

Guidance for American Rescue Plan (ARP)-Elementary and Secondary School Emergency Relief (ESSER III) Fund

Department of Elementary and Secondary Education

July 20, 2021



[COVID Relief Information](#)

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The ARP ESSER (ESSER III) program receives 100 percent of its funding through a grant from the U.S. Department of Education. For Federal Fiscal Year 2021, the total amount of grant funds awarded was \$0. There were no remaining costs.

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BACKGROUND

The American Rescue Plan (ARP) Elementary and Secondary School Emergency Relief (ESSER), also known as ESSER III, Fund under the American Rescue Plan (ARP) Act of 2021, Public Law 117-2, was enacted on March 11, 2021. ARP ESSER (ESSER III) provides a total of nearly \$122 billion to States and Local Education Agencies (LEAs) to help safely reopen and sustain the safe operation of schools and address the impact of the coronavirus pandemic on the nation's students. In addition to ARP ESSER (ESSER III), the ARP Act includes \$3 billion for special education, \$850 million for the Outlying Areas, \$2.75 billion to support non-public schools, and additional funding for homeless children and youth, Tribal educational agencies, Native Hawaiians, and Alaska Natives.

LOCAL EDUCATION AGENCY ALLOCATIONS

ARP ESSER (ESSER III) awards to State Education Agencies (SEAs) are in the same proportion as each State received funds under Part A of Title I of the Elementary and Secondary Education Act of 1965, as amended, in fiscal year 2020.

LEA allocations are located on the [DESE COVID Relief](#) webpage.

INTRODUCTION

The Missouri Department of Elementary and Secondary Education (DESE) announces preliminary guidance to LEAs regarding requirements associated with the American Rescue Plan Elementary and Secondary School Emergency Relief (ESSER III) funds. Section 2001 of ARP places certain requirements on LEAs as a condition of receiving funds. Any LEA receiving funds must publish its Safe Return to In-Person Instruction and Continuity of Services Plan (SRCSP) on its website within 30 days of receiving an allocation. Further, any LEA receiving funds must submit an application, consisting of an ARP ESSER (ESSER III) Plan and an ARP ESSER (ESSER III) Budget, to DESE detailing how it will spend its allocation in alignment with the requirements of ARP ESSER (ESSER III). DESE published preliminary ARP ESSER (ESSER III) allocations on May 24, 2021.

To assist with this process, DESE has prepared this guidance document detailing the deadlines and requirements for LEAs. As part of the SRCSP publication, LEAs must allow for public input. Further, during revision of the SRCSP and the development of the ARP ESSER (ESSER III) application, LEAs must consult with stakeholders and publish their SRCSP on their websites by June 23, 2021. ARP ESSER (ESSER III) applications are due on August 23, 2021.

Consistent with previous relief funding streams, DESE cannot disburse any ARP ESSER (ESSER III) funds until appropriation authority is provided in the state budget. There is currently no established timeline for these appropriations. ARP ESSER (ESSER III) funds can be used for allowable costs dating back to March 13, 2020, but capital outlay expenditures require prior budget approval by DESE.

SAFE RETURN TO IN-PERSON INSTRUCTION AND CONTINUITY OF SERVICES PLAN (SRCSP)

LEAs must publish Safe Return to In-Person Instruction and Continuity of Services Plan (SRCSP) on their websites (including social media sites) no later than June 23, 2021. If an LEA lacks any web site presence, the LEA should email its plan in pdf format to webreplyfgm@dese.mo.gov. The vast majority of Missouri schools offered in-person learning opportunities by the end of the 2020-21 school year. However, a few remained fully distanced.

If an LEA has not returned to in-person instruction, the SRCSP should focus on how the LEA will implement safe operations to maintain the health and safety of students and staff. If an LEA has already returned to in-person instruction, the SRCSP should focus on how the school will ensure continued safe operations to maintain the health and safety of students and staff.

Mitigation Strategy Policies

ARP requires that every LEA receiving funds under ARP ESSER (ESSER III) must address each of the current mitigation strategies recommended by the Centers for Disease Control (CDC). LEAs are advised but not mandated to follow CDC recommendations for each mitigation strategy. The mitigation strategies currently recommended by the CDC are as follows.

The plan must include a description of and the extent to which an LEA has adopted policies on the following:

1. Universal and correct wearing of masks;
2. Physical distancing (e.g., including use of cohorts/podding);
3. Handwashing and respiratory etiquette;
4. Cleaning and maintaining healthy facilities, including improving ventilation;
5. Contact tracing in combination with isolation and quarantine, in collaboration with the State, local, territorial, or Tribal health departments;
6. Diagnostic and screening testing;
7. Efforts to provide vaccinations to educators, other staff, and students, if eligible; and
8. Appropriate accommodations for children with disabilities with respect to the health and safety policies.

Continuity of Services

The LEA should address how it will transition to safe operation in-person instruction or continue to provide safe in-person instruction. The plan should include how it will provide for student and staff needs during any interruptions of in-person instruction. These needs include student academic needs and the social, emotional, and mental health needs of students and staff. The SRCSP may include how the LEA will continue to provide nutritional and health services.

Periodic Revision

The SRCSP must address how the LEA will periodically review, and if necessary revise, the SRCSP, no less than every six months. The review and revision process should include the LEA's plan to consult with stakeholders, as required by the statute (listed below).

- The revision process must include consultation with the following
 - students;
 - families;
 - school and district administrators (including special education administrators); and
 - teachers, principals, school leaders, other educators, school staff, and their unions.
- And to the extent present in or served by the LEA:
 - civil rights organizations (including disability rights organizations); and
 - stakeholders representing the interests of
 - children with disabilities,
 - English learners,
 - children experiencing homelessness,
 - children and youth in foster care,
 - migratory students,
 - children who are incarcerated, and
 - other underserved students.

Understandable Language

The SRCSP must be written in language(s) understandable to stakeholders. The SRCSP must address how the LEA plans to make the SRCSP available in other languages or to stakeholders who employ the oral tradition.

Building on Existing Plans

DESE believes many LEAs previously developed plans for the 2020-21 school year that satisfy the requirements for the SRCSP. Planning for continuity of services, particularly academic services, has occurred in the context of Alternative Methods of Instruction (AMI) and Alternative Methods of Instruction-Extended (AMI-X) planning. In addition, many LEAs have already created plans for mitigation and prevention strategies, although the plans may be less formalized. DESE encourages LEAs to use their existing work as the basis for SRCSP development. If the plans were adopted as part of a public board meeting, this satisfies the initial public input requirement.

SRCSP Guidance and Example

An LEA should consider placing a SRCSP link on its homepage [link example: <http://XXX.XX/COVID-19>]. The link should provide an electronic version of the plan in an accessible format. If an LEA lacks any web site presence, the LEA should email its plan in pdf format to webreplyfgm@dese.mo.gov.

If an LEA does not have a formal plan, DESE has provided the following mitigation strategies as an example. ARP requires schools to address the mitigation strategies recommended by the Center for Disease Control and Prevention CDC. The current CDC mitigation strategies and possible responses are in the table below. Please note that all mitigation strategies must be addressed. Responses provided are only examples. LEA plans should reflect local practices for each mitigation strategy.

Mitigation Strategy	Example Responses
Universal and correct wearing of masks	<ul style="list-style-type: none"> • Consistent with CDC • Masks mandated • Masks mandated for unvaccinated persons • Masks mandated for adults • Masks mandated for students beginning in 3rd grade and adults • Masks allowed
Physical distancing (e.g., including use of cohorts/podding)	<ul style="list-style-type: none"> • Consistent with CDC • Students in cohorts with distancing • Barriers, routing, and minimum distancing
Handwashing and respiratory etiquette	<ul style="list-style-type: none"> • Consistent with CDC • Taught and reinforced • Sanitizer and tissue provided • No mitigation
Cleaning and maintaining healthy facilities, including improving ventilation	<ul style="list-style-type: none"> • Consistent with CDC • Modified layouts • Increased cleaning for high-touch surfaces
Contact tracing in combination with isolation and quarantine, in collaboration with the State, local, territorial, or Tribal health departments	<ul style="list-style-type: none"> • Consistent with CDC • Contact tracing by LEA • Contract tracing by the local public health authority (LPHA) • No contact tracing
Diagnostic and screening testing	<ul style="list-style-type: none"> • Testing provided onsite • Testing available at LPHA or clinic
Efforts to provide vaccinations to educators, other staff, and students, if eligible	<ul style="list-style-type: none"> • LEA sponsors vaccination events • LEA participates in vaccination events • Incentives provided for vaccination

Mitigation Strategy	Example Responses
Appropriate accommodations for children with disabilities with respect to the health and safety policies	<ul style="list-style-type: none"> Accommodations as necessary or as mandated by Individual Education Plan Projected Deadline: August 23, 2021

APPLICATION PROCESS

LEAs must submit the ARP ESSER (ESSER III) Plan to DESE via Compliance Plans (Federal and State) and the budget via ePeGs no later than 90 days after allocations were posted. DESE will open the application on July 23, 2021. The application deadline is August 23, 2021.

- SRCSP
 - The LEA must submit the hyperlink to its published SRCSP.
- Mitigation
 - The LEA must include a description of and budget for expending APR ESSER (ESSER III) funds for mitigation strategies (listed in SRCSP), aligned to the most recent CDC guidance.
- Lost Instructional Time
 - The LEA must include a description of how the LEA will spend at least 20 percent of its allocation to address students’ academic needs based on lost instructional time due to the pandemic through implementing evidence-based strategies.
- Most Impacted Students
 - The LEA must identify the students most impacted by the pandemic. If an LEA has not made this determination, it must describe how and when the identification will be made.
- Other Funds
 - The LEA must describe how the LEA will expend the rest of its funds consistent with the allowable uses found in section 2001(e)(2).
- Ensuring Interventions Meet Students’ Need
 - The LEA must describe how the LEA will ensure that the interventions it implements will address the academic, social, emotional, and mental health needs of students, particularly those disproportionately impacted by the pandemic, including students from low-income families, students of color, English learners, students experiencing homelessness, children and youth in foster care, and migratory students.

The development of the application must include consultation with the following

- students;
- families;
- school and district administrators (including special education administrators); and
- teachers, principals, school leaders, other educators, school staff, and their unions.

And to the extent present in or served by the LEA:

- civil rights organizations (including disability rights organizations); and
- stakeholders representing the interests of
 - children with disabilities;
 - English learners;
 - children experiencing homelessness;
 - children and youth in foster care;
 - migratory students;
 - children who are incarcerated; and
 - other underserved students.

DEADLINES

Item	Deadline
ARP ESSER (ESSER III) Allocations Published	May 24, 2021
LEAs publish Safe Return to In-Person Instruction and Continuity Plan (SRCSP) on LEA Website	June 23, 2021
ARP ESSER (ESSER III) Plan and Budget Open	July 23, 2021
ARP ESSER (ESSER III) Plan and Budget Due in Compliance Plans (Federal and State) and in ePeGS	August 23, 2021
Budget Revisions	April 30, 2024
Obligation Deadline	September 30, 2024
Payment Requests	September 30, 2024
Final Expenditure Report	October 31, 2024

REQUIRED RESERVE UNDER ARP ESSER (ESSER III)

LEAs must reserve at least 20 percent of funds to address learning loss through the implementation of evidence-based interventions and ensure that those interventions respond to students' academic, social, and emotional needs and address the disproportionate impact of COVID-19 on underrepresented student subgroups (each major racial and ethnic group, children from low-income families, children with disabilities, English learners, gender, migrant students, students experiencing homelessness, and children and youth in foster care).

The table below provides tiers of evidence as defined by the Every Student Succeeds Act. The [What Works Clearinghouse](#) provides research evidence on interventions.

Tier I	Tier II	Tier III	Tier IV
Strong evidence from at least one well-designed and well-implemented randomized trial	Moderate evidence from at least one well-designed and well-implemented quasi-experimental design study	Promising evidence from at least one well-designed and well-implemented correlational study that controls for selection bias	Rationale based on high-quality research findings or evaluation; includes ongoing efforts to examine effects of intervention

ALLOWABLE ACTIVITIES

Remaining LEA funds (funds not reserved to address learning loss) may be used for a **wide range of activities** to address needs arising from the coronavirus pandemic. Funds must be used to prevent, prepare for, and respond to COVID-19.

Allowable activities under ARP ESSER (ESSER III) include:

1. Any activity authorized by the Elementary and Secondary Education Act (ESEA), the Individuals with Disabilities Education Act (IDEA), Adult Education and Family Literacy Act (AEFLA), or Carl D. Perkins Career and Technical Education Act of 2006 (Perkins CTE). Specifically, ARP ESSER (ESSER III) funds

may be used to develop strategies and implement public health protocols including, to the greatest extent practicable, policies in line with guidance from the CDC on reopening and operating schools to effectively maintain the health and safety of students, educators, and other staff, as well as:

2. Coordinating preparedness and response efforts to prevent, prepare for, and respond to COVID-19;
3. Training and professional development on sanitizing and minimizing the spread of infectious diseases;
4. Purchasing supplies to sanitize and clean the LEA's facilities;
5. Repairing and improving school facilities to reduce risk of virus transmission and exposure to environmental health hazards;
6. Improving indoor air quality;
7. Addressing the needs of children from low-income families, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth;
8. Developing and implementing procedures and systems to improve the preparedness and response efforts of LEAs;
9. Planning for or implementing activities during long-term closures, including providing meals to eligible students and providing technology for online learning;
10. Purchasing educational technology (including hardware, software, connectivity, assistive technology, and adaptive equipment) for students that aids in regular and substantive educational interaction between students and their classroom instructors, including students from low-income families and children with disabilities;
11. Providing mental health services and supports, including through the implementation of evidence-based full-service community schools and the hiring of counselors;
12. Planning and implementing activities related to summer learning and supplemental after-school programs;
13. Addressing learning loss; and
14. Other activities that are necessary to maintain operation of and continuity of and services, including continuing to employ existing or hiring new LEA and school staff.

*Capital outlay expenses require prior written approval from DESE. Approval is requested and granted through the budget process in the ePeGs system.

A full description of allowable activities can be found at [American Rescue Plan Act of 2021](#). Additional information can also be found at [U.S. Department of Education](#) or on the [DESE COVID Relief](#) webpage.

UNALLOWABLE ACTIVITIES

LEAs may not expend ARP ESSER (ESSER III) funds on the activities listed below.

1. Bonuses, merit pay or similar expenditures, unless related to disruptions or closures related to COVID-19;
2. Subsidizing or offsetting executive salaries and benefits of individuals who are not LEA employees;
3. Expenditures related to state or local teacher or faculty unions or associations; or
4. Activities and or purchases religious in nature are not allowable with these funds.

SUMMER SCHOOL AND TRANSPORTATION

ARP ESSER (ESSER III) funds may be used to support summer school programs to the extent that such expenditures are related to preventing, preparing for, and responding to COVID-19 and the costs are reasonable and necessary. For summer school reimbursement, LEAs can claim under ARP ESSER (ESSER III) the difference between the cost of instruction and the revenue generated by average daily attendance (ADA) through the

Foundation Formula and Proposition C sources. Likewise, LEAs can claim the cost of providing supplemental or remedial service expenses during the school year in excess of what is reimbursable through the Foundation Formula under ARP ESSER (ESSER III). LEAs that utilize ARP ESSER (ESSER III) funds for all summer school or all remedial program expenses may not claim ADA for those same services. LEAs cannot be paid twice for the same supplemental service.

Note: Summer school transportation and transportation to support supplemental instruction during the school year are allowable uses of all ESSER funds and GEER Transportation Supplement funds. Any student transportation expenses funded under the CARES/CRRSA/ARP relief programs should be coded to Function Code 2558 – Non-Allowable Transportation to avoid double-claiming for reimbursement. The miles associated with these costs should not be reported on the Application for State Transportation Aid.

TIME AND EFFORT

The requirements in the [Uniform Guidance](#) apply to expenditures of ARP ESSER (ESSER III) funds, including the requirements related to documenting personnel expenses in 2 CFR § 200.430(i). Except as described below, this would mean an LEA maintains the records for salaries and wages, including for employees in leave status, as long as payments to employees in leave status are made consistent with grantee policies and procedures that apply to all employees, whether they are paid with federal or other funds. More information on paying employees in leave status can be found at [U.S. Department of Education Novel Coronavirus Disease Fact Sheet](#).

LEAs must maintain time distribution records (sometimes called “time and effort” reporting) only if an individual employee is splitting his or her time between activities that may be funded under ESSER I, ESSER II, and ARP ESSER (ESSER III) and activities that are not allowable under ESSER I, II, and ARP ESSER (ESSER III). However, there will be very few situations when an employee of an LEA would perform multiple activities where some are not allowable under ESSER I, II and ARP ESSER (ESSER III), and thus would be required to maintain time distribution records.

BONUSES, STIPENDS, AND EXTRA-DUTY PAY

Several Missouri constitutional provisions prohibit extra compensation to be paid to public employees. In addition, the Teacher Tenure Act, case law, and Opinions of the Attorney General provide that in Missouri, it is unlawful to give bonuses to public employees. When an LEA wants to compensate an employee for extra work beyond an employee’s regular contract, then the LEA must develop written documentation **beforehand** that indicates the extra work to be performed, the date(s) of performance, and the amount or rate to be paid to the employee. A written agreement, if established, must also be signed by a representative of the LEA and the employee to show the acceptance of the terms. If an LEA plans to pay compensation for work beyond an employee’s regular contract, proper processes must be in place to document the extra work performed.

In addition, if paid with federal funds, the employee must complete time and effort documentation that supports the extra work beyond the employee’s regular contract. This documentation could be a semi-annual time certification or monthly personnel activity reports.

LEAs should consult their legal counsel with any questions about these provisions.

EQUITABLE SERVICES UNDER ARP ESSER (ESSER III)

LEAs are not required to provide equitable services to non-public schools under ARP ESSER (ESSER III).

SUPPLEMENT NOT SUPPLANT

ARP ESSER (ESSER III) funds do not include a supplement not supplant provision, as a result, these funds may take the place of state or local funds for allowable activities. LEAs should ensure when replacing state or local funds with ARP ESSER (ESSER III) funds, that Maintenance of Effort (MOE) or match requirements for other federal programs are still met.

LEA MAINTENANCE OF EQUITY (MOEQUITY)

ARP ESSER (ESSER III) includes new maintenance of equity (MOEquity) provisions that are a condition for LEAs to receive funds under this program. Maintenance of equity provisions will help ensure that schools serving large proportions of historically underserved groups of students—including students from low-income families, students of color, English learners, students with disabilities, and students experiencing homelessness—receive an equitable share of State and local funds as the Nation continues to respond to the COVID-19 pandemic's impact. The maintenance of equity requirement ensures that LEAs do not disproportionately reduce funding levels for high-need LEAs and schools.

LEA MOEquity requires that LEAs do not reduce per-pupil funding OR per-pupil full-time equivalent (FTE) staff in high-poverty schools by an amount that exceeds the total per-pupil amount of reduction for all students in the district in school year 2021-22 (FY 22) or school year 2022-23 (FY 23). High-poverty school(s) are those in the highest quartile in the LEA based on the percentage of economically disadvantaged students in the school. DESE has identified the highest quartile within the LEA as a whole using the measure of poverty in Step 1 of the BOA in ePeGS for the 2020-2021 school year. LEAs wishing to rank its schools by grade spans must contact DESE at federalfinancial@dese.mo.gov. A list of high-poverty schools by LEAs can be found at: <https://dese.mo.gov/media/pdf/lea-maintenance-equity-high-poverty-schools>.

LEAs must maintain staffing equity in high-poverty schools by including all paid staff, both instructional and non-instructional. This would include all employees and those hired by contract who perform school-level services as reported in October cycle of MOSIS.

When determining whether it maintained fiscal equity, an LEA includes all sources of *state and local* funds that the LEA has available for current expenditures for free public education. Current expenditures do not include funds for capital outlay and debt service. The LEA must use consistent funding sources from year to year and document its sources of data. These data should be consistent with sources of state and local funding that it uses for per-pupil expenditures in the school report card (See definition of Current Expenditures Per-Pupil at <https://dese.mo.gov/media/pdf/report-card-definitions>). To determine whether it maintained fiscal equity, an LEA must follow the steps in item 27 on page 14 of the [MOEquity FAQ](#).

When determining whether an LEA maintained staffing equity in high-poverty schools all paid staff, both instructional and non-instructional should be included. This would include all employees and those hired by contract who perform school-level services as reported in October cycle of MOSIS. To determine whether it maintained staffing equity for its high-poverty schools, an LEA must follow the steps in item 30 on page 17 of the [MOEquity FAQ](#).

Exemptions - This requirement does not apply to LEAs that meet at least one of the following criteria:

- Have a total enrollment of less than 1,000 students;
- Operates a single school;
- Serves all students within each grade span with a single school (no overlapping grade spans)

DESE MAINTENANCE OF EQUITY (MOEQUITY) REQUIREMENT

DESE must also identify high-need and highest-poverty LEAs and must ensure that they do not disproportionately reduce per-pupil state funding to high-need LEAs and do not reduce per-pupil State funding to the highest-poverty LEAs below their school year 2018-2019 (FY 2019) level in school year 2021-22 (FY 22) and school year 2022-23 (FY 23).

High-need LEAs are those with the highest-poverty percentage based on census poverty data and collectively serve at least 50 percent of the State’s total enrollment. Highest-poverty LEAs are those with the highest poverty percentage based on census data and collectively serve at least 20 percent of the state’s total enrollment.

A list of LEAs identified as high-need and highest-poverty can be found at:

<https://dese.mo.gov/media/pdf/dese-maintenance-equity-high-need-and-highest-poverty-leas>.

ACCESS TO ARP ESSER (ESSER III) PLAN AND BUDGET

The ARP ESSER (ESSER III) Application will be available on July 23, 2021.

LEAs applying for ARP ESSER (ESSER III) funds must start with submitting the ARP ESSER (ESSER III) Plan in the Compliance Plans (Federal and State) System in [DESE Web Applications](#). Access to the ARP-ESSER III Plan in the Compliance Plans (Federal and State) System must first be granted through User Manager in [DESE Web Applications](#). The LEA’s User Manager will login to DESE Web Applications, select User Manager, under User Access, select Modify District User’s Access, edit User Access for the person responsible for submitting, under Compliance Plans (Federal and State), select PT_DISTRICT_USER, and Process Access Request. After security has been granted for Compliance Plans (Federal and State) in User Manager the user that access was granted to must login to DESE Web Applications. Then the Compliance Plans (Federal and State) Administrator must log into Compliance Plans (Federal and State), selects “Maintain User Security”, selects the User and assigns the user the Authorized Representative Security to the ARP ESSER (ESSER III) Plan and saves. See Appendix A for further instructions.

Access must also be granted to ARP ESSER (ESSER III) in ePeGS through User Manager in [DESE Web Applications](#). The LEA’s User Manager will login to DESE Web Applications, select User Manager, under User Access, select Modify District User’s Access, edit User Access for the person responsible for submitting, under ePeGS, select ESSER Admin, and Process Access Request. The User now has access to create and submit a budget, payment request, and FER for ARP ESSER (ESSER III). Users must first complete the ARP ESSER (ESSER III) Plan in the Compliance Plans (Federal and State) System. See Appendix B for further instructions.

REVISION PROCESS

Revisions may be necessary for ARP ESSER (ESSER III) in either the plan or budget. See Appendix C and Appendix D for further instructions.

OBLIGATION OF FUNDS

ARP ESSER (ESSER III) funds will remain available for obligation through September 30, 2024 and will be available for pre-award costs back to March 13, 2020.

An obligation is a purchase order, a contract, a service, or similar transaction during a given period that requires payment by the recipient.

The LEA may use grant funds only for obligations made during the grant period. The following table shows when an obligation is made for various kinds of property and services.

IF THE OBLIGATION IS FOR--	THEN THE OBLIGATION IS MADE--
Acquisition of real or personal property	On the date on which the LEA makes a binding written commitment to acquire the property (including materials/supplies and miscellaneous items such as meeting registrations.)
Personal services by an employee of the State or LEA	When the services are performed.
Personal services by a contractor who is not an employee of the State or LEA	On the date on which the State or LEA makes a binding written commitment to obtain the services.
Performance of work other than personal services	On the date on which the State or LEA makes a binding written commitment to obtain the work.
Public utility services	When the State or LEA receives the services.
Travel	When the travel is taken.
Rental of real or personal property	When the State or LEA uses the property.
A pre-agreement cost that was properly approved by the State under the cost principles	On the first day of the project period.

LEAs may obligate funds budgeted in a submitted application, initial or revision, with a substantial approval date. Obligations not approved by DESE will be removed from the budget and must be paid with local funds.

INDIRECT COSTS

Indirect costs are not readily identified with the activities funded by the federal grant or contract, but are nevertheless incurred for the joint benefit of those activities and other activities and programs of the subgrantee/subrecipient. Accounting, auditing, payroll, personnel, budgeting, purchasing, and operation/maintenance of plant are examples of services that typically benefit several activities and programs and for which appropriate costs may be attributed to the federal program by means of an indirect cost allocation plan.

Reimbursement for indirect costs is optional. They are calculated by multiplying total direct costs for salaries, employee benefits, purchased services, materials, and supplies by the LEAs approved restricted indirect cost rate.

CASH MANAGEMENT IMPROVEMENT ACT (CMIA)

The federal government passed the Cash Management Improvement Act (CMIA) to prevent interest earnings on federal funds. Section 31 CFR Part 205 “Rules and Procedures for Efficient Federal-State Funds Transfers” states that methods and procedures for payment must minimize the time elapsing between the transfer of funds from the United States Treasury to the state and ultimately to the pass-through entity. Therefore, DESE must ensure payments to the pass-through entity are for reimbursements only. DESE must monitor payments to assure they conform to the federal regulations.

More information on the Cash Management Improvement Act can be found in the [Fiscal Guidance for Federal Grant Programs](#).

PAYMENT PROCESS

Funds received under ARP ESSER (ESSER III) must be a reimbursement. LEAs can request reimbursement through a payment request in ePeGS under ARP ESSER (ESSER III). An ARP ESSER (ESSER III) budget must be submitted by the LEA and approved by DESE before reimbursement can be requested for these funds.

Instructions on how to complete the payment request and Final Expenditure Report (FER) can be found on the [DESE COVID Relief](#) webpage.

FINANCE CODING

DESE will pay ARP ESSER (ESSER III) revenue under Revenue Code 5422. These funds can be placed in the General (Incidental), Special Revenue (Teachers), or Capital Projects Fund. LEAs must code all expenditures associated with these funds with Project Code 42200 – American Rescue Plan – Elementary and Secondary Schools Emergency Relief Fund (ARP-ESSER III) and Source Code of 4. LEAs will code indirect costs with project code 42200 and source code 4 as well.

Funds received should be directly recorded into the fund for which the qualifying expenditure is paid. (165.011, RSMo.)

DOCUMENTATION OF EXPENDITURES

LEAs are required to keep documentation of expenditures (receipts, purchase orders, etc.) for monitoring purposes. LEAs must track ARP ESSER (ESSER III) funds separately from ESSER I and ESSER II funds.

An LEA is authorized to use funds on “activities that are necessary to maintain the operation of and continuity of services in [an LEA] and continuing to employ existing staff of the [LEA]” in order to “prevent, prepare for, and respond to” the COVID-19 pandemic

LEA REPORTING REQUIREMENTS

Reporting requirements apply to these funds. DESE will require a separate data collection to meet these federal reporting requirements.

ADDITIONAL RESOURCES

Additional information and guidance about COVID-19 and its impact on DESE and/or LEA operations can be found on the [DESE COVID Relief](#) webpage.

GENERAL CONTACT INFORMATION

For ePeGS budget, payment and general questions

ESEA Finance

Kim Oligschlaeger, Coordinator

573-751-8643

kim.oligschlaeger@dese.mo.gov

Kelly Kempker, Assistant Director

573-751-2641

federalfinancial@dese.mo.gov

For questions on the plan in Compliance Plans (State and Local)

Grants and Resources

Julia Cowell, Coordinator
573-526-1594
julia.cowell@dese.mo.gov

For other questions

Dr. Chris Neale, Assistant Commissioner
chris.neale@dese.mo.gov

APPENDIX A – COMPLIANCE PLANS (FEDERAL AND STATE) PLAN PROCESS

LEAs applying for ARP ESSER (ESSER III) funds must submit an ARP ESSER (ESSER III) Plan in the Compliance Plans (Federal and State) System-in DESE Web Applications. LEAs can create a plan using the following steps:

- 1. Login to [DESE Web Applications](#)**
- 2. Select Compliance Plans (Federal and State)**
- 3. Choose Planning Document – ARP ESSER (ESSER III)**
- 4. Complete each question.**

APPENDIX B – COMPLIANCE PLANS (FEDERAL AND STATE) PLAN GUIDE

The following Plan questions will need to be completed within DESE Web Applications in Compliance Plans (Federal and State) for the ARP ESSER (ESSER III) program.

Question	Guidance
Consultation	
<p>1. The LEA must engage in meaningful consultation with stakeholders, taking the input into account for the development of the LEA’s plan for the use of ARP-ESSER III funds. The LEA has engaged with the following stakeholders. Check all that apply:</p> <ul style="list-style-type: none"> ○ Students; ○ Families; ○ School and district administrators (including special education administrators); and ○ Teachers, principals, school leaders, other educators, school staff, and their unions. 	<p><i>Prior to submitting the plan, the LEA must consult with each group listed. DESE recommends retaining the agenda(s), sign-in sheets, and meeting minutes to document consultation.</i></p>
<p>2. The LEA also engaged in meaningful consultation with each of the following to the extent they are present in or are served by the LEA, check all that apply:</p> <ul style="list-style-type: none"> ○ Tribes; ○ Civil rights organizations (including disability rights organizations); and ○ Stakeholders representing the interest of; <ul style="list-style-type: none"> ○ children with disabilities, ○ English learners, ○ children experiencing homelessness, ○ children and youth in foster care, ○ migratory students, ○ children who are incarcerated, and ○ other underserved students. <hr/> <p>(supply any additional groups)</p>	<p><i>Prior to submitting the plan, the LEA must consult with each group listed, to the extent that the group(s) are present in or served by the LEA. DESE recommends erring on the side of consultation if there is any question about the presence of or service to the group(s). DESE recommends retaining the agenda(s), sign-in sheets, and meeting minutes to document consultation.</i></p>

LEA Assurances	
<p>3. The LEA sought public comment on their Safe Return to In-Person Instruction and Continuity of Service Plan.</p>	<p>The LEA must assure DESE that it sought and took into account public input on its Safe Return to In-Person Instruction and Continuity of Services Plan (SRCSP) prior to posting. The SRCSP plan may carry another name. Governing board approval is not required. However, approval of the SRCSP plan as part of a public meeting provides a method of public input.</p>
<p>4. By June 23, 2021, the LEA posted, on their website (including social media), their Safe Return to In-Person Instruction and Continuity of Service Plan.</p> <p>a. Please provide the hyperlink for the LEA’s Safe Return to In-Person Instruction and Continuity of Service Plan. If the LEA does not have a website, please upload a document in pdf form of the Safe Return to In-Person Instruction and Continuity of Services Plan.</p>	<p>The LEA must have posted its SRCSP to its website by June 23, 2021. If a LEA lacks a standard website but uses a Facebook® or other social media page that is open to the public, the SRCSP may be posted to that site. If an LEA lacks any web site presence, the LEA should email its plan in pdf format to webreplyfgm@dese.mo.gov. DESE will post this plan to the LEA’s dashboard.</p>
<div style="border: 1px solid black; height: 50px; width: 100%;"></div>	

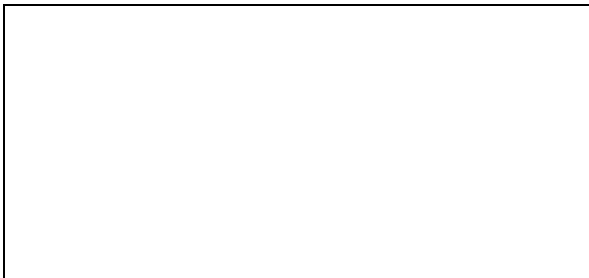
Most Impacted

5. Who has the LEA identified as most impacted by COVID-19? (Check all that apply)
- Students from low-income families
 - Students from each racial or ethnic group (e.g., identifying disparities and focusing on underserved student groups by race or ethnicity)
 - Gender (e.g., identifying disparities and focusing on underserved student groups by gender),
 - English learners
 - Children with disabilities (including infants, toddlers, children, and youth with disabilities eligible under the Individuals with Disabilities Education Act)
 - Students experiencing homelessness
 - Children and youth in foster care
 - Migratory students
 - Youth involved in the criminal justice system
 - Students who have missed the most in-person instruction
 - Students who did not consistently participate in remote instruction when offered during building closures
 - LGBTQ+ students
 - Other
- _____ (supply any additional identified groups)



The LEA must identify the group(s) of students most impacted by the COVID-19 pandemic. The LEA may use the list supplied or may identify any other group(s) of students. For example, this may include grades or grade spans, students with inadequate or no internet access at home, students lacking internet devices at home, etc. DESE recommends using data to identify the most impacted group(s). “Most impacted” may include academic effects and may also include impacts regarding social, emotional, and mental health needs. DESE recommends documenting the process of identifying the most impacted group(s) and retaining this documentation.

Re-Engagement and Support

6. How will the LEA re-engage and support the needs of these students?



If any of the boxes are checked in Question 5, the LEA must provide a brief description of the need(s) of each identified group, followed by a brief description of how the needs will be met. Re-engagement may include locating students who were un- or under-engaged during the prior year. Re-engagement may also include creating special programs or processes to support their re-enrollment and return to school.

Identification	
7. If the LEA has yet to identify the students most impacted by COVID -19 (Question 5), how and when will the LEA identify those students and their needs?	If Question 5 does not have any boxes checked, the LEA must complete Question 7. If the LEA has not identified the most impacted group(s) at the time of application submission, the LEA must identify the process and timeline for identification of the(se) group(s). The LEA may amend its application following the identification process.
Students Feel Welcome At School	
8. Describe any actions the LEA will take to ensure all students feel welcome at school. 	National data indicate that some student groups experience feelings of marginalization or exclusion from school and that they have increased challenges in returning to school. The LEA must provide any actions it intends to take to ensure that all students feel welcome as they return to school.
Reduce Students Excluded From In-Person Instruction	
9. Describe any actions the LEA will take to reduce students being excluded from in-person instruction to the maximum extent practicable. 	School policies, particularly discipline policies, may have an unintended effect of excluding students from school following the COVID-19 pandemic. For example, a policy that results in suspension due to excessive absence has the potential to exclude students if they had excessive absences during the prior year. LEAs should carefully consider whether discipline policies that result in suspension or expulsion will advance the educational interests of students.
LEA Uses of Funds	
10. Will the LEA allocate ESSER III funds for <ul style="list-style-type: none"> ○ districtwide activities, ○ school level activities, or ○ both? 	

<p>11. Describe the LEAs methodology for distributing funds based on student need.</p> <div data-bbox="212 239 799 514" style="border: 1px solid black; height: 131px; width: 361px; margin: 10px 0;"></div>	<p>ARP ESSER (ESSER III) is distributed to LEAs using the Title I allocation. LEAs are not bound to the Title I method for distribution to individual schools. LEAs are encouraged to consider both districtwide activities and school level distribution based on student need. Student needs may be associated with the most impacted group(s) identified in question 5. LEAs must indicate whether ARP ESSER (ESSER III) funds will be used for LEA-wide activities or school-level activities or both. LEAs must provide their general method for distributing ARP ESSER (ESSER III) funds. For example, the LEA may reserve a percentage to purchase an interim assessment system and provide the balance to schools based on the percentage of most impacted group(s) present in each school.</p>
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20% of Available Funds

<p>12. The LEA has reserved at least 20 percent of funds to address learning loss through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year programs, and ensure, through regular evaluation, that those interventions respond to students social, emotional, and academic needs and address the disproportionate impact of COVID-19 on underrepresented student subgroups by implementing;</p>	<p>Based on the needs of all students, and particularly those most impacted group(s) of students, the LEA must select evidence-based interventions. LEAs must supply a brief description of the intervention(s) selected in the “Description” column. The American Rescue Plan and the Interim Final Requirements require that the LEA ensure that the selected intervention(s) meet the needs of students. LEAs must indicate the frequency of and data used for evaluating the effectiveness of each intervention. Each intervention must be evidence-based. A number of interventions have already been supplied that have an approved evidence base. The cells for Evidence Tier has been blocked for these interventions. For other interventions, LEAs must supply the Evidence Tier. Tiers of evidence are defined by the Every Student Succeeds Act and are summarized below. LEAs are encouraged to consult the What Works Clearinghouse to determine the evidence base.</p>
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Area	Description (What will the LEA do?)	Budget Amount (How much will the LEA spend on the intervention?)	Evaluation Method (How will the LEA evaluate the effectiveness of the intervention?)	Evaluation Frequency (How often will the LEA evaluate the effectiveness of the intervention?)	Evidence Tier
Comprehensive afterschool programs					
Extended day programs					
Extended school year					
High dosage tutoring					
Summer enrichment					
Summer learning					
Other (explain)					
Other (explain)					
Other (explain)					
Other (explain)					
Total					

Tier I	Tier II	Tier III	Tier IV
Strong evidence from at least one well-designed and well-implemented randomized trial	Moderate evidence from at least one well-designed and well-implemented quasi-experimental design study	Promising evidence from at least one well-designed and well-implemented correlational study that controls for selection bias	Rationale based on high-quality research findings or evaluation; includes ongoing efforts to examine effects of intervention

Mitigation & Prevention Strategies

13. The LEA will use funds to address mitigation and prevention strategies that are, to the greatest extent practicable, in line with the most recent CDC guidance, in order to continuously and safely operate schools for in-person learning. (Check if LEA plans to use funds for mitigation strategies)

The American Rescue Plan and the Interim Final Requirements require that every recipient of ARP ESSER (ESSER III) funds must *address* each current COVID-19 mitigation strategy. LEAs may decide how each mitigation strategy will be implemented. For example, while CDC guidance is that everyone at school must wear a mask because a significant portion of the population is not eligible for vaccination. However, local implementation may be either more or less restrictive than the guidance. In Question 12, the LEA should check the box if it intends to spend ARP ESSER (ESSER III) funds on any mitigation strategy. The LEA should supply the budgeted amount for each mitigation strategy. A zero (0) should be entered for any strategy with no planned expenditures from ARP ESSER (ESSER III) funds.

Area	Examples	Budget Amount
Supplies	<ul style="list-style-type: none"> • Cleaning Supplies • Hand Sanitizer • Hand Soap • Masks 	
Staffing	<ul style="list-style-type: none"> • Health services/contact tracing, vaccination 	
Distancing	<ul style="list-style-type: none"> • Barriers • Extra Staffing • Extra transportation 	
Services	<ul style="list-style-type: none"> • Cleaning Services • Nursing Services • Contact Tracing • Vaccinations 	
Equipment/Capital Expenditures	<ul style="list-style-type: none"> • UV lights • Fogger • Scrubber • Windows • Bottle fillers 	
Total		\$

Remaining ESSER III Funds

14. How will the LEA use the rest of the ARP-ESSER III funds?

The LEA must supply a brief description of the planned use of funds for each of the allowable uses of ARP ESSER (ESSER III) funds. Budget amounts will be entered in the ePeGS system. Expenditures for capital projects require prior approval from DESE. Approval for these expenses will be handled through the ePeGS system.

Allowable Use	Description
Coordinating preparedness and response efforts with State, local, Tribal, and territorial public health departments to prevent, prepare for and respond to COVID-19;	
Training and professional development of sanitizing and minimizing the spread of infectious diseases;	
* Repairing and improving school facilities to reduce risk of virus transmission and exposure to environmental health hazards;	
*Improving indoor air quality;	
Addressing the needs of children from low-income families, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth.	
Planning for or implementing activities during long-term closures, including providing meals to eligible student and providing technology for online learning;	
Purchasing educational technology (including hardware, software, connectivity, assistive technology, and adaptive equipment) for students that aids in regular and substantive educational interaction between students and their classroom instructors, including students from low-income families and children with disabilities;	
Providing mental health services and supports, including through the implementation of evidence based full-service community schools and the hiring of counselors;	
Other activities that are necessary to maintain operation of and continuity of and services, including continuing to employ existing or hiring new LEA and school staff	

* the Uniform Grant Guidance at [2 CFR § 200.407](#) requires prior written approval from DESE for certain costs, such as the purchase of real property; equipment and other capital outlay expenditures.

APPENDIX C– EPEGS PROCESS

LEAs applying for ARP ESSER (ESSER III) funds must submit the ARP ESSER (ESSER III) budget in the electronic Plan and electronic Grant System (ePeGS) in [DESE Web Applications](#). LEAs can create a budget using the following steps:

1. **Login to [DESE Web Applications](#)**
2. **Select ePeGS**
3. **Select Funding Application Menu**
4. **Select Quality Schools**
5. **Select ARP ESSER (ESSER III)**
6. **Select Budget Application**
7. **Create new budget application.**

8. **Complete Budget Grid Page**

The budgeted amounts on the budget grid should include expenditures that will be obligated for ARP ESSER (ESSER III). Budgeted expenditures may not exceed the total funds available amount. The [Missouri Financial Accounting Manual](#) should be used when budgeting funds. LEAs should budget their total allocation.

- **Enter Purchased Services**—Enter the total cost of any purchased services in the Purchased Services column.
- **Enter Materials & Supplies**—Enter the total cost of any materials and supplies in the Materials & Supplies column.
- **Add Comments**—Enter comments for expenditures in purchased services and/or materials & supplies in the District/LEA Comments box.
- **Click Save**—The Total column will automatically calculate the total cost for each line once the Save button is clicked.

9. **Complete Capital Outlay Page (if applicable)**

The Capital Outlay page is for capital outlay expenditures only. This includes equipment and non-equipment. Equipment is defined as tangible, personal property having a useful life of more than one year and an acquisition cost of \$1,000 or more per unit. Acquisition cost for equipment is defined as the net invoice price of the equipment, including the cost of any modifications, attachments, accessories or auxiliary apparatus necessary to make it usable for the purpose for which it was acquired. Non-equipment is defined as construction, renovation, purchase of real estate, or purchase of vehicles.

Capital outlay costs must to be entered on the Capital Outlay page. Once entered and saved on the Capital Outlay page, the costs will display on the Budget Grid under the appropriate function code with an object code of 6500.

All capital outlay costs paid with federal funds must have prior approval by DESE through the budget application process.

- **Enter Equipment information, if applicable**
 - Select the appropriate function code for the equipment purchase in the Area column.
 - Enter a detailed description of the equipment to be purchased in the Description column.
 - Enter the total cost of one unit of the equipment to be purchased in the Unit Cost column.
 - Enter the number of units of equipment to be purchased in the Quantity column.
- **Enter Non-equipment information, if applicable**
 - Enter the amount to budget for non-equipment in the appropriate function code(s) displaying on the grid.
 - Comment areas, estimated purchase, project start, project finish and invoice submission date areas must all be completed if intended costs for non-equipment purchase are entered. The Total Column will automatically calculate the total cost for each line once the Save button is selected. The total dollar amounts saved on the Capital Outlay page will automatically populate to the appropriate function/object code area on the Part B Budget Grid page.
- **Agree to the certification statement** - The certification statement must be agreed to by checking the box.
- **Select Save and Continue**

10. Review Budget Grid Page

- **Data Review**—After all pages have been saved, ensure the budget grid has been completed accurately based on the data populated from the supporting pages.
- **Check for Edits**—The LEA can only submit the budget application if errors do not exist. Click the Edits button (if applicable) to see if changes are necessary. If errors exist, the LEA must correct them before the budget application can be submitted. Errors are indicated with an “E” in the Edit Message. The budget application can be submitted if only Warnings indicated with a “W” are displayed in the Edit Message.
- **Click Save**—The Total column will automatically calculate the total cost for each line once the Save button is clicked.

11. Complete Submittal and Approval Page

- **Agree to Assurances**—Before the budget application can be submitted, the LEA must read and agree to both the Core Assurances and Grant Specific Assurances by clicking on the link and then clicking on the Agree to Assurances button. Click Close to return to the Submittal and Approval page.
- **Check for Edits**—The LEA can only submit the budget application if errors do not exist. Click the Edits button (if applicable) to see if changes are necessary. If errors exist, the LEA must correct them before the budget application can be submitted. Errors are indicated with an “E” in the Edit Message. The budget application can be submitted if only Warnings indicated with a “W” are displayed in the Edit Message
- **Submit Budget Application**—After all errors have been corrected, click the Submit button.

APPENDIX D – EPEGS BUDGET APPLICATION REVISION PROCESS

Budget revisions may be necessary for ARP ESSER (ESSER III). LEAs can create a revision using the following steps:

- 1. Select Create Revision**
 - Select the Create Revision link above the Version on the left side of the screen on the Grant Summary Page under Budget Show.
- 2. Revise the Budget Application**
 - Update the budget application pages where needed using the steps in Section II of this guide.
- 3. Enter any comments in the District/LEA Comment Box and select Save**
- 4. Submit Budget Application Revision**
 - After all edits have been corrected, select the Submit button.