



ESSER III Fund Overview Update

March 24, 2021

Hosted By: ASBA / ASA / AASBO / ACSA



ESSER III Overview Update

Thank you to our hosts!



ESSER III Overview Update

Our Presenters:



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ESSER III Overview Update



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ESSER@azed.gov



COVID-19 Recovery: The CARES, CRRSA and American Rescue Plan (ARP) Acts

- The **Coronavirus Aid, Relief, and Economic Security Act (CARES) Act** was the original COVID-19 relief package, and was enacted on March 27, 2020
- The **Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act** was enacted on December 27, 2020
- The **American Rescue Plan (ARP)** was enacted on March 11, 2021
- These acts included funding for the **Education Stabilization Fund (ESF)**, which has provided resources across three main education support programs:

Education Stabilization Fund (ESF)

CARES Act (\$30.75 billion)	CRRSA Act (\$82 billion)	American Rescue Plan (\$165 billion)
ESSER - \$13.5 billion	ESSER II - \$54.3 billion	ESSER III - \$122.8 billion <i>+ \$800M reserved for homeless children & youth</i>
GEER - \$3 billion	GEER II - \$4.05 billion <i>(includes EANS I - \$2.75B)</i>	EANS II - \$2.75 billion <i>(Emergency Assistance for Non-Public Schools, previously part of GEER II)</i>
HEER - \$14.2 billion	HEER II - \$22.7 billion	HEER III - \$39.6 billion



Timeline for Recovery Funds: ESSER I, II & III



All ESSER Fund grants allow for the reimbursement of allowable expenses included in an approved application back to **March 13, 2020**

\$277M

ESSER I

September 30, 2022

\$1.14B

ESSER II

September 30, 2023

\$2.6B

ESSER III

September 30, 2024



Arizona is projected to receive a total of \$4 billion through the ESSER Fund program to support local and statewide COVID-19 recovery efforts



Breakdown of Arizona's ESSER III Award

Total ESSER III Award	\$2,582,098,697.00
Total SEA Admin (0.5%)	\$12,910,493.49
Total SEA Activities (9.5%)	\$180,746,908.79
<i>Required SEA Reservation to Address Learning Loss (5%)</i>	\$129,104,934.85
<i>Required SEA Reservation for Summer Enrichment Programs (1%)</i>	\$25,820,986.97
<i>Required SEA Reservation for Comprehensive Afterschool Programs (1%)</i>	\$25,820,986.97
<i>Total Amount for SEA Discretionary Activities (2.5%)</i>	\$64,552,467.43
Total LEA Assistance (90%)	\$2,323,888,827.30
<i>Required SEA Reservation to Address Learning Loss (20%)</i>	\$464,777,765.46
<i>Total Amount for LEA Discretionary Activities (80%)</i>	\$1,859,111,061.84

Period of Availability: March 13, 2020 – September 30, 2024



High-Level Title I-A Allocations Process Overview

- **90%** of each of Arizona's total ESSER awards (I, II and III) must be **allocated** to LEAs based on their **proportionate share of Title I-A funds received**

What is the (*high-level*) Title I-A Allocation Process?

School Districts

Title I-A allocations are calculated at the LEA level using **Census Population and Poverty** data

Charter LEAs

Title I-A allocations are calculated at the LEA level using AzEDS October 1 enrollment data and poverty data derived from HNS data (if participating in HNS programs) or AzEDS Income Eligibility Indicators (IncomeEligibility1 and IncomeEligibility2)

- ✓ *Note: Within county adjustments are then made across all entities to determine final 'adjusted' population and poverty data, to incorporate charter LEAs. These adjusted data are then used to drive the allocation calculations for all entities.*



NEW: ESSER III SEA and LEA Required Set Asides

ADE Required Set Asides

Address Learning Loss	5%
Summer Learning or Summer Enrichment Programs	1%
Comprehensive Afterschool Programs	1%



LEA Required Set Aside

Address Learning Loss

20%

Activities and interventions may include:

- Summer Learning or Summer Enrichment Programs
- Extended Day Programs
- Comprehensive Afterschool Programs
- Extended School Year Programs

All activities and interventions must be **evidence-based**, respond to students' **academic, social, and emotional needs** and **address the disproportionate impact of COVID-19 on subgroups**, including each major racial and ethnic group, children from low-income families, children with disabilities, English learners, gender, and migrant status, students experiencing homelessness, and children and youth in foster care



NEW: ESSER III

State Maintenance of Effort

State Maintenance of Effort

- States must maintain support for K-12 and higher education in FY2022* **and FY2023** based on the proportional share of the State's support for K-12 and higher education relative to the State's overall spending averaged over FYs 2017, 2018, and 2019
- **WAIVER:** States can seek a waiver from ED *'for the purpose of relieving fiscal burdens incurred by States'* in responding to COVID-19



NEW: ESSER III State Maintenance of Equity

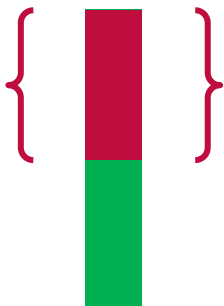
Federal fiscal years

High-Need LEAs

States may not reduce state funding in FY2022 or 2023 (as calculated on a per-pupil basis) for any high-need LEA in the State by an amount that exceeds the overall per-pupil reduction in State funds, if any, across all LEAs in such State in such fiscal year

Highest Poverty LEAs

States may not reduce state funding in FY2022 or 2023 (as calculated on a per-pupil basis) for any highest-poverty LEA below the level of funding (as calculated on a per-pupil basis) provided to each such LEA in fiscal year 2019



High-Need LEAs
LEAs have the **highest percentage of poverty students**, that collectively serve **50%** of the state's total enrollment



Highest Poverty LEAs
LEAs have the **highest percentage of poverty students**, that collectively serve **20%** of the state's total enrollment

Overall Per-Pupil Reduction in State Funds

The amount of any reduction in total State funds compared to the total provided to all LEAs in the previous fiscal year, divided by the total LEA enrollment served by all LEAs in the calculation fiscal year



NEW: ESSER III LEA Maintenance of Equity

Federal fiscal years

Per-Pupil Funding

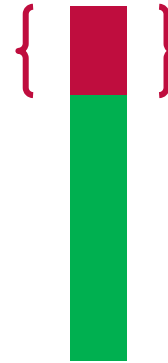
LEAs may not reduce **per-pupil funding** (from combined state and local funds) in **High Poverty Schools** more than the rate that may be reduced across all schools in **FY22 and FY23**

(Rate: Total Reduction/Total LEA Enrollment)

FTE Staff

LEAs may not reduce **FTE staff** in **High Poverty Schools** more than the rate that may be reduced across all schools in **FY22 and FY23**

(Rate: Total Reduction/Total LEA Enrollment)



Highest Poverty Schools

Schools in the **top 25%** of the all schools in the LEA based on the percentage of poverty students served

Exceptions:

Shall not apply to LEAs that meet at least one of the following criteria:

- ✓ Total **enrollment less than 1,000** students
- ✓ **Operates a single school**
- ✓ Serves all students within each grade span with a single school
- ✓ Demonstrates an **exceptional or uncontrollable circumstance**, such as *unpredictable changes in student enrollment or a precipitous decline in the financial resources of such agency*, as determined by the Secretary of Education



NEW: ESSER III

Safe Return to In-Person Instruction Plan

- **All LEAs receiving ESSER III funds** shall develop and make publicly available on their website, **not later than 30 days after receiving an ESSER III allocation**, a plan for the safe return to in-person instruction and continuity of services
- **COMMENT PERIOD:** Before making the plan publicly available, the LEA shall **seek public comment on the plan** and take such comments into account in the development of the plan
- **PREVIOUS PLANS:** If an LEA has developed a plan for the safe return to in-person instruction before the date of enactment of this Act (March 11, 2021) that meets the requirements described above, then the plan shall be deemed to satisfy this requirement



Summary of ESSER Fund Eligible Activities

- Any activity authorized by **federal education programs**
- **Coordination** of COVID-19 preparedness and response efforts
- Training and **professional development** for LEA staff
- Purchasing educational **technology** (including hardware, software, and connectivity)
- Providing **mental health services** and supports
- Planning and implementing **summer learning**
- Addressing **learning loss**
- **Student attendance and improving student engagement** in distance education
- **School facility** repairs and improvements to reduce risk of virus
- Implementing **public health protocols** in line with CDC guidance for the safe reopening and operation of schools
- Other activities necessary to **maintain LEA operations** and services and employ existing LEA staff



Summary of ESSER Fund Eligible Activities

- ESSER III – just like ESSER I & II funds - are **highly flexible**, and are designed to help address local **recovery efforts** relative to responding to **COVID-19**
- ESSER III Funds can be used **throughout the LEA**, in **all schools** and in support of **all students and staff**
- There are **no equitable services requirements** for private schools
- **Supplement and not supplant** requirements **do not apply** to LEA use of ESSER Fund monies. However, **EDGAR** and **UGG** apply (including the requirement that spending be **reasonable and necessary**). LEAs must also continue to comply with local ESEA and IDEA Maintenance of Effort (MOE) requirements

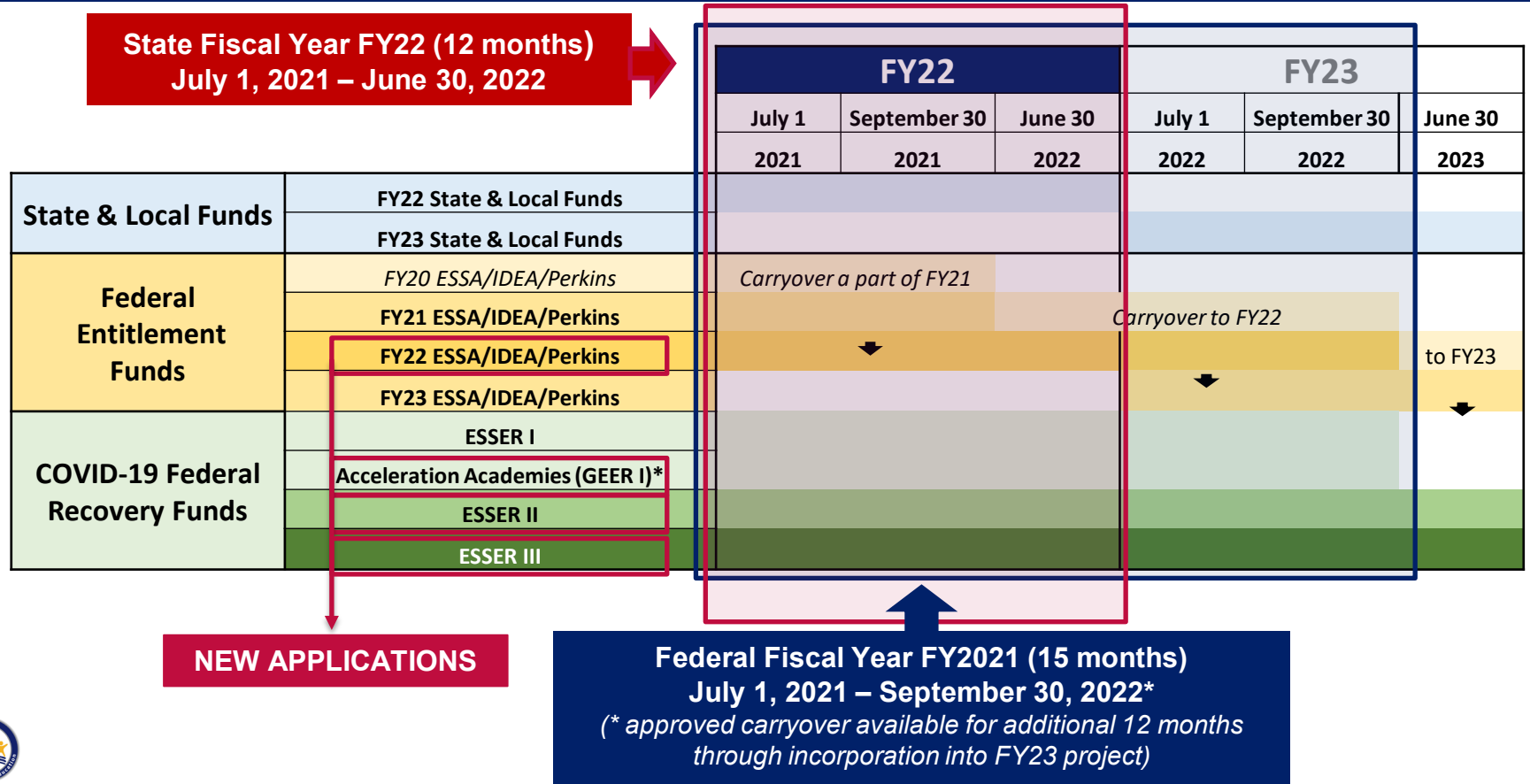


Federal Entitlement & Recovery Funds Timeline

		FY20	FY21		FY22		FY23		FY24		FY25	
		March 13 2020	July 2020	September 2020	July 2021	September 2021	July 2022	September 2022	July 2023	September 2023	July 2024	September 2024
Federal Entitlement Funds	FY20 ESSA/IDEA/Perkins				Carryover to FY21							
	FY21 ESSA/IDEA/Perkins					↓	Carryover to FY22					
	FY22 ESSA/IDEA/Perkins							↓	Carryover to FY23			
	FY23 ESSA/IDEA/Perkins									↓	Carryover to FY24	
	FY24 ESSA/IDEA/Perkins											↓
	FY25 ESSA/IDEA/Perkins											
COVID-19 Federal Recovery Funds	CARES Act Coronavirus Relief Fund (CRF)				(12/31/21)							
	ESSER I											
	Acceleration Academies (GEER I)											
	ESSER II											
	ESSER III											



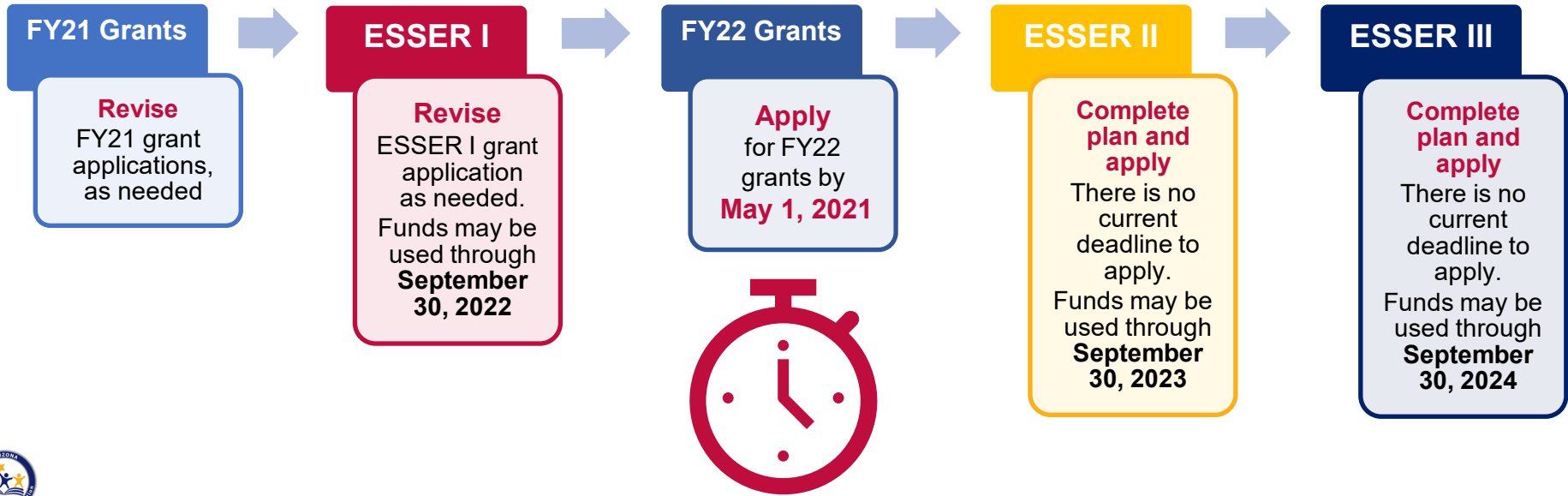
Federal Entitlement & Recovery Funds Timeline



Sequencing Grant Applications



Our sense is that many LEAs will choose to revise their FY21 and ESSER I grants, as needed, now. Then shift complete their FY22 federal grant applications (since those applications are due on May 1) – and then follow that up with their ESSER II & III (when launched) applications. However, LEAs are free to apply for ESSER II now, based on their local needs



Next Steps

Key Takeaways

- ✓ ESSER III has new state Maintenance of Effort, and new state and LEA Maintenance of Equity requirements
- ✓ ESSER III includes new required set asides for both ADE and LEA. These will help guide state and local decision making for leveraging these new funds to **accelerate and enrich learning** and **increase learning opportunities** – particularly for our most vulnerable populations
- ✓ The ESSER funds (I-III) represent a generational opportunity to make strategic, sustainable investments to help address systemic inequities and unleash innovation and creativity to **transform** teaching and learning to realize our shared vision of ***Equity for All Students to Achieve their Full Potential***



Next Steps

Actions to Consider Now:

- ✓ Continue to **submit ESSER I** applications for approval
- ✓ **Leverage other Federal funds**, such as Title I-A, II-A and IV-A, to support local needs (e.g. *PPE, distance learning supports, increasing learning opportunities, supporting teacher professional learning*)
- ✓ **Revise ESSER and Federal entitlement applications**, as needed, to help manage local needs
- ✓ **Draw down your ESSER Funds** as needed on a **timely and ongoing basis**
- ✓ **Apply** for your **FY22 non-ESSER grants** by **May 1, 2021**
- ✓ **Collaboratively** create your **plan for ESSER II and III** funds
- ✓ **Apply** for **ESSER II and III** (*when available*)



ESSER I – Draw Down Activity

(as of 3/24/2021 @ 7AM)

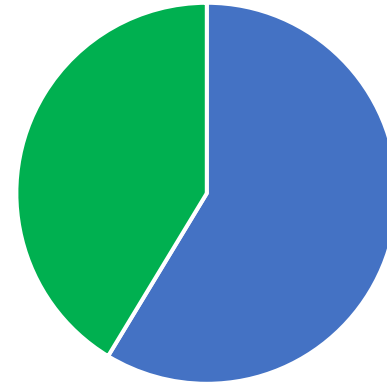
Summary of Draw Down Activity as Compared to Total ESSER Fund Grant

Cohort	Total Award	Total Drawn Down	% of Total Award
Title I	\$252,903,474.20	\$103,666,107.43	41%
Non-Title I	\$10,526,236.90	\$5,187,322.72	49%
	\$263,429,711.10	\$108,853,430.15	41%

ESSER I Fast Facts:

- **\$76,912,418.24** has been drawn down since **November 1st**
- **Over 92% of LEAs** have approved applications
- The cohort of LEAs that are actively drawing down funds have collectively drawn down ~51% of their awards
- **208 LEAs** (~32%) have drawn down between **75-100%** of their awards, and **98** have drawn down **100%**

ESSER I Fund Grant



- Total Remaining Award (\$154,576,280.95)
- Amount Drawn Down (\$108,853,430.15 - 41%)



ESSER II Update

(as of 3/24/2021 @ 11:30AM)

ESSER II Fast Facts:

- The **ESSER II** LEA application **launched on February 19, 2021**
- As of today, **272 LEAs (~42%)** have an **application in progress** in the Grants Management system
- **57 LEAs (~9%)** have **approved applications**
- **~\$700,000** has been drawn down



Next Steps

ADE is committed to working collaboratively to support schools to use local, state and federal entitlement and recovery funds effectively and strategically to meet immediate needs and to make thoughtful, sustainable investments in support of ongoing local recovery efforts



Thank You!



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