

OHIO AUDITOR OF STATE  
KEITH FABER

## COVID Federal Funding Update

### Educational Service Center of Lake Erie West Fiscal Workshop

June 23, 2021  
Presented by: Teresa Hicks, MBA  
Single Audit Coordinator, Center for Audit Excellence  
Bob Hinkle, CPA  
Chief Deputy Auditor

Efficient • Effective • Transparent

---

---

---

---

---

---

---

---

OHIO AUDITOR OF STATE  
KEITH FABER

**The information in this slide show may be  
subject to change.**

Federal COVID-19 program guidance  
continues to evolve and changes frequently.  
Local governments should remain diligent  
and regularly stay informed by monitoring  
state and federal agency websites.

Efficient • Effective • Transparent

---

---

---

---

---

---

---

---

## Agenda

- Coronavirus Aid, Relief, and Economic Security Act (CARES) H.R. 748
- Families First Coronavirus Response Act—H.R. 6201
- Coronavirus Preparedness and Response Supplemental Appropriations Act—H.R. 6074
- Paycheck Protection Program and Health Care Enhancement Act (P.L. 116-139)
- Consolidated Appropriations Act of 2021
- American Rescue Plan American Rescue Plan of 2021 (Public Law 117-2) passed 3/11/2021 - \$1.9 Trillion in COVID-19 Relief

Efficient • Effective • Transparent

---

---

---

---

---

---

---

---





### Federal COVID-19 Programs for Schools

**FIFO &  
Uniform  
Guidance  
Applies**

- The CARES Act, Consolidated Appropriations Act of 2021 and American Rescue Plan have created three separate rounds of federal funding in programs originally established by the CARES Act.
- Each iteration of funding has slightly different requirements, therefore, each must be accounted for separately. Uniform Guidance applies to all programs and all three waves, including Procurement rules.
- Rule of thumb, you must spend ESSER I before ESSER II and then spend ESSER II before ESSER III.
  - Same concepts apply to GEER and HEERF.

Efficient • Effective • Transparent 10

---

---

---

---

---

---

---

---

---

---

### CARES Act Established ESSER

**ESSER I  
(84.425D)**

https://ccip.ode.state.oh.us/documentlibrary/default.aspx?ccipSessionKey=637395232533763764

ODE is responsible for administering ESSER I and is responsible for oversight.

- Allocated to School Districts.
- Record in **Fund 507**, USDE requires separate accountability.

Efficient • Effective • Transparent 11

---

---

---

---

---

---

---

---

---

---

### Consolidated Appropriations Act

**ESSER II  
\$82  
Billion  
allocated  
to schools**

- May be used for allowable expenses from March 13, 2020 until September 30, 2022.
- Uniform Guidance applies, including Federal Procurement Rules.
- Allowable uses are fairly broad – twelve categories.
  - Anything that is allowable under ESEA, IDEA, Perkins, Adult Ed, McKinney; sanitizing buildings, mental health services, providing principals and other school leaders with resources needed to address the needs of their individual buildings, activities necessary to maintain continuity of services and continue employing existing staff, etc.

Efficient • Effective • Transparent 12

---

---

---

---

---

---

---

---

---

---

### Consolidated Appropriations Act

## ESSER II (84.425D) Allowable Uses

- ODE is allocating ESSER II to K-12 schools.
- Schools should record separately in a **SCC within Fund 507**, USDE requires separate accounting from ESSER I.
- Same allowable uses as ESSER I, plus...
- Additional allowable uses include addressing learning loss, preparing schools for reopening, testing, repairing and upgrading projects to improve air quality in school buildings.
  - USDE clarified these additional allowable uses are also allowable under ESSER I.

Efficient • Effective • Transparent 13

---

---

---

---

---

---

---

---

---

---

### Consolidated Appropriations Act

## ESSER II (84.425D) Allowable Uses

ODE and AOS strongly encourage schools to take time to **document** these considerations for ESSER II expenditures:

- Will the proposed use of funds “prevent, prepare for, and respond to coronavirus?”
- Is it an allowable use of funds under the legislation?
- Is it reasonable and necessary?
- Does it promote equity?

Efficient • Effective • Transparent 14

---

---

---

---

---

---

---

---

---

---

### Consolidated Appropriations Act

## ESSER II (84.425D) Allowable Uses

ESSER II is not a “lost revenue” grant. Some have been confused about this since “continuity of operations” is so broad.

- Can be used to supplant state and local funds.
- However, schools must still identify allowable expenses and allocate them to the ESSER II SCC of Fund 507.
- Schools must maintain documentation to support allowable expenses charged to the program.

Efficient • Effective • Transparent 15

---

---

---

---

---

---

---

---

---

---

### American Rescue Plan

ESSER III  
(84.425D)  
Allowable  
Uses

- May be used for pre-award costs dating back to March 13, 2020.
- Available for obligations through September 30, 2023.
- Schools must reserve not less than 20% of ARP ESSER allocation to address learning loss through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive after school programs or extended school year programs and ensure response to students' academic, social and emotional needs, addressing the disproportionate impact of COVID-19 on underrepresented student subgroups.

Efficient • Effective • Transparent
16

---

---

---

---

---

---

---

---

---

---

### American Rescue Plan

ESSER III  
(84.425D)  
Allowable  
Uses

- Remaining ESSER III funds may be used for the same allowable purposes as ESSER I and ESSER II, including hiring new staff and avoiding layoffs.
- ARP authorizes schools to use ESSER to develop strategies and implement public health protocols, including policies in line with CDC guidance for reopening and operation of school facilities.
  - Schools may also use ESSER I and ESSER II for these purposes even though CARES Act and Consolidated Appropriations Act of 2021 did not expressly authorize it.

Efficient • Effective • Transparent
17

---

---

---

---

---

---

---

---

---

---

### CARES Act Established GEER

GEER I  
(84.425C)  
Allowable  
Uses

ODE is responsible for administering \$154 million in GEER I; however, the Governor remains the grantee and is responsible for oversight.

- Allocated to ESCs and Boards of DD.
- Record in **Fund 508**, USDE requires separate accountability.
- Same allowable uses as ESSER I but designed to support entities who did not receive ESSER funding. (i.e. ESCs)

Efficient • Effective • Transparent
18

<https://ccip.ode.state.oh.us/DocumentLibrary/Default.aspx?ccis5essionKey=637359622700274835>

---

---

---

---

---

---

---

---

---

---

## Consolidated Appropriations Act

### GEER II (84.425C) Allowable Uses

ODE is responsible for administering \$154 million in GEER II; however, the Governor remains the grantee and is responsible for oversight.

- Available for obligations through September 30, 2023.
- ESCs should record separately in a **SCC within Fund 508**, USDE requires separate accounting from GEER I.
- Designed to provide emergency assistance to teachers and students in nonpublic schools through the **Emergency Assistance to Non-Public Schools** program (a subprogram of GEER).
- Nonpublic schools request reimbursement for expenses for allowable services or assistance on or after March 20, 2020 to prevent, prepare for, and respond to COVID-19, that have not already been reimbursed with federal funds, including PPP.

Efficient • Effective • Transparent
19

---

---

---

---

---

---

---

---

---

---

## Consolidated Appropriations Act

### GEER II (84.425C) Allowable Uses

- Reimbursements under this program do not make nonpublic schools recipients of federal financial assistance.
- ODE, or a public agency it designates, must control funds for services and assistance for which nonpublic schools apply, request supporting documentation, and provide the allowable requested services and assistance.
- ODE plans to contract with ESCs to provide services and assistance to nonpublic schools under this program. On behalf of ODE, the ESCs may contract with the nonpublic schools directly.

Efficient • Effective • Transparent
20

---

---

---

---

---

---

---

---

---

---

## Consolidated Appropriations Act

### GEER II (84.425C) Allowable Uses

- ODE will view ESCs as contracted vendors, providing services and assistance to nonpublic schools.
- ODE will report GEER II expenditures on the State of Ohio's Federal Schedule.
  - As vendors, ESCs will not have to report GEER II expenditures on their own Federal Schedules.
- GEER II includes a broad list of allowable services and assistance that nonpublic schools can use to request reimbursement.

Efficient • Effective • Transparent
21

---

---

---

---

---

---

---

---

---

---

### American Rescue Plan

**GEER III  
(84.425C)  
Allowable  
Uses**

ODE is responsible for administering GEER III; however, the Governor remains the grantee and is responsible for oversight.

- Available for obligations through September 30, 2023.
- ESCs should record separately in a **SCC within Fund 508**, USDE requires separate accounting from GEER I and GEER II.
- Designed to provide emergency assistance to non-public schools that enroll a significant percentage of low-income students and are most impacted by the qualifying emergency through the **Emergency Assistance to Non-Public Schools** program (a subprogram of GEER).

Efficient • Effective • Transparent
22

---

---

---

---

---

---

---

---

### CARES Act Established HEERF

**HEERF I –  
Student Aid  
(84.425E)  
Allowable  
Uses**

- Administered directly by USDE
- Available to Title IV participating career centers, JVS districts, and others that receive the SFA Cluster.
- Provides students with emergency financial aid grants to help cover expenses related to disruption of campus operations due to COVID-19.

Efficient • Effective • Transparent
23

---

---

---

---

---

---

---

---

### CARES Act Established HEERF

**HEERF I –  
Student Aid  
(84.425E)  
Allowable  
Uses**

- Schools should use a separate SCC in Adult Education Fund 012 to track each HEERF subprogram, and waves of funding within subprograms, separately.
- If school used a 599 Fund, use separate SCCs each program and wave.

Efficient • Effective • Transparent
24

---

---

---

---

---

---

---

---



### CARES Act Established HEERF

**HEERF I –  
FIPSE  
(84.425N)  
Allowable  
Uses**

- Administered directly by USDE
- Fund for the Improvement of Postsecondary Education (FIPSE).
- May be used to defray expenses incurred due to COVID-19, including lost revenue, reimbursement for expenses already incurred, tech costs for distance learning, training, payroll, and grants to students.

Efficient • Effective • Transparent
25

---

---

---

---

---

---

---

---

---

---

### Consolidated Appropriations Act

**HEERF II –  
Student Aid  
(84.425E)  
Allowable  
Uses**

- Available for obligations through September 30, 2022.
- Financial aid grants for students may be used for any component of the student's cost of attendance or for emergency costs that arise due to coronavirus, such as tuition, food, housing, health care (including mental health care) or child care.

Efficient • Effective • Transparent
26

---

---

---

---

---

---

---

---

---

---

### American Rescue Plan

**HEERF III –  
Student Aid  
(84.425E)  
Allowable  
Uses**

- Available for obligations through September 30, 2023.
- Portion of the funds must be used for
  - Implementation of evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines; and
  - conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or independent student, or other circumstances, described in section 479A of the Higher Education Act of 1965 (20 U.S.C. 1087tt)

Efficient • Effective • Transparent
27

---

---

---

---

---

---

---

---

---

---

**CARES Act**

**Nutrition Cluster**

- COVID-19 Nutrition programs Administered by ODE
- COVID-19 funding can be received under any Nutrition Cluster program – ODE assigns the schools' claims to COVID-19 funding after the schools' submission in CRRS.
- ODE then provides COVID-19 claiming information to schools for Federal Schedule reporting.
- Many Federal waivers are in effect in Ohio. Each school can vary on which waivers they qualify for.

Efficient • Effective • Transparent 28

---

---

---

---

---

---

---

---

**Consolidated Appropriations Act of 2021**

**Nutrition Cluster**

- Provided Supplemental reimbursement for each individual month up to 55% of the difference in the reimbursements.
- ODE will complete the calculation and make payments. Entities need not apply. ODE anticipates payments being made in September.

Efficient • Effective • Transparent 29

---

---

---

---

---

---

---

---

**American Rescue Plan**

**Nutrition Cluster**

- ODE will provide guidance as soon as it is made available.

Efficient • Effective • Transparent 30

---

---

---

---

---

---

---

---



### American Rescue Plan

- More funding in the following programs available through **Sept. 30, 2025**, unless otherwise indicated:
  - FEMA Disaster Relief Fund
  - Airport Assistance Grant (**Sept. 30, 2024**)
  - Federal Transit Administration grants for public transportation (**Sept. 30, 2024**)
  - Low Income Water and Home Energy Assistance (**Sept. 30, 2022**)
- There is also additional funding available in other areas, such as mental health, aging services, child care and development, etc.

Efficient • Effective • Transparent 34

---

---

---

---

---

---

---

---

---

---

### American Rescue Plan

- Emergency paid sick leave credits:
  - Grants state and local governments as well as Federal governmental instrumentalities that are tax-exempt 501(c)(1) organizations the ability to access the paid sick time and paid family leave credits under the FFCRA
  - Access to credits for leave provided March 31, 2021 through September 30, 2021

Efficient • Effective • Transparent 35

---

---

---

---

---

---

---

---

---

---

### Impact on Single Audits – OMB Memo 21-20 Six Mo. Extension

Fiscal Year End	Normal Due Date*	Extended Due Date*	Fiscal Year End	Normal Due Date*	Extended Due Date*
March 31, 2020	December 31, 2020	June 30, 2021	January 31, 2021	October 31, 2021	April 30, 2022
April 30, 2020	February 1, 2021	July 31, 2021	February 28, 2021	November 30, 2021	May 31, 2022
May 31, 2020	March 1, 2021	August 31, 2021	March 31, 2021	December 31, 2021	June 30, 2022
June 30, 2020	March 31, 2021	September 30, 2021	April 30, 2021	January 31, 2022	July 31, 2022
July 31, 2020	April 30, 2021	October 31, 2021	May 31, 2021	February 28, 2022	August 31, 2022
August 31, 2020	May 31, 2021	November 30, 2021	June 30, 2021	March 31, 2022	September 30, 2022
September 30, 2020	June 30, 2021	December 31, 2021			
October 31, 2020	July 31, 2021	January 31, 2022			
November 30, 2020	August 31, 2021	February 28, 2022			
December 31, 2020	September 30, 2021	March 31, 2022			

**Automatic extension applies to all audits not submitted to FAC prior to March 19, 2021 (date of Memo). Supersedes prior extensions. Must document COVID-19 reasons for delay. Do not have to receive COVID-19 funding to receive the extension.**

\* Per 2 CFR 200.512 if the filing due date falls on a Saturday, Sunday, or Federal Holiday the due date will be the next business day.

Efficient • Effective • Transparent 36

---

---

---

---

---

---

---

---

---

---

## Allocating Audit Costs to Federal Programs

- The Uniform Guidance in §200.425 allows "A reasonably proportionate share of the costs of audits required by, and performed in accordance with, the Single Audit Act Amendments of 1996 (31 U.S.C. 7501-7507), as implemented by requirements of this part, are allowable."
- However, some exceptions exist, including audits not performed in accordance with the Single Audit requirements (such as a performance audit) and audit costs for an entity which does not meet the single audit threshold of \$750,000.
- Therefore, the cost of your single audit may be considered an allowable cost, unless the terms and conditions of your grant award indicate otherwise. See AOS Bulletin 2021-006 – Hourly Billing Rates and Allocation of Audit Costs

---

---

---

---

---

---

---

---

---

---

## Impact on Single Audits - Challenges

Federal OMB anticipates issuing 2021 Compliance Supplement in three installments:

1. General guidance without key programs by May 31,
2. Key programs late June, and
3. New ARPA programs by late October

Federal agencies still determining if they will create new program assistance listing numbers for programs stemming from Consolidated Appropriation Act or ARP Act.

When available, recipients should refer to the Assistance Listing for detail on the specific provisions of UG that do not apply to these programs.

➤ Separate accountability applies.

---

---

---

---

---

---

---

---

---

---

## KEY

- DOCUMENT
- DOCUMENT
- DOCUMENT

---

---

---

---

---

---

---

---

---

---



---

---

---

---

---

---

---

---



---

---

---

---

---

---

---

---