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ESSER III 90% Allocations to Eligible LEAs

In March 2021, the American Rescue Plan Act (ARPA) was signed into federal law. The ARPA included a third round of Elementary and Secondary School Emergency Relief (ESSER) funding.

ESSER funds must be allocated according to the federal Title I, Part A formula. MDE does not have authority to ignore or change the federal formula requirements for these federal funds.

The Elementary and Secondary Education Act (ESEA) of 1965, reauthorized in 2015 as the Every Student Succeeds Act (ESSA), is where the rules outlining the formula for Title I, Part A are found (Subpart 2, primarily sections 1124, 1124A, 1125, and 1125A. There are other sections of the ESEA/ESSA with different calculation methods (Title II, Part A for example), but the federal acts recently passed to address the response to COVID-19 (CARES, CSSRA, and ARPA) specifically point to Title I, Part A as the formula that must be used for ESSER I, ESSER II, and ESSER III.

Title I, Part A allocations (and now ESSER I, ESSER II, and ESSER III allocations) use traditional geographic school district population poverty estimates from the U.S. Census Bureau and are based on a statistical model that incorporates information from:

- Census Bureau's American Community Survey,
- Administrative records taken from Federal income tax returns,
- Supplemental Nutrition Assistance Program,
- The most recent decennial Census and recent updates to population estimates,
- Data on Supplemental Security Income recipients, and
- Economic data from the Bureau of Economic Analysis.

Updated in 2017, <u>34 CFR 200.70</u> and <u>34 CFR 200.78</u> outline the additional information included in a local educational agency's (LEA) allocation of Title I, Part A funds and the four grants (basic, targeted, education finance incentive (EFIC), and concentration) that comprise these awards. The short version is:

- Districts with a poverty percentage less than 2% are not eligible for Title I, Part A awards.
- Districts with a poverty percentage of at least 2% eligible for the basic component.
- Districts with a poverty percentage of at least 5% eligible for basic, targeted, and EFIC components.
- Districts with a poverty percentage of at least 15% are eligible for basic, targeted, EFIC, and concentration components.

The table that begins on the next page shows the ESSER III 90% allocations to each eligible local educational agency (LEA). The calculation of the ESSER III 90% awards follow the ARPA requirement to award ninety percent of the ESSER III funds to eligible LEAs following the most recent school year (SY2020-21) Title I, Part A formula. Schools not eligible for SY2020-21 Title I, Part A funds are not eligible for ESSER III 90%. These allocations represent only the ESSER III 90%; additional information will be coming on the remaining funds.

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Twenty percent of each ESSER III 90% award must be spent on activities that address "learning loss" due to the COVID-19 pandemic. The ESSER III 90% awards will be loaded into SERVS Financial as two separate grant opportunities. Eighty percent of the total will be available under finance code 160 to be used for a wide variety of allowable activities in response to COVID-19. Twenty percent of the total will be available under finance code 161 to be used only for activities that support students' learning recovery following the disruptions caused by the COVID-19 pandemic.

The impact of COVID-19 has been intense and wide-spread. The choice of the U.S. Congress to use the Title I, Part A formula for ESSER I (CARES) to address the impact to schools was reinforced through the additional acts passed (CSSRA and ARPA). MDE is required to follow the federal Title I, Part A formula for these allocations.

Send questions about the ESSER III 90% awards to mde.federalCOVIDfunds@state.mn.us.

LEA Number	LEA Name	Total ESSER III 90%
2396-01		
4073-07		
4119-07		
4018-07		
2854-01		
0511-01		
4074-07		
4220-07		
0001-01		
0745-01		
0241-01		
0242-01		
0206-01		
0876-01		
0011-01		
4227-07		
0261-01		
4184-07		
4250-07		3
4011-07		
4111-07		-
4067-07		
4271-07		-
0492-01		-
4075-07	<u> </u>	S 2
0676-01	BADGER PUBLIC SCHOOL	\$186,004.33
0162-01		
0146-01		