



# American Rescue Plan Act of 2021

Impact on School Districts – Part II

July 14, 2021



# Agenda

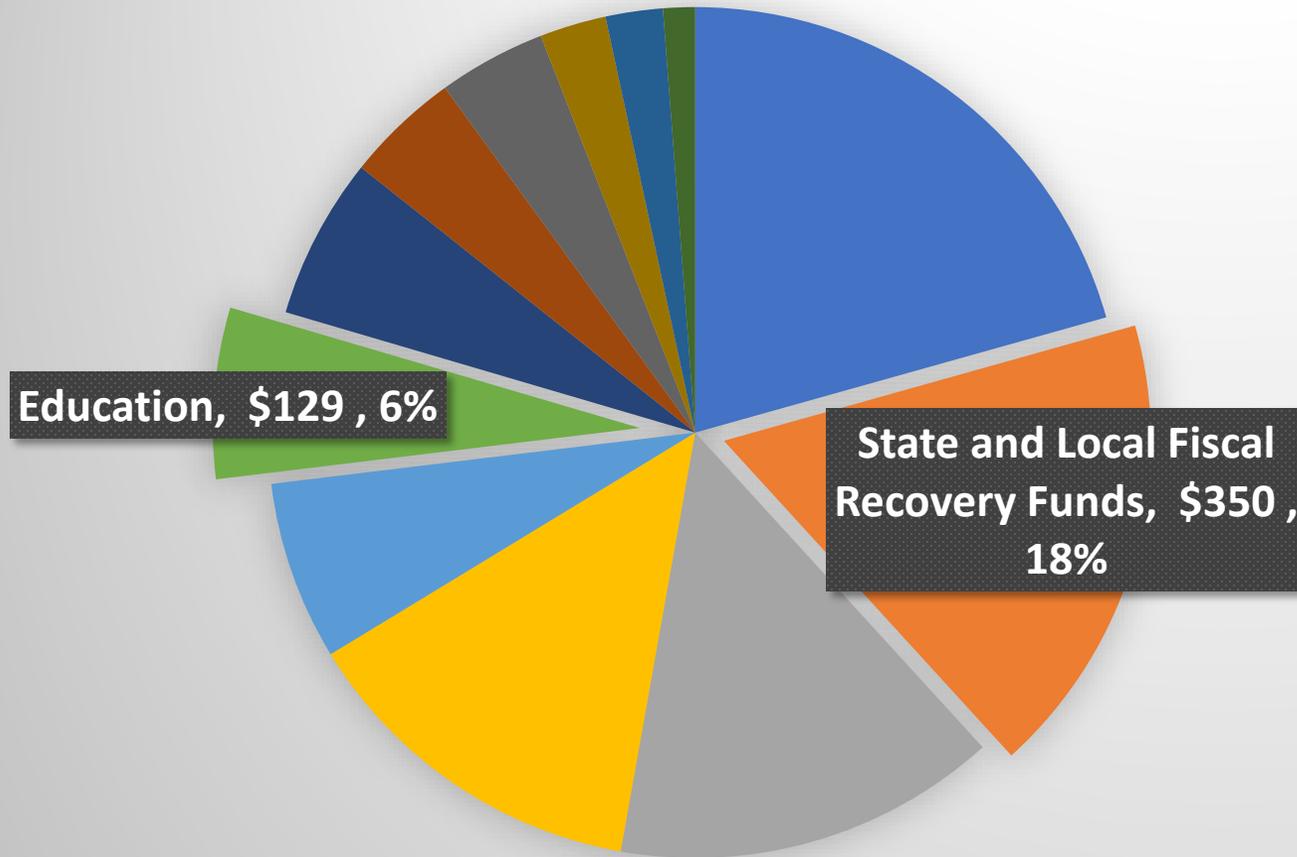
- Background and Overview
- USDE Interim Final Rule
- PDE ARP ESSER Guidebook
- FAQ Highlights
- Next Steps & Resources

The image shows a close-up, slightly blurred view of the American flag, focusing on the stars and stripes. The flag is positioned on the left side of the slide, partially overlapping a light gray background.

## Background

- The American Rescue Plan Act of 2021, also called the COVID-19 Stimulus Package or American Rescue Plan, is a \$1.9 trillion economic stimulus bill passed by the United States Congress and signed into law by President Joe Biden on March 11, 2021.
- This bill provides additional relief to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses.

# American Rescue Plan Act



- Economic Impact Payments
- State and Local Fiscal Recovery Funds
- Expanded Unemployment Insurance
- Transportation and Infrastructure, Financial Services, and Other Education & Labor
- Expanded Child Tax Credit and Earned Income Tax Credit
- Education
- Energy & Commerce
- Pensions
- Expanded Premium Tax Credits and Health Benefits
- Small Businesses
- Veterans Affairs and Agriculture
- ERTC, CDCTC and Other Tax Credits

Amounts in Billions

# How Funds Can Be Spent – Education Stabilization Fund



- States required to allocate no less than 90 percent to local educational agencies (LEA), to be made in accordance with the same terms and conditions applicable to funds provided in fiscal year 2021 for the Elementary and Secondary School Emergency Relief Fund (ESSERF) of the Education Stabilization Fund
- SEAs are required to reserve at least 5 percent of new ESSERF allocations to carry out activities to address learning loss
- LEAs must reserve at least 20 percent of newly allocated ESSERF sub-grants to address learning loss. The LEA reservation for learning loss is subject to equitable services
- LEAs must create and submit to states school reopening plans



## USDE Interim Final Rule

- USDE released its interim final rule as required by the passage of the American Rescue Plan Act on April 22, 2021 and became effective immediately.
- Public comment period closed on May 22, 2021.

# USDE Interim Final Rule Requirements

- Development of ARP ESSER Plan on the use of the funding.
- ARP ESSER Plan must address how the LEA will ensure a safe return to school learning environment for students and staff.
  - Submit an updated Health & Safety Plan by 7/30/21
  - Reviewed every 6 months



# USDE Interim Final Rule Requirements

- Health & Safety Plan ARP Requirements:
  - How District will support prevention and mitigation policies in alignment with current CDC Guidance.
  - How the District will ensure continuity of services addressing various student and staff needs.
  - How the District will maintain health and safety of the students, teachers and staff

A close-up photograph of a person's hand holding a silver pen over a computer keyboard. The hand is positioned as if about to write or type. The background is slightly blurred, showing a desk and a laptop.

# USDE Interim Final Rule Requirements

- ARP ESSER Plan must include:
  - How funds will be used to implement prevention and mitigation strategies to safely reopen schools for in-person learning.
  - How the District will reserve its 20% of funds for learning loss.
  - How the District will spend its remaining ARP ESSER funds.
  - How LEA will ensure that the interventions implemented will address academic, social, emotional and mental health needs of students disproportionately impacted by COVID-19.



# USDE Interim Final Rule Requirements

- Stakeholder Engagement
  - Internal
    - Students; Educators; Administrators; Staff
    - Other stakeholders representing interests of children with disabilities; English learners; children in foster care, underserved students, etc.
  - External
    - Families; community centers; community youth organizations; house of worship; etc.



# PDE ARP ESSER Guidebook

- Issued in May 2021 – Provides in-depth information and resources to guide Districts in the decision making process to appropriately utilize ARP ESSER Funds.
- Key Sections
  - How the local funding breaks down
  - Schools operating under Federal Accountability Designations
  - Allowable Uses
  - Facility Improvements
  - Maintenance of Equity Provision
  - Accessing Funding



## ARP ESSER Allowable Uses – Major Categories

- Safe, in-person schooling and continuity of services
- Facilities and Grounds Upgrades
- Social Emotional learning, Trauma Sensitive Schools, Health and Wellness
- Staff Recruitment, Support and Retention
- Academic Recovery and Acceleration
- Systemic Equity
- Family & Community Partnerships



# ARP ESSER Allowable Uses – Major Categories

## Facilities and Grounds Upgrades

- In 2020, a study of Pennsylvania School facilities found widespread health and safety problems stemming from facilities issues.
- All capital expenditures must be pre-approved by PDE if over \$5,000 per unit.
- A comprehensive analysis of existing facilities and environmental health needs should document how improvements can address health and safety concerns.

# ARP ESSER Allowable Uses – Major Categories

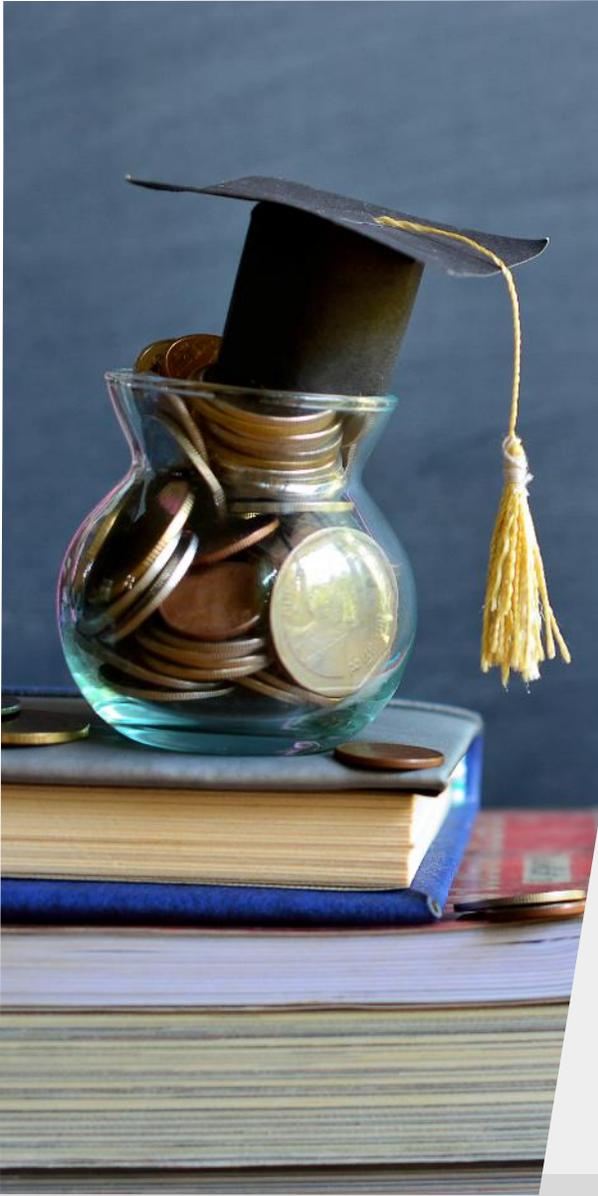
## Maintenance of Equity

- District's must maintain equity for each high poverty school as a condition of receiving ARP ESSER Funds
- For each school identified as high poverty, the District may not (in FY22 and FY23):
  - Reduce per-pupil funding by an amount that exceeds the total reduction for all schools served by the District
  - Reduce the number of FTE staff per pupil by an amount that exceeds the total reduction for all schools served by the District

# ARP ESSER Allowable Uses – Major Categories

## Maintenance of Equity (cont.):

- High poverty schools can be identified by:
  - School, or
  - Grade span
- Once an LEA has determined whether or not equity was maintained, the LEA is not required to re-determine equity due to changes although the LEA should make every effort to maintain equity.
- Exceptions





# Frequently Asked Questions (FAQ)

PDE last updated its FAQ page on June 4, 2021.

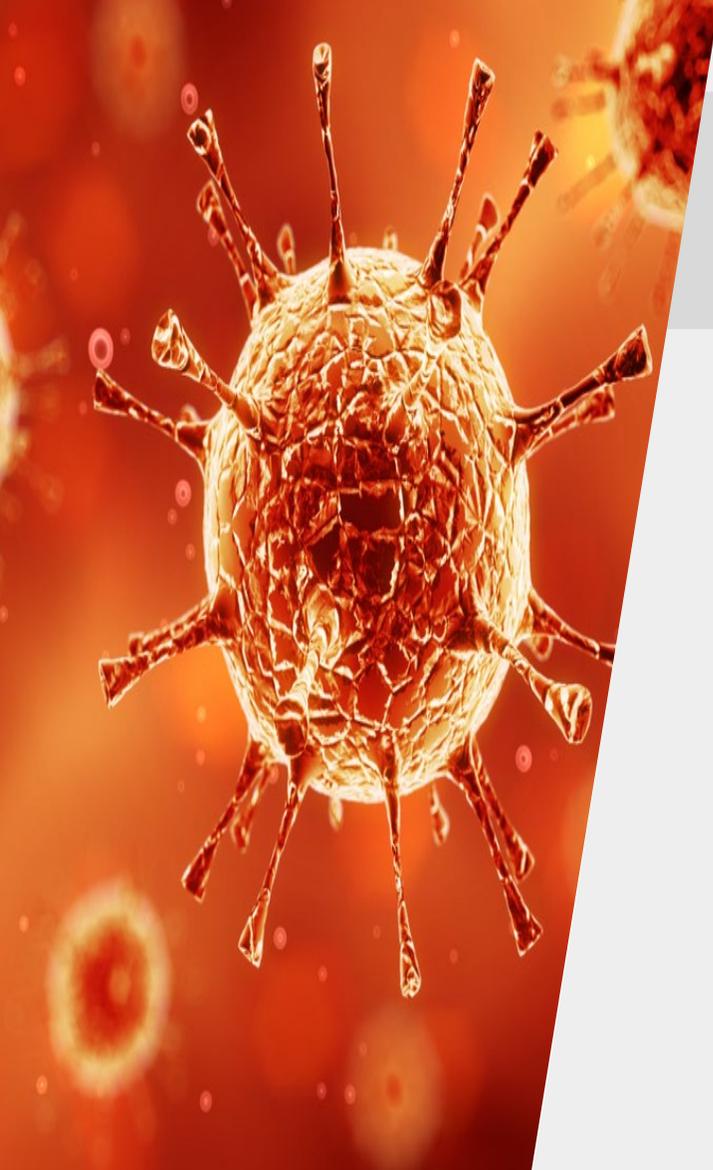
## Categories:

- Timeline
- Title I-A
- Funding Process
- Other Funding Rules/Regulations
- Facilities, Construction, and Transportation
- Teacher Certification/Training/Responsibilities
- Technology



## Next Steps

- Identify internal 'expert' or point person
- Develop a Plan
  - Stakeholder Engagement
  - Identify needs
  - Accumulate potential costs
  - Determine whether recurring vs. non-recurring
- Prepare/Update financial projections through the life of the ARPA funds.



## Additional Resources

- U.S. Department of Education
  - Interim Final Rule
  - [Frequently Asked Questions](#) (as of May 2021)
- Uniform Guidance ([2 CFR Part 200](#))
- Pennsylvania Department of Education
  - [ARP ESSER Guidebook](#)
  - [Frequently Asked Questions](#)



# Questions?



# Contact Information

## **Wessel & Company**

215 Main Street

Johnstown, PA, 15901

Phone: (814) 536-7864

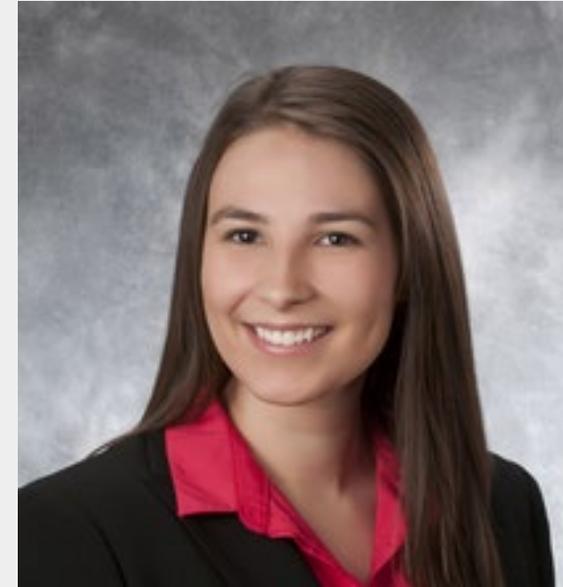
Fax: (814) 535-4332

[wessel@wesselcpa.com](mailto:wessel@wesselcpa.com)



***Michael Lamb***  
***Shareholder***

[mlamb@wesselcpa.com](mailto:mlamb@wesselcpa.com)



***Cara Ferrante***  
***Manager***

[cferrante@wesselcpa.com](mailto:cferrante@wesselcpa.com)