



CARES ACT EDUCATION FUNDING OVERVIEW

PUBLIC EDUCATION AND HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEES
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ISSUE BRIEF

SUMMARY

Utah is eligible for approximately \$241,400,000 one-time under the federal Education Stabilization Fund. Nearly 60% of the funding goes directly to public and private institutions of higher education, 25% goes directly to local education agencies (LEAs), and the remaining 15% is to be distributed at the discretion of the State Board of Education and the Governor. This issue brief summarizes the three funds and provides a breakdown of the funding amounts and distribution, due dates associated with the funding, and allowable/non-allowable expenses.

MAINTENANCE OF EFFORT (MOE)

Acceptance of the ESSER and GEER federal funds requires a maintenance of effort (MOE) that the total education (both Public Education and Higher Education) will not fall below the average for FY 2017, 2018, and 2019.

ELEMENTARY & SECONDARY SCHOOLS EMERGENCY RELIEF (ESSER) FUND

Utah received approximately \$67.8 million, with \$61.0 million going to LEAs, \$6.8 million reserved for distribution by the Board of Education, and up to \$339,100 reserved to cover state administrative costs.

- *When do ESSER funds have to be used?* ESSER funds may be used through September 30, 2020.
- *Who oversees the funds?* Staff at the State Board of Education and LEAs.
- *How is ESSER distributed?* Federal distribution to states is based on a state's Title I funding. 90% of the state distribution to LEAs is based on Title I status. LEAs can then distribute their portion of funding to both Title I and non-Title I schools based on their own determinations. District and charter schools are eligible for the funds. A district that receives funding is directed to use funds to provide services to non-public schools within the district's boundaries. Funds may not be provided directly to non-public schools.
- *What are allowable uses?*
 - Authorized federal programs, including Every Student Succeeds Act (ESSA) and Individuals with Disabilities Education Act (IDEA); and
 - Direct COVID-19 related costs, including coordination, cleaning and sanitation, addressing the needs of at-risk populations, planning for long-term closures, purchasing educational technology, providing mental health services and supports, implementing activities related to summer learning and supplemental afterschool programs.
 - **Supplanting:** The CARES Act does not include a non-supplant statement that prevents LEAs from using ESSER funds to cover typical costs. However, as noted above, a maintenance of effort (MOE) statement was included.
- *What are non-allowable uses?*
 - Subsidizing or offsetting salaries and benefits for individuals who are not employees of the state education agency (SEA) or LEAs;
 - Expenditures related to state or local teacher or faculty unions or associations; and
 - Bonuses, merit pay, or similar expenditures, unless directly related to disruptions or school closures from COVID-19.

HIGHER EDUCATION EMERGENCY RELIEF (HEER) FUND

HEER distributes funding directly to institutions of higher education. Utah public and private schools are eligible for approximately \$143.6 million. Of this, approximately \$95.7 million is slated to go to two- and four-year state schools and \$2.9 million to technical colleges. An estimated breakdown of funds going to each school is available upon request.

- *When do HEER funds have to be used?* Funds must be expended by institutions by the end of December 2020.
- *Who oversees the funds?* Funds are overseen by each recipient institution. Institutions are also required to report to the Federal Department of Education and the State Board of Higher Education.
- *How is HEER distributed?* HEER funds are distributed directly to two- and four-year colleges and universities based on the number of full-time Pell students enrolled and on the number of in-person students enrolled prior to the shift to remote learning. At least 50% of these funds must be distributed to students.
- *What are allowable/non-allowable uses?*
 - These funds may be used:
 - To defray the institutions' expenses, including lost revenues and payroll; and
 - To provide students with unrestricted, emergency funds.

GOVERNOR'S EMERGENCY EDUCATION RELIEF (GEER) FUND

The GEER is approximately \$29 million provided to the governor that can be distributed to public and/or higher education. GOMB has indicated that they will likely distribute the funding exclusively to public education and that the funding will be distributed based on current Enhancement for At-Risk Students (EARS) and Special Education (SpEd) funding formulas.

- *When do GEER funds have to be used?* The Governor has until September 30, 2021 to award funding. Award recipients have until September 30, 2022 to spend their funding.
- *Who oversees the funds?* The Governor's Office and USBE. The Governor's Office has designated USBE as the fiscal agent to administer the grant and ensure compliance.
- *How is GEER distributed?* GEER funds must be used to address LEAs or Institutions of Higher Education identified as "most significantly impacted" by COVID-19. Due to this, the current plan is to distribute all of the funds to the public education system. The Governor, in consultation with other stakeholders, will determine how the funds will be distributed; or, to support education-related entities that the Governor "deems essential for carrying out emergency educational services." For public education, USBE is required, in consultation with the Governor's Office, to identify the LEAs most significantly impacted. The Governor, in consultation with stakeholders, determines how the funds will be distributed.
- *When will funds be received?* The Governor's Office received an award letter on May 29, 2020. A definitive date for LEA applications is still being determined. Funds will be distributed to LEAs as soon as possible.
- *What are allowable uses?* LEAs must use the funding "to continue to provide educational services to public and non-public school students and to support the on-going functionality of the LEA." Unless otherwise restricted by the Governor, "the LEA has considerable flexibility in determining how best to use GEER funds to prevent, prepare for, or respond to COVID-19."

RESOURCES

For further information, please see the following resources:

- [ESSER guidance from the U.S. Department of Education](#)
- [HEER guidance from the U.S. Department of Education](#)
- [GEER guidance from the U.S. Department of Education](#)