ESSER Monitoring Town Hall Meeting

9/25/2024

Agenda

1. **The ARP ESSER Program:** A glimpse into the world of American Rescue Plan (ARP) ESSER

2. **Program Closeout:** What are the necessary actions to take to close out your ARP ESSER grants?

3. **Questions?**

ARP ESSER Fundamentals

ARP ESSER Breakdown

ARP ESSER had multiple allocations across funding codes for various purposes, detailed below

- **90% Main Distribution (990)**
  - o Main ARP ESSER funds were distributed to LEAs for various purposes of which 20% must be used towards learning loss*

- **7% Set-Aside: 5% Learning Loss (994)**
  - o Implementation of evidence-based interventions to address learning loss. Additional cost tracking requirements apply*

- **7% Set-Aside: 1% Summer Enrichment (995)**
  - o Implementation of evidence-based summer enrichment programs

- **7% Set-Aside: 1% After-School Program (996)**
  - o Implementation of evidence-based afterschool programs

- **2.5% Set-Aside: Relief for Other LEAs (998)**
  - o Must be spent in accordance with section 2001(e)(2) of the ARP Act and includes programs for delinquent, neglected, and at-risk youth

ARP ESSER 20% Learning Loss

- Of the 90% ARP ESSER distribution, at least 20% of funding must address *learning loss* per Section 2001 (e) (1) of ARP Act. This funding should be coded to funding code 990, consider tracking these expenses separately to make sure minimum requirement is met.
  - **Mandatory Reserve**
    - LEAs **must reserve at least 20%** of the 90% ARP ESSER award to address **learning loss**
    - While learning loss portion of costs should be tracked, there is **no separate Chart of Account code** for this portion. These costs should be coded as 990.
  - **Implementation**
    - The purpose of this reservation is to address learning loss through implementation of **evidence-based interventions**, such as:
      - Summer learning or summer enrichment
      - Extended School Day
      - After-School Programs
      - Extended School Year Programs
  - **Purpose**
    - LEA must make sure that interventions respond to students' social, emotional, and academic needs that address the disproportionate impact of COVID-19 on **underrepresented student subgroups**

5% Learning Loss Set-Aside

- For the 5% ARP ESSER Learning Loss Set-Aside distribution, at least 48% of funding must address evidence-based interventions per Section 2001 (f) (1) of the ARP Act. Pennsylvania ACT 24 of 2021 prescribes other use requirements in the categories below. This funding should be coded to funding code 994, consider tracking these expenses separately to make sure minimum requirement is met.
  - **At least 30%**
    - **Must** be targeted to **social, emotional, or mental health supports** to students
  - **At least 10%**
    - **Must** be targeted to **professional development and technical assistance** to educators and school staff to address the social, emotional, and mental health needs of students
  - **At least 8%**
    - **Must** be targeted to **reading support** and improvement for students

Program Closeout

Program Closeout

As defined by **2CFR §200.1**, closeout is the process by which the Federal awarding agency or **pass-through entity determines that all applicable administrative actions and all required work of the Federal award have been completed** and takes actions as described in **§200.344**

a) Recipient must submit all required reports within 120 days. Subrecipient must do so within 90 days, with possible extensions
   - Submit your FER and Budget revision

b) Non-Federal entity must clear financial obligations within 120 days, unless an extension is granted
   - Liquidate funds and reconcile ledgers

c) Prompt payments must be made by the Federal agency for eligible costs

d) Non-Federal entity must promptly refund any unobligated cash, following specific guidelines
   - Return unspent funds

e) Adjustments to the Federal share of costs must be settled according to the award terms

f) Non-Federal entity must account for all property acquired with Federal funds
   - Keep inventory lists up-to-date

g) Federal agency must promptly complete all closeout actions, ideally within a year of the end of the performance period

h) If reports aren't submitted, closeout proceeds with available information within a year

i) Failure to submit reports may result in reporting to FAPIIS and potential enforcement actions
   - Submit reports on time

PDE Closeout Requirements

- Is funding **fully** spent, regardless of Period of Performance deadline?
  - o Once all funds are fully expended for ARP ESSER the Final Expenditure Report (FER) must be submitted within 30 days
- Have you **reconciled** your ARP ESSER expense subledger to reflect actual costs incurred?
- Do your expenses align with the **allowable uses** as outlined in the Appendix B Budget?
  - o If your actual cost by function code is greater or equal to 20% compared to budget amount, a budget revision should be submitted. Please see LEA Budget and Program Revision Procedures instructions
- Have you completed the **FER**? Is it submitted in **eGrants**?
  - o Budget revisions must be approved before the FER is created
  - o FER amounts entered in eGrants should reflect actual recorded expenditures
- Have you addressed all your **Observations** (if any) from the monitoring visit?
- Do you have all the relevant **documentation** to support your expenditures as reported in your internal records and FER?

Closeout Process

The following processes must be completed for closeout

- **Work Deadline Review**
  o Expenses submitted must be within the work deadline and Period of Performance. Time extension request should be submitted for expenses outside the work deadline

- **Reconciliations**
  o General Ledger should reflect the actual cost incurred. The Budget should be revised if actual expensed amount is greater or equal to 20% for any line item (function) of the current budget.

- **Allowable Uses**
  o Expenses claimed should align with allowable uses in accordance with ESSER guidelines

- **Expense Documentation**
  o Expenses claimed at closeout must be supported with an invoice/receipt or timesheets. Proof of payment is recommended to support costs for each work category and costs over the current budget

- **Final Expenditure Report (FER)**
  o Costs recorded in the FER should reflect actuals spent during the period of performance of the grant.

Final Expenditure Report (FER)

- The Final Expenditure Report is a document to close projects and approve final payments. The **FER MUST equal the total expenses claimed in the General Ledger**, and should be supported by the current/revised budget, and documentation retained such as - invoices, payroll, proof of payment (POP), procurement etc. The Commonwealth of Pennsylvania requires supporting documentation to be retained for a **minimum of seven years**

Closeout Observations

Six Observations that result from closeout reconciliation review

1. **Final Expenditure Report Not Submitted**
   - The Subrecipient **did not submit** a FER within 30 days of spending funds

2. **Budget Revision Not Submitted**
   - The Subrecipient **did not submit** a **budget revision** where variances to the approved budget amounts were at or **exceeded 20 percent by function code**

3. **FER Does Not Match GL at Object Code Level**
   - The Subrecipient's **Final Expenditure Report (FER)** and **General Ledger amounts did not match** at the **Object Code level**

4. **No Subledger to Support FER**
   - The Subrecipient **did not provide a subledger** to support the **FER** reported amounts

5. **FER Total is Greater than GL Total**
   - The Subrecipient's **total** as listed on their **Final Expenditure Report (FER)** was **greater than** the **total** on their **General Ledger**

6. **FER Total is Less than GL Total**
   - The Subrecipient's **total** as listed on their **Final Expenditure Report (FER)** was **less than** the **total** on their **General Ledger**

Contact/Mission

For more information on the Finishing Strong: American Rescue Plan Act (ARP) Elementary and Secondary School Emergency Relief (ESSER) Program and Closeout please visit PDE's website at [Monitoring of LEAs' Coronavirus Associated Federal Programs (pa.gov)](#)

The mission of the Department of Education is to ensure that every learner has access to a world-class education system that academically prepares children and adults to succeed as productive citizens. Further, the Department seeks to establish a culture that is committed to improving opportunities throughout the commonwealth by ensuring that technical support, resources, and optimal learning environments are available for all students, whether children or adults.