



Commonwealth of Pennsylvania
Department of Education

ESSER Grant Funding

Commonwealth Monitoring Plan

December 13, 2022





What is the Elementary and Secondary School Emergency Relief grant?

COVID-19 created a waterfall of grant funding for local education agencies in the Commonwealth



ESSER I

- ✓ ● \$13.2 billion set aside from the CARES Act – March 2020
- ✓ ● \$523.8 million awarded to PDE – May 2020
- ✓ ● Note: Funds must be liquidated by January 2023















ESSER II

- ✓ ● \$54.3 billion set aside from CRRSA Act – December 2020
- ✓ ● \$2.22 billion awarded to PDE – January 2021
- ✓ ● Note: Funds must be liquidated by January 2024

ESSER III (ARP ESSER)

- ✓ ● \$122 billion set aside from ARP Act – March 2021
- ✓ ● \$5.1 billion awarded to PDE – March 2021
- ✓ ● Note: Funds must be liquidated by January 2025

Allowable Uses of ESSER Funds for LEAs

 Address the unique needs of low-income, minority, and at-risk children	 Plan and coordinate long-term closures	 Coordinate preparedness and response efforts to COVID-19	 Provide resources to address individual school needs
 Plan and implement summer learning and supplemental afterschool programs	 Initiate activities to maintain LEA operations, including any activity authorized by ESEA	 Improve LEA preparedness and response efforts	 Sanitize and clean LEA facilities
 Address learning loss among disadvantaged populations (ESSER II)	 Facility repairs and improvements to reduce virus transmission (ESSER II)	 Purchase educational technology	 Provide staff and student mental health services and support
		 Improve air quality in school facilities, including heating, ventilation, & AC (ESSER II)	 Develop strategies to reopen and operate facilities safely and effectively (ESSER III)

These Grants Are Governed By A Matrix Of Federal, Agency, and State Requirements

State Laws, Regulations and Policies:

- PDE ARP ESSER Act 24 of 2021
- PA ARP ESSER State Plan
- PA LEA Chart of Accounts
- PA Master Standard Terms and Conditions
- PA School Code/Procurement Code

Federal Statutes:

- CARES Act
- CRRSA Act
- ARP Act of 2021

Federal Regulations:

- 2 CFR 200
- ESF Compliance Supplement

Agency Specific Guidance:

- U.S. Dept. of Education



ESSER grant funding is NOT “business as usual”

Allowable uses for ESSER funds varied greatly from annual recurring grant programs



IN THE NEWS

“We’re so thankful to be able to receive this funding,” said Superintendent Brian Troop, of the Ephrata Area School District in Lancaster County.

“The funds really have to be used to assist the school in preparing for, preventing, responding to COVID”

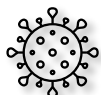
“We have to spend 20% of ESSER III for instructional programming to help support students who maybe fell behind”

“The district is also using the funding to help the staffing crisis. It’s been able to attract substitutes by offering free lunches and bonus pay”

“The district added a half-day summer program and created two new positions called student engagement facilitators”



Read The Article!



A global pandemic shut down the economy and took students **out of their classrooms** requiring novel approaches to fund the impacts on education



With students stuck at home with parents, educators had to invest in **remote learning technology, training, and curriculum** to avoid learning loss



To make classrooms safer, ESSER funded **construction and capital projects** to reduce viral transmission in classrooms and other facilities



Significant investments were made for **historically underserved groups** of students and required maintenance of ideal teacher to student ratios



Strategic planning for safe reopening of school operations was eligible for reimbursement to get students **back into the classroom**

ESSER funded a **SIGNIFICANT** portion of these unique activities



Monitoring required a standard approach in compliance with 2 CFR 200.332

As a pass-through entity, PDE has the following responsibilities:

1

Execute Subgrant Agreements

PDE must generate and maintain legal documents identifying financial assistance as a subgrant, setting forth scope, budget, other terms and conditions, and incorporating requirements of 2 CFR 200 by reference.

2

Establish Risk Profiles For Subawards

PDE must evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and terms and conditions of the subaward to determine appropriate subrecipient monitoring activities.

3

Perform Monitoring Activities

PDE must monitor subrecipient activities to “ensure” that subaward is used for authorized purposes, is compliant with Federal rules, and verify performance goals are achieved. Additionally, PDE must issue management decisions on audit findings, and take appropriate action for non-compliant activity.

Did you Know?

The Federal government established a body of 20 Inspector Generals called the “Pandemic Response Accountability Committee” to oversee spending from pandemic related stimulus. **PRAC is currently reviewing the adequacy of both Kentucky and Washington’s** process for providing oversight and monitoring of ESSER funding distributed to LEA’s.



Washington Office of Superintendent of Public Instruction's Oversight of American Rescue Plan Elementary and Secondary School Emergency Relief Fund Subgrants to Local Educational Agencies

The purpose of the audit is to determine whether the Washington Office of Superintendent of Public Instruction has an adequate oversight process in place to ensure that (1) local educational agencies' American Rescue Plan Elementary and Secondary School Emergency Relief plans met applicable requirements and (2) LEAs use ARP ESSER funds in accordance with applicable requirements and the approved LEA ARP ESSER plan.

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and (2) LEAs use ARP ESSER funds in accordance with applicable requirements and the approved LEA ARP ESSER plan.

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The PDE Risk Assessment Process

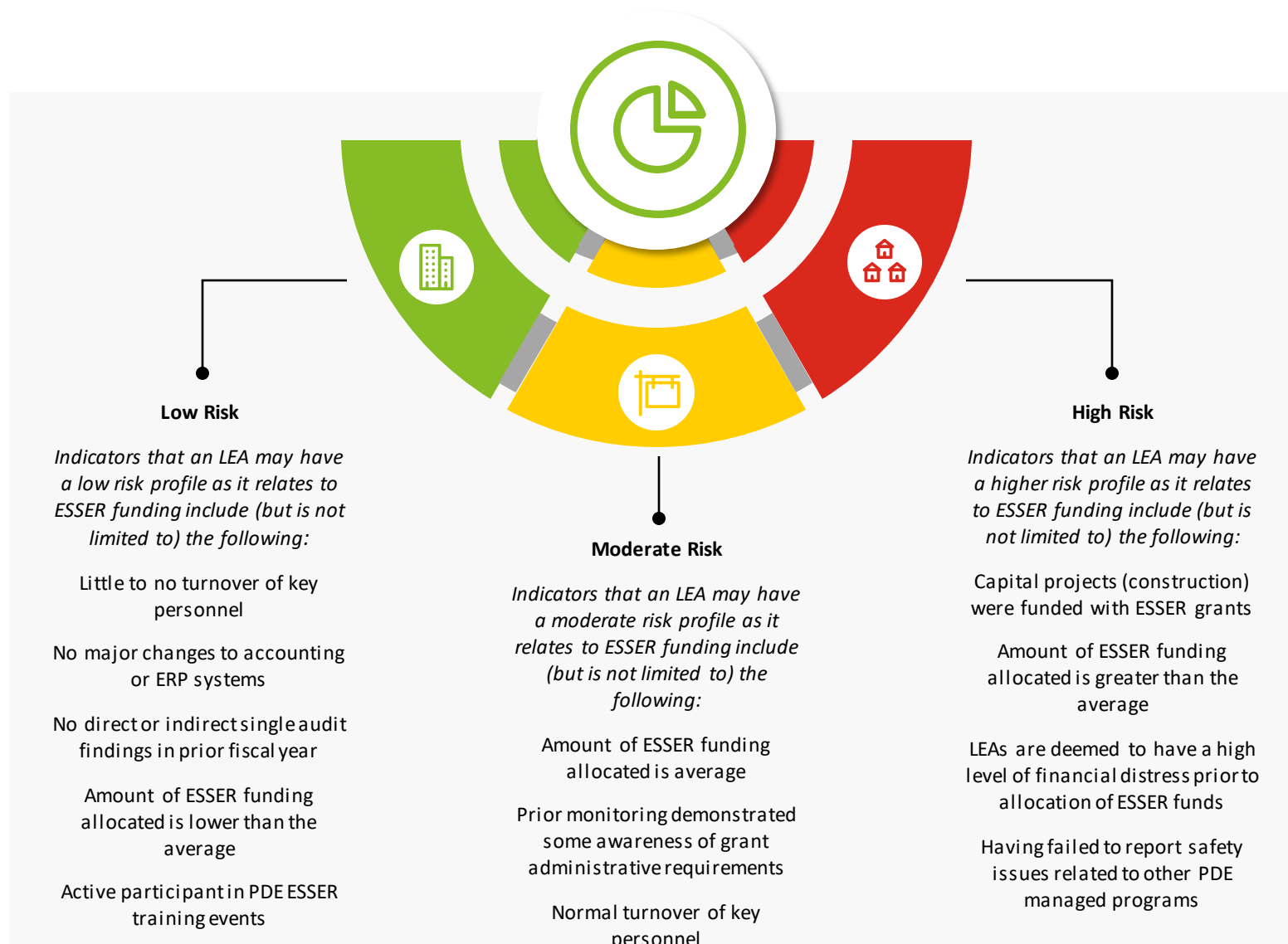
Utilizing a risk-based approach, PDE will commit valuable resources where they are needed most

Overview

A risk assessment identifies the **likelihood a subrecipient may face headwinds in demonstrating compliance** with all required provisions of their grant agreement.

The risk level assigned to a subrecipient **does not indicate that the organization has passed or failed** but merely establishes a baseline upon which PDE is able to dedicate resources to support LEA's in establishing processes and demonstrating compliance with grant requirements.

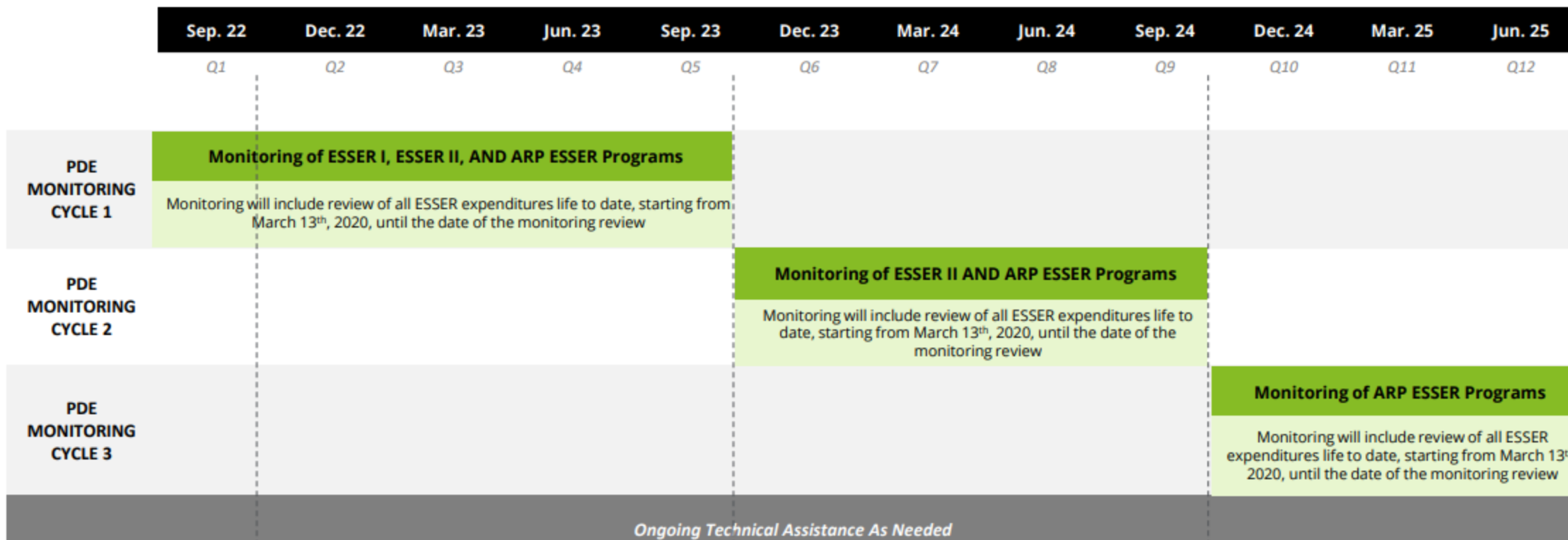
The risk assessment targets areas that are critical to assessing the subrecipient's risk level, such as: financial problems that could lead to diversion of program funds; loss of essential personnel; loss of accreditation to operate the program; rapid growth; new activities or services; and organizational restructuring amongst others.





PDE will oversee three complete monitoring cycles related to ESSER programs

LEAs should anticipate reviews of expenditures incurred since the inception of the program



**For Monitoring Cycles 2 and 3, please note subsequent years will only include reviews sampled from new expenditures. However, if you are selected for your first monitoring visit in Cycles 2 or 3, the reviews may be sampled from life to date expenditures.*

ESSER I
Obligation
Deadline

ESSER II
Obligation
Deadline

ARP ESSER
Obligation
Deadline



Scheduling Tool for Monitoring

- ✓ Communications have been made to LEAs regarding the scheduling of an On-Site Monitoring and Virtual Monitoring.
- ✓ LEAs have the opportunity to select dates for their preferred monitoring start date.
- ✓ Communication includes is a tentative agenda and ESSER programs which will be under review.

The screenshot shows the Pennsylvania Department of Education's scheduling tool for ESSER Virtual Monitoring. At the top, the Pennsylvania Department of Education logo is displayed. Below it, the title "PDE ESSER Virtual Monitoring" is centered. A green-bordered box highlights the service name "ESSER Virtual Monitoring" with a green checkmark icon. Below this, a note states "MONITORING TAKES 5 BUSINESS DAYS a..." with a "Read more" link, and "1 day" is listed below. A button labeled "Booking for ESSER Virtual Monitoring" is positioned below the box. The interface is divided into two sections: "DATE" and "TIME". The "DATE" section features a calendar for January 2023, with days of the week (Su, Mo, Tu, We, Th, Fr, Sa) and dates (1-31) listed. The "TIME" section contains a text box with the instruction "Select a service and date to see available times."

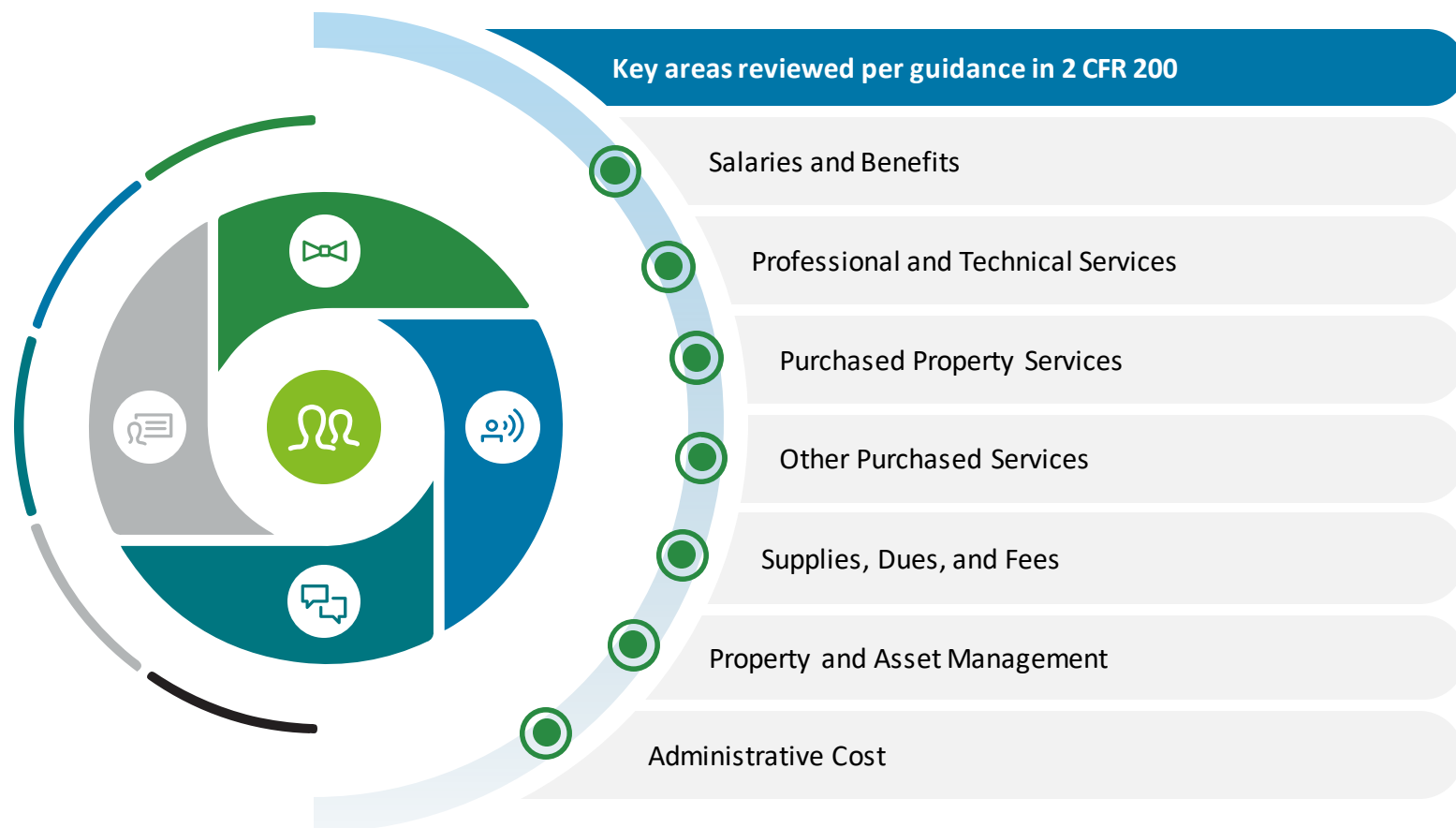


You have been selected for a monitoring review, what should you expect?

Our monitoring teams want to hear your story, see your files, and ask hard questions before the OIG does

PDE's Monitoring Protocol is focused on the key activities and allowable uses funded through ESSER, including the following:

- ✓ Actual expenditures are compared to budgeted amounts from the LEAs' subgrant agreements
- ✓ Populations are developed by object code using an expense re from the LEAs' General Ledger
- ✓ Random samples are selected by object code with relative sizes based on the potential for questioned costs
- ✓ Testing criteria differ based on the type of expenditure (i.e. procurement documentation is tested for contracts and purchase whereas payroll is tested for salaries and benefits)
- ✓ Testing will focus on programmatic and financial compliance with Federal cost principles and ESSER-specific allowable activities
- ✓ Observations, risks, leading practices, and guidance references to are developed and provided to enable LEA's to modify processes and minimize exposure to questioned costs during future audits





After Review – Results Communication and Subrecipient Response

- 30 days to respond to PDE with a plan on how to correct the observations in preparation for future audits.
- Response and supporting documentation should be uploaded directly to FedMonitor.
- Response should address observation, include estimated date of completion and include individual(s) responsible for said action.

Most Common Observations in the Pilot Monitoring Reviews

Equipment and Property Management	Financial Management	Procurement	Salaries and Benefits	General
<ul style="list-style-type: none">• no inventory system and/or inventory check	<ul style="list-style-type: none">• lack of proof of payment and/or invoices	<ul style="list-style-type: none">• no quotes• no competitive procurement documentation• no sole source justification	<ul style="list-style-type: none">• no reconciliation to general ledger• not all costs claimed allocated	<ul style="list-style-type: none">• no policy against fraud/waste/abuse• no grants management policy• no personally identifiable information (PII) policy



You should now have an understanding of ESSER and PDE’s role in administering this grant

Here are the 5 things to keep in mind as we work together to retain ESSER investments in the Commonwealth



Monitoring is a cornerstone of grant management

As the pass-through for ESSER, PDE is required to demonstrate oversight of subawards per 2 CFR

Our monitoring team is here to answer questions, provide guidance, and prepare you for future audits.



We are in this together and welcome feedback

Our goal is to provide actionable feedback and leading practices to address programmatic shortfalls.

We will provide references, explanations, and sufficient detail so your teams know what to do next time!



We are going to be asking for (a little bit of) your time

LEA staff should prepare to set aside 5 days to actively participate in the monitoring program with PDE staff.

Investing the time now could save you a LOT of time in the future if you are selected for an OIG or PRAC audit!



When in doubt, let’s talk it out!

Need to reschedule?
Can’t find a document?
Remember a new detail?
Need expert guidance?

We know your priorities are the education of our youth. If you have a conflict or need some extra help, let us know!



The ultimate goal is financial security

Our goal is to keep the money that has been invested in our schools, IN OUR SCHOOLS.

PERIOD

Additional Information/Technical Assistance

- PDE Website - [Monitoring of LEAs' Coronavirus Associated Federal Programs \(pa.gov\)](#)
- Weekly ESSER GEER Extra Communications
- PDE Office Hours
 - every **Monday from 1-2 PM** and every **Thursday from 9-10 AM**. [Join the office hours.](#)
- Questions can be directed to RA Account RA-EDESSERMONITOR@PA.GOV