



Pennsylvania
Department of Education

Post Elementary and Secondary School Emergency Relief (ESSER) Monitoring Leading Practices – Part 2

April 22, 2025



Post ESSER Monitoring Leading Practices

Introduction:

Now that the American Rescue Plan Act Elementary and Secondary School Emergency Relief (ARP ESSER) period of performance has ended, there's still work to do be done. We will dive into different areas to provide insights. The areas we will cover in this session are:

- ✓ Time and Effort
- ✓ Program Income
- ✓ Single Audit
- ✓ Closeout

Objectives:

1 How To Respond To Monitoring Observations

- ❑ **Reduce Compliance Exposure:** adopt leading practices included in your Final Results Letter (FRL) commensurate with your Local Education Agency's (LEA) operations.

2 Leading Practices Moving Forward

- ❑ **Follow Subgrant Agreement:** Incorporate or add requirements into current operating procedures.
- ❑ **Implement Compliance Steps:** Review the steps to confirm compliance with terms and conditions of the Subgrant.
- ❑ **Monitor Program Performance:** Perform periodic reviews to make sure requirements are met.
- ❑ **Maintain Documentation:** Confirm program and project expenditures and other documentation is available and compliant with federal guidelines.



Leading Practices Outcomes

Outcomes:

- ❑ **Compliance with Federal Guidelines:** Expenditures appear to be properly documented to meet 2 Code of Federal Regulations (CFR) Part 200 requirements.
- ❑ **Submission of Reports:** Including Final Expenditure Reports (FER), Quarterly Reports, Single Audits, etc.
- ❑ **Financial Reconciliation:** General ledgers are reconciled, confirming that reported expenditures equal recorded costs.
- ❑ **Proper Use of Funds:** Confirmation that funds have been expended in accordance with program guidelines.
- ❑ **Transparent Reporting:** Clear reporting builds stakeholder trust and demonstrates responsible financial management.
- ❑ **Record Retention:** Maintain documentation for a minimum of seven years from FER acceptance by the Pennsylvania Department of Education (PDE) to be prepared for future audits or reviews.
- ❑ **Avoidance of Loss of Funding:** Mitigate risk (e.g., loss of funding or enforcement actions) by maintaining compliance.



How To Respond To Monitoring Observations

A well-rounded response to monitoring observations should encompass both **process** and **documentation** improvements to enhance thoroughness and compliance with Subgrant agreement.

1

Process

The response should outline the implementation of new processes or updates to existing procedures. It should also clearly demonstrate how these changes will address and resolve identified compliance gaps.

2

Documentation

The response should include attachments for missing information highlighted in the observations, such as procurement, invoices, payroll records, etc. If the missing documentation does not exist, the LEA should use the response to explain how the adoption of new processes and procedures will strengthen internal control and the overall grant management process.

3

Response Timeline and Responsible Party

The response should also include a timeline and responsible party for the new process implementation or process improvement.



How Should I Respond To Monitoring Observations?

Guidance Observation #1			
Applicable Programs:	ARP ESSER		
Area of Review:	Financial Management		
Observations:	During the virtual monitoring review, the ESSER Monitoring Team noted that the Subrecipient was unable to provide purchase orders and invoices for services purchased with Federal funds.		
Background Discussions:	The Subrecipient did not make a [purchase order and/or invoice] available for review for the following vendor expenditures.		
	ARP ESSER		
	Vendor	Document	Amount
	Company A	Purchase Order	\$25,000
	Company A	Invoice	\$25,000
Regulatory Guidance:	2 CFR 200.403(g) Costs must be adequately documented.		
Associated Risk:	Failure to adhere to adequate purchasing procedures could result in instances of non-compliance, errors, and inadequate management of Federal funds.		
Recommended Practice:	The Subrecipient must adequately document all costs claimed against the Federal award.		
Subrecipient’s <u>Response</u> (✓):	We have implemented an electronic authorization process for all purchases to avoid the misplacement of physical documentation. Going forward, purchases can only be made if the electronic authorization form is approved by the business manager and superintendent. The attached documents represent the purchase authorization in form of an email in addition to a copy of the invoice.		
Subrecipient’s Response (×):	We will make sure we address these processes.		

Complete Response

The response outlines the updates to existing **processes and procedures** and includes **attachments** to address the **documentation** aspect of this observation. The response should also include a timeline and responsible party for the new process implementation or process improvement.

In the case where the LEA believes the Observation to be an **error**, please provide a response of the process in place and/or relevant documentation.

Incomplete Response

The response is brief and **lacks detail**, failing to outline updates to existing **processes and procedures** or include attachments for the missing **documentation**.



How To Be Prepared For a Potential Audit or Program Review

Ways to be prepared for an audit or program review:

1. Maintain supporting documentation
2. Perform periodic self-assessments
3. Conduct budget to actual variance analysis
4. Stay updated with regulatory changes
5. Implement strong internal control
6. Provide continuous staff training
7. Report performance to the Board and other committees



Aha! Applicable Regulatory Guidance

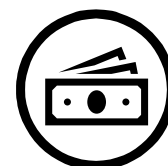
2 CFR 200 changed during 2024, the updates are generally not applicable to the treatment of the Grant. Subrecipients must make sure to use the appropriate version of the guidance in order to perform grant activities.



Closeout



Time and Effort



Program Income

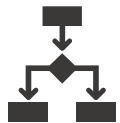


Single Audit

Essential Insights

- ✓ Maintain updated Time and Effort policies and procedures.
- ✓ Conduct regular payroll reconciliations to mitigate potential duplication of benefits.
- ✓ Maintain required Time and Effort documentation to include, single funding certifications, personnel activity reports (PAR), and employee fixed schedule, where applicable.

How to respond to Procurement Monitoring Observations?



Process

The response should detail the implementation of Time and Effort procedures. In addition, the response should outline Duplication of Benefits mitigation process to make sure benefit or other reimbursements are accounted for and not charged against the grant.



Documentation

The response should include attachments for missing documentation such as single funding certifications, PARs and employee fixed schedule or policies, where applicable. In addition, the response should include steps to take in the case of an identified instance of a duplication of benefits.

Common Observations and How to Address Them

REGULATORY OBSERVATION
GUIDANCE



No Time & Effort Documentation

Administrative Manual for Federal Programs
2 CFR 200.430(i)(1)

RISK

Failure to establish effective policies and procedures for Time and Effort documentation requirements can result in instances of non-compliance, errors, inadequate management of Federal funds, or loss of grant funding.

RECOMMENDED ACTION

Gather and document time and effort documentation (i.e. Timesheets, Personnel Activity Reports, Single Funding Certs, etc.) for employees claimed against the federal award.

NEXT STEPS

The Subrecipient should develop policies and procedures consistent with PDE guidelines to make sure proper documentation is maintained for each full time or part time employees' salaries and wages charged to the federal award.

REGULATORY OBSERVATION
GUIDANCE



No Payroll Registers/Payroll Detail Report

2 CFR 200.302(a)
2 CFR 200.430(a) General

RISK

Failure to establish effective policies and procedures for Time and Effort recording and reporting requirements can result in instances of non-compliance, errors, inadequate management of Federal funds, or loss of grant funding.

RECOMMENDED ACTION

Retroactively record and establish procedures to record salaries and wages charged against the federal award that reflect the work performed.

NEXT STEPS

The Subrecipient should support federal funds used for Salaries and Benefits using payroll documentation outlining employee name, payment period, salaries and benefit amounts, and other relevant information.

REGULATORY OBSERVATION
GUIDANCE



Duplication of Benefits

2 CFR 200.303(a)
2 CFR 200.403(g)
2 CFR 200.431(c)

RISK

Failure to properly deduct the Public School Employees' Retirement System (PSERS) reimbursement portion allocated to federal award is a duplication of benefits which can result in loss of funding.

RECOMMENDED ACTION

Retroactively deduct PSERS reimbursement amounts from federal grant allocations.

NEXT STEPS

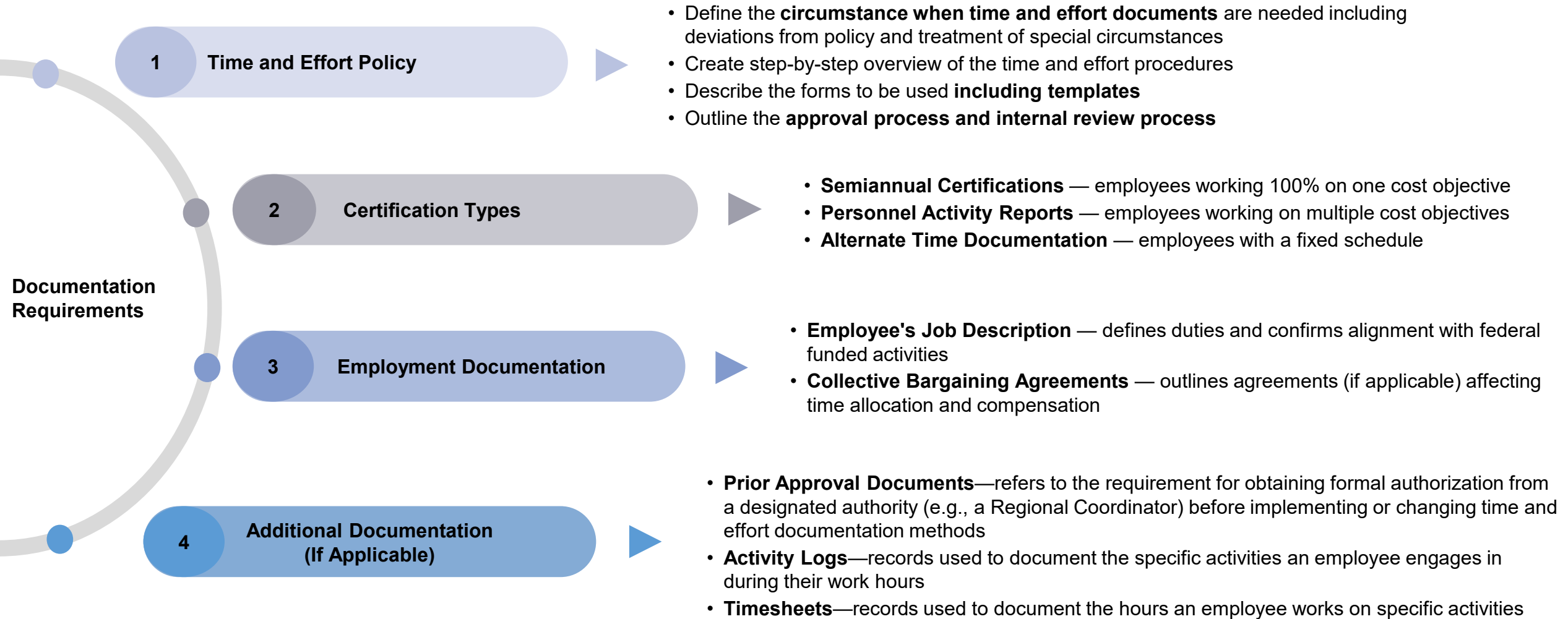
The Subrecipient should make sure that effective procedures are in place to detect instances of duplication of benefits.

Applicable Time and Effort Guidance



Reference	Title	What You Need to Know
§ 200.430(g)	Standards for Documentation of Personnel Expenses	Charges to Federal awards for salaries and wages should be based on records that reflect the work performed.
§ 200.431(a)	Compensation – Fringe Benefits	Fringe benefits are allowances and services employers provide to their employees as compensation in addition to regular salaries and wages. Fringe benefits include, but are not limited to, the costs of leave, employee insurance, pensions, and unemployment benefits. Except as provided elsewhere in these principles, the costs of fringe benefits are allowable provided that the benefits are reasonable and are required by law, an organization-employee agreement, or an established policy of the recipient or subrecipient.

Time and Effort Procedures



Required Time and Effort Documents



Single Funding Certification

Employees who work solely on a single federal program or cost objective and charge for their salaries and wages. Certification should consider be completed at least twice a year.



100% of time documented for 1 Cost objective



Includes time period covered



Signed & dated by employee and supervisor

Personnel Activity Report (PARs)

Employees who are paid at least partially from federal sources and working on multiple cost objectives. The PAR should be submitted on a basis defined in the LEA's Time & Effort Procedures.



Multiple cost objectives



Track 100% of employees time (Fed/non-Fed)



Signed & dated by employee



Reconciled to payroll records



Include time period (hours/percent)

Fixed Scheduled Staff

Employees working on 1+ cost objectives with a fixed schedule and want to use a semiannual certification, the LEA is required to seek approval from their Regional Coordinator. The recorded email should include:



Regional Coordinator approval



Employee Name



Relevant Cost Objective/Job Description

Leading Practices: Stipends and Contract Hours



Stipends

Update Procedures

Determine Time and Effort procedures reflect time documentation for stipend-paid employees.

Use of Contracts

Utilize contracts discussing deliverables as effective documentation since stipends are a flat fee.

Contracted Hours

Set Up Documentation

Create a timesheet or other documentation and identify cost objectives (activities) for each employee.

Track Time

Employees track their time weekly or at the end of the pay period.

Calculate Time Spent

Review submitted timesheets and calculate the amount of time spent on each cost objective.

Allocate Hours

Charge total hours for each cost objective to the prescribed funding source.

Compliance

Follows the Subrecipient's written Time and Effort Procedures.

Duplication of Benefits



Public School Employees Retirement System (PSERS)

Goal: Mitigation of Duplication of Benefit

LEA-Paid Portion of PSERS Retirement Benefits

PSERS employee retirement contribution is an allowable expense that can be allocated to the grant programs.

PSERS Reimbursement

PDE reimburses each LEA on a quarterly basis a pre-determined percentage of employee retirement contributions.

**Excludes Charter Schools.*

PSERS Reimbursement Deduction

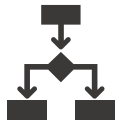
LEAs should consider proactively deduct the PSERS reimbursement amount from the overall grant allocation amount for each employee.

For example, if the LEA contributed \$2,000 in PSERS contributions, and the LEA's reimbursement rate is 50%, then \$1,000 should not be included in the grant allocation amount.

Essential Insights

- ✓ Identify potential program income from grant funding.
- ✓ Take steps to properly administer income generated from grant funding.
- ✓ Proceeds from sale of equipment or property are generally not considered Program Income.

How to respond to Program Income Monitoring Observations?.



Process


The response should detail the implementation of an effective process for the identification and proper allocation of recognized program income. The process should include steps to take in the scenario where program income is generated as well as which scenarios do not meet the definition of program income.



Documentation

The response should include attachments for missing documentation such as proof that the identified program income was deducted from the award and providing reversing entries in the revised ledgers.

Common Observations and How to Address Them

OBSERVATION REGULATORY GUIDANCE RISK RECOMMENDED ACTION NEXT STEPS	 Program Income
	2 CFR 200.307(e)
	Failure to comply with program income guidelines of federal grants could result in loss of the Subrecipient's grant funding.
	<p>The Subrecipient should consider deduct the total program income to determine the total allowable costs.</p> <p>The Subrecipient should have mechanisms in place to identify and address potential program income.</p>

Applicable Federal Program Income Guidance



Reference	Title	What You Need to Know
§ 200.307(e)	Use of Program Income	<p>(1) Deduction. Ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income should be used for current costs unless the Federal awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award should be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.</p> <p>(2) Addition. With prior approval of the Federal awarding agency (except for IHEs and nonprofit research institutions, as described in this paragraph (e)) program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income should consider be used for the purposes and under the conditions of the Federal award.</p> <p>(3) Cost sharing or matching. With prior approval of the Federal awarding agency, program income may be used to meet the cost sharing or matching requirement of the Federal award. The amount of the Federal award remains the same.</p>

Program Income



WHAT IS PROGRAM INCOME?

DEFINITION:

The income earned by a non-Federal entity through activities supported by a Federal award during the award's period of performance.

EXAMPLES:

- Fees for services performed
- Use or rental of property acquired under the Federal award (**note: selling equipment is not considered program income – see disposition slide**)
- Sale of commodities or items fabricated under the Federal award
- Fees charged for lost or damaged equipment in excess of cost

Acquisition Cost

Program Income

Repair Fee

WHAT IS NOT PROGRAM INCOME?

DEFINITION:

Unless specified in Federal statutes, regulations, or the terms and conditions of the Federal award, governmental revenues, property, and licensing fees are not program income.

EXAMPLES:

- **Governmental revenues:** Taxes, special assessments, levies, fines, and similar revenues the recipient or subrecipient raised.
- **Property:** Proceeds from the sale of real property, equipment, or supplies.
- **License fees and royalties:** License fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions made under the Federal award subject to 37 CFR part 401.

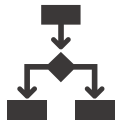
Additionally:

- Interest from Federal funds advances is not considered program income.
- Rebates and discounts are not considered program income.

Essential Insights

- ✓ Conduct a Single Audit if an LEA expends more than \$750 thousand in a fiscal year (or \$1 million after October 1, 2024)
- ✓ Implement processes and procedures to resolve Single Audit findings

How to respond to Single Audit Monitoring Observations?



Process


The response should detail the implementation of an effective process or the enhancement of an existing one to address and resolve Single Audit findings. If no Single Audit conducted, the response should include plans to engage a qualified audit firm to conduct the Single Audit.



Documentation

The response should include attachments for missing Single Audits, engagement letters, or steps to resolve audit findings.

Common Observations and How to Address Them

REGULATORY OBSERVATION GUIDANCE RISK RECOMMENDED ACTION NEXT STEPS	<div> No Single Audit</div>
	2 CFR 200.501(b)
	Failure to have a single audit conducted when the LEA's expenditures exceed \$750,000 in a fiscal year may result in non-compliance with federal grant requirements, unidentified internal control and risk management deficiencies, and loss of grant funding.
	The subrecipient should consider have a single audit conducted when expenditures total \$750,000 or more in a fiscal year. If no single audit was performed, the subrecipient should notify PDE of the delay and engage a qualified auditor to conduct the single audit.
	The Subrecipient should conduct a Single Audit Conduct if \$750 thousand is expended in a fiscal year.

Single Audit: Through The Lens Of 2 CFR 200



2 CFR 200.501(b) Single Audit Requirements apply to subrecipients who spend more than \$750 thousand in a fiscal year (or \$1 million after October 1, 2024)

Reference	Title	What You Need to Know
§ 200.501(b)	Audit Requirements	Non-federal entities expending \$1 million or more in federal awards in a fiscal year must undergo a single or program-specific audit to achieve accountability and transparency.

Single Audit Submission Process



2 CFR 200.512

Single Audit is required for non-Federal entities that expend \$1,000,000 (previously \$750,000) or more in Federal awards

Procedures for Submitting the Single Audit Report or Program-Specific Audit Report

- In accordance with the auditing and reporting requirements of Subpart F, §200.512 (3g) of the Uniform Guidance, the Federal Audit Clearinghouse (FAC) and the Commonwealth each have responsibilities.

PDE's Office of the Budget's Bureau of Accounting and Financial Management (BAFM)

- Auditees to email the FAC confirmation of receipt, the certified copy of the data collection form, and the Single Audit/Program-Specific Audit Reporting Package Checklist to BAFM email account (RA-BAFMSingleAudit@pa.gov)
- Auditees should consider upload their reports to the FAC website for BAFM to retrieve.

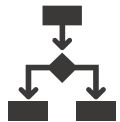
Steps for Submission

- Upon sending the information to the resource account, you will receive an e-mail from BAFM confirming the receipt of the materials.

Essential Insights

- ✓ Submit and FER within 30 days of program completion/funding fully spent.
- ✓ Reconcile ledgers to make sure expenditures are allocated to the proper program and submit budget revisions as needed.
- ✓ Adopt proper budgeting procedures to make sure program targets are met within the prescribed timeline.
- ✓ Make sure ledgers expenditures include the proper object and function codes.

How to respond to Closeout Monitoring Observations?



Process

The response should detail the implementation of a regular ledger reconciliation process or the enhancement of an existing one to maintain the accuracy and timeliness of ledgers. Additionally, it should explain how these controls will assist in the timely submission of FERs and in identifying variances between ledgers and final approved budgets at the function code and object code levels.



Documentation

The response should include attachments to for budget revisions, revised ledgers, and/or revised copies of the FERs to resolve variances presented in the final results letter.

Common Observations and How to Address Them



OBSERVATION
REGULATORY GUIDANCE
RISK
RECOMMENDED ACTION
NEXT STEPS



FER Not Submitted

2 CFR 200.344

PDE Final Expenditure Report Instructions
Subaward Agreement

Failure to comply with reporting deadlines outlined in the terms and conditions of the subaward can result in loss of the Subrecipient's funding.

It is recommended that Subrecipients reconcile their GL's and submit their FER within 30 days of being fully spent for the Federal award.

The Subrecipient should implement procedures for timely and careful reporting of FER. The financial information reported in the FER should accurately reflect internal reporting information according to the Manual of Accounting and Financial Reporting for Pennsylvania Local Educational Agencies and the PA Chart of Accounts.

OBSERVATION
REGULATORY GUIDANCE
RISK
RECOMMENDED ACTION
NEXT STEPS



No Budget Revision Submitted

PDE Budget Revision Instructions

PDE LEA Budget and Program Revision procedures

Failure to report actual financial expenditure information for Federal grant programs could result in loss of the Subrecipient's funding.

It is recommended that Subrecipients submit budget revisions for unspent function codes, unbudgeted function codes, and/or function codes with a variance greater than 20 percent for clarity and transparency.

The Subrecipient should implement procedures for timely and careful reporting of FER, budget modifications, and other reporting requirements. If circumstances require the re-opening of previous reports, please identify and contact the Regional Coordinator or Technical Administrator for your associated Intermediate Unit (IU).

OBSERVATION
REGULATORY GUIDANCE
RISK
RECOMMENDED ACTION
NEXT STEPS



FER Does Not Match GL

2 CFR 200.403(g)



Failure to report actual financial expenditure information for Federal grant programs could result in loss of the Subrecipient's funding.

It is recommended that Subrecipients submit revisions when their FER does not align with their GL claims for clarity and transparency.

The Subrecipient should implement procedures for timely and careful reporting of FER consistent with internal accounting ledger information. If differences and/or errors in reporting information exist, please identify and make retroactive corrections for consistent reporting.


Common Observations and How to Address Them (Cont. Part 1)



OBSERVATION	OBSERVATION
 No Subledger to Support FER	 FER Total is Greater/Less than GL Total
REGULATORY GUIDANCE	REGULATORY GUIDANCE
2 CFR 200.403(g)	2 CFR 200.403(g)
RISK	RISK
<p>Failure to comply with financial reporting requirements as outlined in the Manual of Accounting and Financial Reporting For Pennsylvania Local Educational Agencies and the PA Chart of Accounts can result in loss of the Subrecipient's grant funding.</p>	<p>Failure to report actual financial expenditure information for Federal grant programs could result in loss of the Subrecipient's grant funding.</p>
RECOMMENDED ACTION	RECOMMENDED ACTION
<p>The Subrecipient should implement procedures for timely and careful reporting of Final Expenditure Reports (FER).</p>	<p>The Subrecipient should implement procedures for timely and careful reporting of Final Expenditure Reports consistent with internal accounting ledger information.</p>
NEXT STEPS	NEXT STEPS
<p>The financial information reported in the FER must carefully reflect internal reporting information according to the Manual of Accounting and Financial Reporting For Pennsylvania Local Educational Agencies and the PA Chart of Accounts.</p>	<p>If differences and/or errors in reporting information exist, please identify and make retroactive corrections for consistent reporting.</p>

Common Observations and How to Address Them (Cont. Part 2)



REGULATORY GUIDANCE	OBSERVATION		Meeting Grant Expenditure Minimums
RISK			Section 2001(e)(1) of the ARP Act
			Failure to meet the minimum expenditure amounts required for a grant can result in not meeting the terms and conditions of the grant program and/or loss of grant funding.
RECOMMENDED ACTION			The LEA should document how actual spending met the definition of outlined requirements including documented breakouts of actual expenditures for each Learning Loss category and reallocation of expenditures as appropriate.
			The Subrecipient should use proper budgeting procedures to make sure that mandated expenditure minimum amounts are met.

Closeout: Through the lens of 2 CFR 200



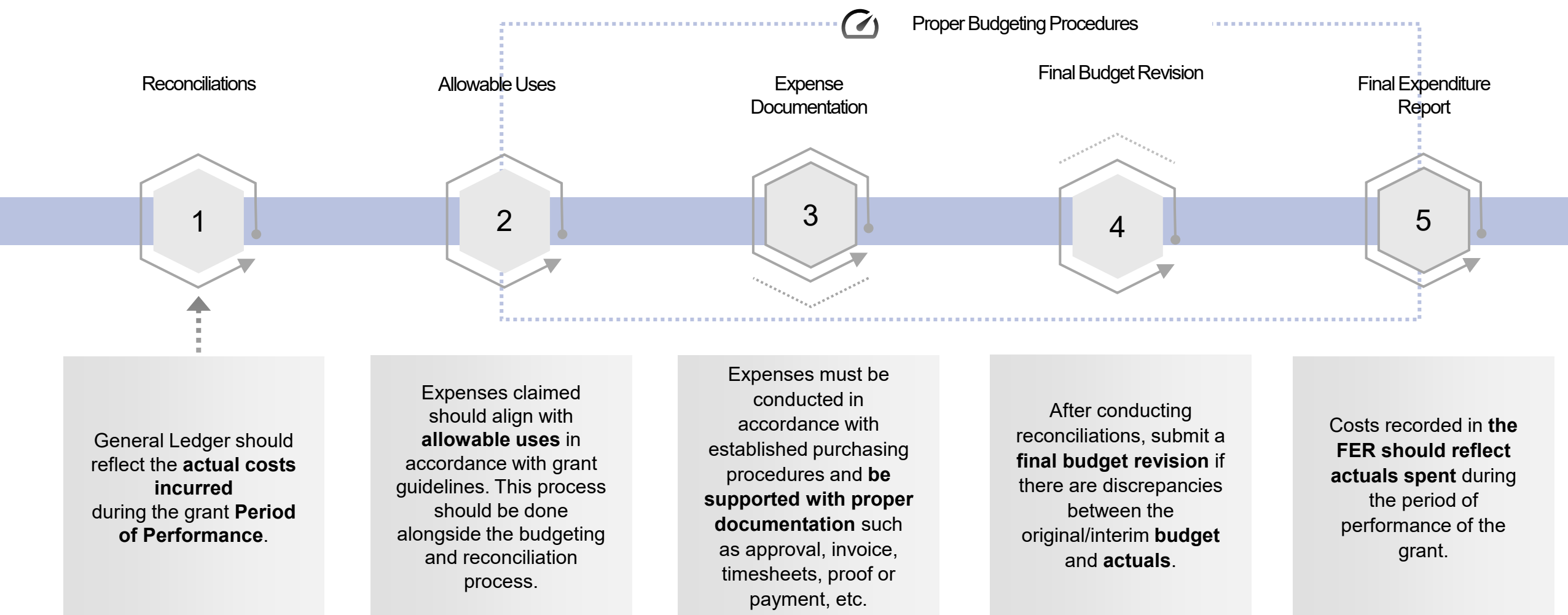
2 CFR 200.344 (a-i) closeout requirement apply to subrecipients using Federal funds. Select relevant Uniform Guidance is listed below, LEAs are responsible for timely and careful closeout procedures in accordance with Uniform Guidance and PDE's closeout procedures.

Reference	Title	What You Need to Know
§ 200.344 (a)	Closeout	The pass-through entity must close out the Federal award when it determines that administrative actions and required work of the Federal award have been completed.
§ 200.344 (b)	Closeout	A subrecipient should submit all reports (financial, performance, and other reports required by a subaward) to the pass-through entity no later than 90 calendar days after the conclusion of the period of performance of the subaward (or an earlier date as agreed upon by the pass-through entity and subrecipient).
§ 200.344 (c)	Closeout	A subrecipient should liquidate financial obligations incurred under a subaward no later than 90 calendar days after the conclusion of the period of performance of the subaward (or an earlier date as agreed upon by the pass-through entity and subrecipient).
§ 200.344 (d)	Closeout	The Federal agency or pass-through entity should consider not delay payments to the recipient or subrecipient for costs meeting the requirements of subpart E of this part.
§ 200.344 (e)	Closeout	The recipient or subrecipient should consider promptly refund unobligated funds that the Federal agency or pass-through entity paid and that are not authorized to be retained. See OMB Circular A-129 and § 200.346.
§ 200.344 (f)	Closeout	The pass-through entity should consider make necessary adjustments to the Federal share of costs after closeout reports are received (for example, to reflect the disallowance of costs or the deobligation of an unliquidated balance).
§ 200.344 (g)	Closeout	The subrecipient should account for property acquired with Federal funds or received from the Federal Government in accordance with §§ 200.310 through 200.316 and 200.330.

The Closeout Process



The following are recommended processes when closing out your grant program



Reconciled Subledger(s)



GL String	Vendor	Date	Amount
10-1110-230-996-12-000	Joe Smith	1/20/2023	\$ 5,000.00
10-1110-230-996-12-000	N/A	2/3/2023	\$ 6,000.00
10-1110-310-996-12-000	KeySolutions	2/3/2023	\$ 7,000.00
10-2600-400-996-12-000	Attem, INC	2/17/2023	\$ 5,000.00
10-4000-700-996-12-000	Govconnection	2/17/2023	\$ 10,000.00
		Total	\$33,000.00

Final Budget Revision								
Fiscal Year <u>2020-2021</u>								
BUDGET SUMMARY								
	100 salaries	200 Benefits	300 Purchased Professional and Technical Services	400 Purchased Property Service	500 Other Purchased Services	600 Supplies 800 Dues and Fees	700 Property	Total
1100	\$5,000	\$6,000	\$7,000	-	-	-	-	\$18,000
2600	-	-	-	\$5,000	-	-	-	\$5,000
4000	-	-	-	-	-	-	\$10,000	\$10,000
								\$33,000

Final Expenditure Report								
Fiscal Year <u>2020-2021</u>								
BUDGET SUMMARY								
	100 salaries	200 Benefits	300 Purchased Professional and Technical Services	400 Purchased Property Service	500 Other Purchased Services	600 Supplies 800 Dues and Fees	700 Property	Total
1100	\$5,000	\$6,000	\$7,000	-	-	-	-	\$18,000
2600	-	-	-	\$5,000	-	-	-	\$5,000
4000	-	-	-	-	-	-	\$10,000	\$10,000
								\$33,000

General Ledgers

Track expenditures within the general ledgers to account for actual transactions, with appropriate fields such as funding code, vendor, date, amount, etc.

Final Budget Revision

Compare the general ledger against the current budget to confirm the dollar amounts align on the function code and object code level. If they do not, conduct a Final Budget Revision.

Final Expenditure Report

Once the funds have been used, complete the FER by using the finalized general ledger. At this point, the dollar amounts from the general ledger, budget, and FER should all align.

PDE Closeout Readiness



1

Funding is **fully** spent.

2

Program expense subledger is **reconciled** to reflect actual costs incurred.

3

Expenses align with the **allowable uses** as outlined in the Subgrant Agreement.

4

Gather and retain relevant **documentation** to support your expenditures as reported in your internal records and FER.

5

Address all your **Observations** (if any) from the monitoring visit.

6

You have completed and submitted the **FER** in **eGrants**.

The Three-Pronged Approach



The Federal Grant Closeout Process for PDE involves three core documents. The **Latest Grant Budget Revision**, the LEA's **Reconciled General Ledger**, and the creation and submission of the **FER**.

Federal Grant Closeout

1. **Apdx B, Budget Revisions**
2. **Reconciled General Ledger**
3. **Final Expenditure Report**



Contact/Mission

For more information on Post ESSER Monitoring Leading Practices – Part 2 material please visit PDE's website at www.education.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.