



# Guidance Document CARES Act

Updated as of April 2<sup>nd</sup>, 2020

**Summary:** Montana will receive approximately \$41.3M of CARES Act funds of which 90% will be distributed to school districts on the basis of the current Title I funding formula. **School districts will have broad latitude on how to spend these funds.** Additional funds may be distributed to school districts from an \$8.8 M allocation through the Governor’s Office. Additional funds may be available, but the mechanism for awards to states is not yet defined.

The following guidance is intended to provide clarification for the [federal CARES Act of 2020](#). The primary sections of the CARES Act include:

[Subtitle B – Education Provisions](#) (page 115 of H. R. 748)

[Division B – EMERGENCY APPROPRIATIONS \(US Department of Education\)](#) (page 284 of H. R. 748)

There are four funding streams provided for K-12 school districts in the emergency appropriations section. These funding streams are all in additional to the current Title I allocation or any existing state funding. The funding streams are as follows:

## 1. **State SEA (The OPI) School Emergency Relief Fund - \$41.295 million available to Montana**

- This funding stream is allocated to the Office of Public Instruction and must be allocated as follows:
  - A total of \$37.166 million or 90% must be distributed based on the Title I formula (FY 2019), with equitable services provided to non-public schools.
  - The OPI can set aside up to \$4.129 million or 10% for the following allowances:
    - “for administrative costs and the remainder for emergency needs as determined by the state educational agency to address issues responding to coronavirus, which may be addressed through the use of grants or contracts “
    - At this point, we assume the OPI will set aside the 10% amount but has not determined how to award this money other than to ensure all operating EL/HS districts receive a minimum of \$10,000 and districts that do not receive Title I receive an equal share of the funds.
  - A list of the ESTIMATED amounts for each district is listed in the attached document.
  - The funds must be allocated by the OPI within one year of receipt or the funds must be returned to the federal government.
- Although these funds will be allocated based on Title I distributions, these funds are not Title I funds and do not have the same restrictions.
- **Allowable uses of these funds are very broad:**
  - “(1) Any activity authorized by the ESEA of 1965, including the Native Hawaiian Education Act and the Alaska Native Educational Equity, Support, and Assistance Act (20 U.S.C.6301 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) (“IDEA”), the Adult Education and Family Literacy Act (20 U.S.C. 1400 et seq.), the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C.2301 et seq.) (“the Perkins Act”), or subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C.11431 et seq.).
  - (2) Coordination of preparedness and response efforts of local educational agencies with State, local, Tribal, and territorial public health departments, and other relevant agencies, to improve coordinated responses among such entities to prevent, prepare for, and respond to coronavirus.

- (3) Providing principals and others school leaders with the resources necessary to address the needs of their individual schools.*
- (4) Activities to address the unique needs of low-income children or students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and foster care youth, including how outreach and service delivery will meet the needs of each population.*
- (5) Developing and implementing procedures and systems to improve the preparedness and response efforts of local educational agencies.*
- (6) Training and professional development for staff of the local educational agency on sanitation and minimizing the spread of infectious diseases.*
- (7) Purchasing supplies to sanitize and clean the facilities of a local educational agency, including buildings operated by such agency.*
- (8) Planning for and coordinating during long-term closures, including for how to provide meals to eligible students, how to provide technology for online learning to all students, how to provide guidance for carrying out requirements under the Individuals with Disabilities Education Act (20 U.S.C. 1401 et seq.) and how to ensure other educational services can continue to be provided consistent with all Federal, State, and local requirements.*
- (9) Purchasing educational technology (including hardware, software, and connectivity) for students who are served by the local educational agency that aids in regular and substantive educational interaction between students and their classroom instructors, including low-income students and students with disabilities, which may include assistive technology or adaptive equipment.*
- (10) Providing mental health services and supports.*
- (11) Planning and implementing activities related to summer learning and supplemental afterschool programs, including providing classroom instruction or online learning during the summer months and addressing the needs of low income students, students with disabilities, English learners, migrant students, students experiencing homelessness, and children in foster care.*
- (12) Other activities that are necessary to maintain the operation of and continuity of services in local educational agencies and continuing to employ existing staff of the local educational agency.”*

## **2. Governor’s Emergency Education Relief Fund - \$8.765 million available to Montana**

- This funding stream is allocated to the Governor’s Office for both K-12 and higher education. Guidance related to this section will follow.
- These funds can be used to:
  - “(1) provide emergency support through grants to local educational agencies that the State educational agency deems have been most significantly impacted by coronavirus to support the ability of such local educational agencies to continue to provide educational services to their students and to support the on-going functionality of the local educational agency;*
  - (2) provide emergency support through grants to institutions of higher education serving students within the State that the Governor determines have been most significantly impacted by coronavirus to support the ability of such institutions to continue to provide educational services and support the on-going functionality of the institution; and*
  - (3) provide support to any other institution of higher education, local educational agency, or education related entity within the State that the Governor deems essential for carrying out emergency educational services to students for authorized activities described in section 18003(d)(1) of this title or the Higher Education Act, the provision of child care and early childhood education, social and emotional support, and the protection of education-related jobs.”*

## **3. Federal Education Stabilization Fund - \$307.5 million available nationwide**

- Direct grants to states with highest COVID-19 burden.

- Currently, there is no additional information for this competitive process. Guidance will follow when there is more information available.

**4. Federal Save School and Citizenship Education (“Project SERV”) - \$100 million available nationwide**

- These funds can be used to:  
*“prevent, prepare for, and respond to coronavirus, domestically or internationally, to supplement funds otherwise available for “Project SERV”, including to help elementary, secondary and postsecondary schools clean and disinfect affected schools, and assist in counseling and distance learning and associated costs”*
- More information will follow, but general guidelines can be found [HERE](#).

**5. Other important highlights:**

- SEA must provide assurance it will maintain maintenance of effort (or ask for a waiver) for elementary and secondary education and postsecondary education.
- SEAs and LEAs must “to the greatest extent practicable” continue to pay employees and contractors.
- SEAs and LEAs must provide equitable services to private schools in the same manner as in Title I.
- SEAs and LEAs must retain public ownership of any materials, equipment, or property purchased with these funds. Additional guidance will follow.
- Districts will receipt and expend these funds out of the Miscellaneous Fund (15) with designated program and project reporter codes. Guidance will follow.
- Since the funds are accounted for in a non-budgeted fund, there should be no effect on the districts’ general fund budget in FY 2020 or FY 2021.
- The funds must be expended by September 30<sup>th</sup>, 2021; with a possible Tydings allowance of a one-year no cost extension (waiting for clarification from federal government).

Additional questions can be addressed to Ken Bailey at [KBailey2@mt.gov](mailto:KBailey2@mt.gov) or Kara Flath at [Kara.Flath@mt.gov](mailto:Kara.Flath@mt.gov).