the funds must be obligated by the deadline. If a grantee or subgrantee enters into a contract for activities that continue past the obligation deadline and the contractor does not provide services, the grantee or subgrantee may not enter into a new contract or obligate the funds for a different allowable purpose. Instead, the unused funds would be returned to the treasury.

Somewhat similarly, if an SEA or LEA or subgrantee doesn't receive any services that were paid for, they are responsible for paying back the ESSER or GEER funds for the services that were not received. All right. I think onto Eve to take care of our last slides.

Eve Allen: Perfect. Finally, the December '22 FAQs do not make any updates or changes to Appendix A, which addresses allocation methods, but we have added Appendix B.

As Diane previously mentioned, these are previously released single topic FAQs, such as those addressing vaccines and testing and school transport, that we have included at the end of our FAQs so that all of our formally answered public questions are in one place. Hoping that it's easier for you to just Control F then look for the topic that you have questions on, all in one document.

Then finally, this updated guidance provides guidelines for ESSER and GEER grantees on how to determine if a particular use of funds may be allowable or not. Without the specific facts of any given situation, we can't say that a project is generally allowable or generally not allowable.

Of course, if you have any specific questions on the allowability of particular use of funds, please feel free to reach out to your state email inbox.

At this point, I think we have some time for questions. Please drop them in the chat, if you have any follow-up questions. Bear with us as we take a moment to review your questions and determine if they're questions we can answer at this time or if we'll need to ask you to reach out to your state mailbox with a little more context.

Sharon: As a reminder, to submit a written question, select all panelists from the dropdown menu in the chat panel, enter your question in the message box provided, and send.

Diane Rentner: We have a question about the applicability of FAQ A-24. I believe that that FAQ deals with subgrantees not making subgrants.

The FAQs cover the allowability over the entire period of the program. The new ones don't just apply from December going forward. If you have a question about anything, you should reach out to us. I believe it's in the original GEER FAQs. It made mention of that as being the requirement that subgrantees could not make subgrants. So anyway, yes, they are back to when state or LEA first got the funds and going forward.

Sharon: There are a few questions in the chat.

Diane Rentner: It looks like there's some questions about the late liquidation process. The information around late liquidation is not included in these... ESSER one. Access to that information... Webinar is going on.

Speaker 6: [inaudible 00:21:28], but I'm going to try to capture some of the questions that they ask, but they're also talking some audio issues now.

Speaker 7: Yeah. Well, what I did was I sent you the attachment and I highlighted [inaudible 00:21:36] they spoke about.

Speaker 6: Nice. Oh, thank you.

Speaker 7: Is there a way we can [inaudible 00:21:44]?

Speaker 6: I'll prepare that and I'll send it on.

Laura Jimenez: Could you please mute your sound, event producer?

Speaker 7: Yeah, that's what I was looking at.

Speaker 6: Oh, okay.

Speaker 7: I was looking at the PowerPoint.

Speaker 6: I didn't get it.

Speaker 7: I have no idea.

Sharon: That seemed to be someone who is on the speaker line. Yes, that was someone joining on the speaker line.

As a reminder, if you would like to submit a written question, please select all panelists from the dropdown menu in the chat panel, enter your question in the message box provided, and send.

Diane Rentner: I guess what I was saying about late liquidation maybe did not come through very well. We have separate information on late liquidation. We just have one very short FAQ on that in this document.

If you did not receive that communication, please reach out to your state mailbox and we can send it to you. The late liquidation process right now impacts ESSER I and GEER I only, but we can provide you with that information. Oh, and you found it. Thank you.

Sharon: There are no further questions in the chat panel.

There is a question in the chat. What previous guidance disallowed subgrantees making subgrants for ESSER?

Lakeisha or Eve, were you able to hear that question?

Lakesha McKenzi...: No, I did not hear the question. Can you repeat it?

Sharon: Yeah. It's in the chat. It was from, let's see, John. The question is-

Eve Allen: I heard the question. This is Eve. John, I think we need a little bit more context on the question. Could you please reach out to your state mailbox with your full question? We'll be sure to get back to you on that

Lakesha McKenzi...: Thank you, Eve. I believe my sound went out for a moment.

Sharon: There seems to be no further questions in the chat. If you have a question, please submit through the chat panel.

Eve Allen: Just to jump back in for one moment on John's question. I also wanted to highlight that our existing FAQ A-3, which has been released since we initially released these FAQs, the final sentence in that FAQ does say an LEA is not authorized to award subgrants with ESSER funds. That may be the information you're looking for.

Sharon: There are no further questions in the chat. As a reminder, to submit a written question, select all panelists from the dropdown menu in the chat panel, enter your question in the message box provided, and send.

Diane Rentner: A few more minutes to see if any additional questions come in.

Sharon: As a reminder, to submit a written question, select all panelists from the dropdown menu in the chat panel, enter your question in the message box provided, and send.

Diane Rentner: In response to a question about states and subawards, SEAs can make subawards with their state funds, but subawardees cannot then go on to make subawards.

Laura Jimenez: About subawards, non-LEA entities making subawards, subgrants are only permissible when there is clear authority to subgrant. So subawardees cannot issue subawards.

[inaudible 00:35:50] questions, that will conclude today's webinar. If you have any specific questions about allowability of use of funds in your state, please email us at the state email inbox and you see the address convention there on your screen. Thank you so much for joining.

Sharon: That concludes our conference. Thank you for using Event Services. You may now disconnect.