

ESSER/GEER Extra, Volume 11

This week's volume of [ESSER/GEER Extra](#) includes: a link to a recorded webinar to assist school districts and charter schools plan for the use of their 7% in ARP ESSER set-aside funds for learning loss, information on whether an LEA needs an approved ESSER application to incur allowable costs, a reminder about an upcoming workshop on ESSER funds, and clarification regarding the timeline for the use of ESSER I and GEER I funds.

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

ARP ESSER 7% Set-aside Learning Loss Webinar Recording

PDE has developed a webinar to provide guidelines, resources, and support to school districts and charter schools in planning for the use of ARP ESSER 7% set-aside funding for learning loss. Entities are encouraged to review the webinar prior to submitting their funding application to PDE by November 29, 2021.

[Access the PDE recording on the learning loss component of the ARP-ESSER State Set-Aside Funding for LEAs, Charter Schools, and Cyber Charter Schools.](#)

Coming Up: As a follow-up to the learning loss webinar, PDE will offer two live Q&A sessions on **Tuesday, October 26 (9:30 AM)** and **Wednesday, November 10 (1:30 PM)**. Each session will provide school leaders with an opportunity to ask questions and discuss their planned use of these ESSER funds. Advanced registration is required. [Register for these live sessions.](#)

Must an LEA's ESSER application be approved prior to incurring costs?

PDE has received inquiries from LEAs related to the recognition of stimulus funds on their Schedule of Expenditures and Federal Awards (SEFA). The Coronavirus Aid, Relief and Economic Security (CARES) Act, enacted on March 27, 2020, provided for ESSER I funds. On December 27, 2020, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act appropriated ESSER II funds, and on March 11, 2021, the American Rescue Plan (ARP) Act provided ARP ESSER funds. Under all three rounds of ESSER funding, the U.S. Department of Education (USDE) authorized pre-award costs dating back to March 13, 2020, when the national emergency was declared. (See [ARP ESSER Fact Sheet](#), p. 4).

For purposes of reporting ESSER funds on the SEFA, the [2021 Compliance Supplement](#) directs LEAs to include ESSER funding in accordance with the CFDA No. 84.425 and the corresponding subprogram designation (84.425D for ESSER I and II; 84.425U for ARP ESSER). In determining the timing of reporting the funds on the SEFA, 2 CFR 200.502 generally focuses on when the activity related to the federal award occurs and requires awards be included based on that activity. In most cases, this is after an award or subaward has been made; however, with ESSER, pre-award costs and activities are authorized.

Accordingly, LEAs may include their ESSER I, ESSER II, and ARP ESSER allocations in the SEFA, even prior to receiving the final, approved subaward from the commonwealth. This is consistent with the professional judgement flexibility noted in the Government Audit Quality Center (GAQC) guidance. See [GAQC Nonauthoritative Guidance on Reporting Certain COVID-19 Awards](#), updated April 14, 2021.

Notably, USDE issued guidance to assist LEAs in planning for and incurring pre-award costs if they have not yet received an ARP ESSER award from their State. See [USDE Guidance on ESSER Pre-Award Costs](#). Specifically, USDE emphasizes that a delay by a state to award ARP ESSER funds “does not restrict an LEA’s ability to incur allowable costs that an LEA determines are appropriate and necessary.” *Id.* The guidance continues:

*The allowability of pre-award costs means that an LEA may choose to incur allowable ARP ESSER costs even before it receives an award from its SEA. **Under 2 CFR § 200.458, an LEA that has not yet received ARP ESSER funds to which it is entitled may use State or local funds to incur allowable costs and, once it receives its ARP ESSER award, reimburse itself for the allowable costs that it incurred before receiving the Federal emergency funds.***

Therefore, LEAs are not required to have a fully approved subaward prior to incurring allowable pre-award costs under ESSER I, ESSER II, or ARP ESSER.

Upcoming Training Opportunity

The PA Association of Federal Program Coordinators (PAFPC), in conjunction with PDE, will host virtual Fall Regional Workshops on **Tuesday, October 26**. [Register for the PAFPC Fall Regional Workshops](#).

Timeline for ESSER I/GEER I Expenditures

PDE has received several questions about the timeline for the use of ESSER I and GEER I funds. These funds are available for LEA use through September 30, 2022; however, there may be a slight delay in payments to LEAs for October 2021 due to the Office of Comptroller Operations having to extend the timeline for those funds to correspond to the period of eligible use.

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