

ESSER/GEER Extra, Volume 13

This week's volume of [ESSER/GEER Extra](#) includes a reminder of the November 29, 2021 deadline for the ARP ESSER 7% set-aside fund application to PDE and several questions and answers on using ESSER funds for construction or renovation projects.

All editions of [ESSER/GEER Extra](#) are archived on PDE's website.

ARP ESSER 7% Set-aside Applications Due November 29, 2021

School districts and charter schools eligible to receive an allocation of the ARP ESSER 7% set-aside for learning loss, summer enrichment, and afterschool programs (as defined by the ARP Act and Act 24 of 2021) may begin submitting applications via eGrants on Friday, November 12. **Applications must be submitted to PDE no later than Monday, November 29, 2021.**

PDE has developed several resources to assist LEAs in planning for use of the 7% ARP ESSER set-aside:

- [7% ARP ESSER Set-aside Allocations for School Districts and Charter Schools](#)
- [PDE recording on the learning loss component of the 7% ARP ESSER Set-aside](#)
- [PDE ARP ESSER Guidance on Social and Emotional Learning](#)
- [PDE ARP ESSER Guidance on Reading Improvement for Students](#)

Additionally, PDE staff will hold virtual Office Hours to assist LEAs in planning for 7% ARP ESSER set-aside funds on the following days and times. Please register in advance for these one-hour sessions, which will allow you to ask questions and get assistance from PDE staff.

- [Monday, 11/8 at 4:00-5:00 PM](#)
- [Wednesday, 11/10 at 1:30-2:30 PM](#)
- [Tuesday, 11/16 at 2:00-3:00 PM](#)
- [Friday, 11/19 at 8:30-9:30 AM](#)
- [Monday, 11/22 at 1:00-2:00 PM](#)
- [Tuesday, 11/23 at 11:30 AM-12:30 PM](#)
- [Monday, 11/29 at 11:00 AM-12:00 PM](#)

Construction and Renovation Recap

Which ESSER expenditures require prior approval?

LEAs are required to obtain prior approval for certain expenditures in accordance with federal Uniform Guidance; see [2 CFR § 200.407](#) for a list of items that require prior approval. For purposes of ESSER, LEAs must obtain prior approval from PDE to use ESSER funds for construction, capital expenditures (including equipment with a per-unit cost of \$5,000 or more), buildings, and land. Prior approval is also required for travel and entertainment costs.

- **Construction** means the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities; inspecting and supervising the construction of school facilities; and debt service for such activities. See 20 U.S.C. § 7713(3).
- **Capital expenditures** means expenditures to acquire capital assets or expenditures to make additions, improvements, modifications, replacements, rearrangements, reinstallations,

renovations, or alterations to capital assets that materially increase their value or useful life (2 CFR § 200.1).

- **Equipment** means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000 (2 CFR § 200.1).

Prior approval forms are available within the ARP ESSER application. A prior approval form must be submitted for every relevant project. [Access more information on the prior approval form.](#)

Can ESSER funds be used for construction or renovation projects scheduled prior to March 13, 2020?

Generally, no. ESSER funds must be used for expenditures intended to assist LEAs with preventing, preparing for, or responding to COVID-19. Projects underway prior to March 13, 2020, the start of the pandemic, do not have the sufficient COVID connection for allowability. However, a project planned or scheduled prior to the pandemic that has been or will be adjusted due to the pandemic could, in certain circumstances, be an allowable ESSER expenditure. An LEA would need to ensure that the project meets [the three-part test for allowability](#) and that all prior approval forms are submitted.

Can ESSER funds be used to meet future needs, such as a roof replacement?

No. ESSER funds must be used for expenditures intended to assist an LEA with preventing, preparing for, or responding to COVID-19. An anticipated need, such as a roof replacement, does not meet [the three-part test for allowability](#).

Can ESSER funds be used on Guaranteed Energy Savings Act (GESA) projects?

Yes. If the expenditure meets [the three-part test for allowability](#), an LEA may use ESSER funds on GESA projects, provided the LEA documents the following:

1. A fair price was acquired;
2. The LEA has complied with federal procurement requirements; and
3. The LEA has complied with state and local procurement policies and procedures.

Can an LEA sole-source construction and other ESSER projects?

Maybe. An LEA may determine that its response to COVID-19 qualifies as a public exigency or emergency, and that competitive bidding represents a prohibitive delay. Under these circumstances, and to the degree doing so is consistent with the LEA's policies and procedures, an LEA could use noncompetitive procurement (See [USDE ESSER FAQs, C-27](#)). Additionally, the LEA could seek approval from PDE for a sole-source exception.

Can an LEA split up a project by using state funds for construction and federal funds for services, goods, etc.?

Yes. An LEA may combine funds from multiple sources to fund a project. Uniform Guidance and other federal requirements would apply to expenditures made with federal funds. The LEA must comply with state/local procurement policies for all expenditures using state or local funds. Additionally, the LEA must complete a prior approval form (if applicable), which includes information about other funds.

Can an LEA use cooperative purchasing programs to purchase with ESSER funds?

Yes, cooperative purchasing programs may be used. An LEA receiving federal ESSER or GEER funds must follow proper procurement standards in accordance with Uniform Guidance. Cooperative purchasing

programs may be used as long as all federal procurement standards are met. When expending federal funds, LEAs should consult with their solicitors and ensure they are in compliance with all Uniform Guidance requirements.

REMINDER: Explain Your Projects on the Prior Approval Forms—Provide Detail!

In completing ARP ESSER applications, remember to complete the prior approval forms if you are planning to engage in construction, capital expenditures (including equipment with a per-unit cost of \$5,000 or more), or other relevant expenditures. [See 2 CFR § 200.407](#). Prior approval forms are available within the ARP ESSER application. [Access more information on the prior approval form](#). Prior approval forms will be reviewed with your ARP ESSER application.

Please be sure to: 1) identify the allowable use under ARP ESSER; 2) explain how the expenditure meets the overall purpose of the ESSER funds, which is to prevent, prepare for, or respond to COVID-19; and 3) describe how the proposed expenditure is “reasonable and necessary” in compliance with the Cost Principles in 2 CFR Part 200, subpart E (2 CFR §§ 200.403-200.404).

An LEA’s explanation of the proposed use is critical. For example, an LEA’s request to replace a roof will likely be disapproved if the roof replacement was scheduled, planned, or budgeted prior to the pandemic or constituted routine maintenance in response to longstanding health issues, including concerns with mildew, identified prior to March 13, 2020.

However, an LEA’s request to replace a roof likely would be approved if the LEA indicated that the roof replacement project allowed students to move to a wing of the building not previously used for instruction, allowing for utilization of new space, providing for social distancing of students, mitigating the spread of COVID-19, and maximizing efforts to ensure that students remain able to attend school in-person.

Tell Us What You’re Planning

As you finalize your 7% ARP ESSER applications, we’d like to learn more about the programs, supports, and resources you’re putting in place to address social and emotional needs. We want to share your great ideas with your colleagues across the state. Please send an email to ra-edarpesser@pa.gov so we can reach out to learn more.