FISCAL UPDATE Article
Fiscal Services Division
May 7, 2020

ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUNDING FOR COVID-19

Funding for School Districts and Nonpublic Schools. Under the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748), funding with the most direct impact to K-12 schools will be distributed through the Governor’s Emergency Education Relief Fund and the Elementary and Secondary School Emergency Relief (ESSER) Fund. Iowa has received $71.6 million from the ESSER Fund, and the Department of Education (DE) has released allocations of the $64.4 million that will be distributed to school districts. Nonpublic schools had the choice to participate in the ESSER Fund distribution and participating accredited nonpublic schools were allocated an equitable share, allowing them to receive services related to COVID-19 disaster relief in that amount. As mandated by the CARES Act, all allocations are based on the Title 1 Part A formula. The DE will reserve the remaining 10.0% of federal funds for grants and statewide emergency needs, including up to 0.5% for administrative costs at the State level.

Distribution of Funds. The application process for school districts to receive ESSER funds opened May 5, 2020, and will close May 11, 2020. The DE is planning to distribute funds May 13, 2020. The funds can be used as a retroactive reimbursement of COVID-19-related expenditures dating back to March 13, 2020, and can be used through September 30, 2022. School districts will be required to provide, at a minimum, annual reporting of how the ESSER funds were expended.

Allowable Use of Funds. ESSER funds are to be considered one-time dollars for emergency response and can be used for any of the following:

- Coordinating emergency response with other governmental agencies.
- Providing school leaders with the resources necessary to address the needs of their individual schools.
- Activities to address the unique needs of low-income children or students, children with disabilities, English language learners, racial or ethnic minorities, students experiencing homelessness, or foster care youth.
- Developing and implementing procedures and systems to improve emergency preparedness and response efforts.
- Training and professional development for staff on sanitation and minimizing the spread of infectious diseases.
- Purchasing supplies to sanitize and clean facilities.
- Planning for and coordinating services during long-term closures, including providing meals to eligible students; providing technology for online learning to all students; providing guidance for carrying out requirements under IDEA; and ensuring other educational services can continue to be provided consistent with all federal, state, and local requirements.
- Purchasing educational technology including hardware, software, and connectivity.
- Providing mental health services and supports.
- Planning and implementing activities related to summer learning and supplemental after school programs.
- Other activities that are necessary to maintain the operation of and continuity of services and continuing to employ existing staff.

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