



COMMONWEALTH of VIRGINIA
Department of Education

DATE: October 9, 2020

TO: Division Superintendents

FROM: James F. Lane, Ed.D., Superintendent of Public Instruction

SUBJECT: Federal Coronavirus Relief Funds (CRF) Awarded to School Divisions

This memorandum is to announce \$220.8 million in awards approved by Governor Northam from the federal Coronavirus Relief Fund (CRF) to each school division and other local education agencies. Coronavirus Relief Funds (CRF) were provided to states under the CARES Act, and a portion is being made available directly to school divisions to help cover costs in preparing for, responding to, and mitigating the impacts of the COVID-19 pandemic. These CRF awards are intended for costs incurred related to COVID-19 in reopening and operating public schools during the first months of the 2020-2021 school year, but can be used for qualifying costs back to March 1, 2020.

There is no private school equitable services requirement associated with school division use of CRF, as well no funds supplanting prohibition in spending CRF. Since there is no supplanting restriction, school divisions may want to consider using CRF for qualifying expenses in place of other funding sources initially used for the expense that can then be redirected for other purposes or that have longer spend-down periods, such as CARES Act Elementary and Secondary School Emergency Relief (ESSER) funds. Due to this infusion of federal funding, school divisions should quickly confirm that sufficient appropriation authority exists in the fiscal year (FY) 2021 school division budget that provides authorization to spend the CRF funds received.

The CARES Act requires that the payments from the Coronavirus Relief Fund only be used to cover expenses that:

1. are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);
2. were not accounted for in the budget most recently approved as of March 27, 2020 (the date of enactment of the CARES Act) for the State or local government entity; and
3. were incurred during the period that begins on March 1, 2020, and ends on December 30, 2020.

The CRF may not be used to replace lost local or state revenues for public schools in FY 2021, such as the reduction in state sales tax payments or the removal of other state Direct Aid to Public Education funding from the FY 2021 state budget. The allowable categories of uses for these CFR awards to school divisions are specifically listed later in this memo.

The CRF is provided to states under guidelines issued by the U.S. Department of the Treasury. The latest U.S. Treasury guidelines are available at: [Coronavirus Relief Fund Guidance for State, Territorial, Local, and Tribal Governments](#); the latest accompanying U.S. Treasury FAQs on the CRF are available at: [Coronavirus Relief Fund Frequently Asked Questions](#). School divisions should thoroughly read and familiarize themselves with the CRF guidance and FAQs and adhere to them in spending CRF. Local auditors may also be another source of compliance information on CRF.

Please note Question 53 from the U.S. Treasury FAQ document which states in part:

“...as an administrative convenience, [U.S.] Treasury will presume that expenses of up to \$500 per elementary and secondary school student to be eligible expenditures, such that schools do not need to document the specific use of funds up to that amount.”

While this provision provides flexibility and discretion to school divisions in the use of CRF and on documentation requirements, it does not negate the requirement that CRF be used for costs in preparing for, responding to, and mitigating the impacts of COVID-19 in reopening and operating schools during the first months of the 2020-2021 school year or for qualifying costs retroactive to March 1, 2020. Also, if a school division, in addition to the funds awarded in this memo, also received CRF from the separate allocation the Commonwealth provided earlier to local governments and the total of both sources of CRF received exceeds \$500 per pupil, the school division must document in detail how the funds are used and that documented use may be required to be submitted to the Virginia Department of Education (VDOE) or other entities for review as part of subrecipient monitoring or audits.

The CRF awards provided to school divisions are allocated based on \$175 per pupil for students counted in the VDOE’s current projection of September 30, 2020 Fall Membership for each division, for a total of \$220.8 million in funding statewide. The final school division CRF awards are shown in Attachment A. Please note that the school division CRF awards will not be adjusted later for actual September 30, 2020 Fall Membership. School divisions with very small enrollments were awarded a minimum allocation of \$100,000.

After school divisions submit a required assurance certification to VDOE that is signed by the division superintendent (Attachment B) by October 22, 2020, VDOE will proceed to pay 100 percent of the awarded allocations to divisions as soon as possible. It is critical that divisions return the signed certification form to VDOE by the October 22, 2020, deadline so that VDOE may proceed with processing the CRF payments to divisions. Please note that the usual federal Cash Management Improvement Act (CMIA) restrictions on holding federal cash do not apply to the CRF, allowing these funds to be paid to divisions upfront versus on a reimbursement basis.

Under U.S. Treasury guidelines, the CRF is available for COVID-19 related costs incurred through December 30, 2020. In order to minimize the amount of CRF that may go unspent by

divisions and which could be redirected to other uses by the final December 30th expenditure deadline, divisions will be required to submit a second certification to VDOE by November 15th indicating the status of their use of the funds. While VDOE will disburse the full CRF allocation to each division upon receiving the division's initial certification, divisions will be required to submit the second certification by November 15, in which the division superintendent will certify that:

1. All CRF funds are fully spent;
2. All CRF funds are spent or encumbered/obligated and will be fully spent by 12/30/20; or,
3. There is a balance of CRF funds that cannot be spent by division by 12/30/20 and will be returned to VDOE.

For school divisions that indicate funds cannot be spent by the required deadline on the November 15th certification, VDOE will require the division to return all unspent funds as quickly as possible so that the state can repurpose them for other CRF expenses. A specific deadline for the return of any unused funds will be communicated at a later time.

Reasonable capital expenditures may be incurred with CRF if the expense is specifically related to preparing for, responding to, and mitigating the impact of COVID-19 in reopening and operating schools, and was not an item accounted for in the school division budget most recently approved as of March 27, 2020. As is typically the case with federal funds, CRF may not be used for any costs that have been or will be reimbursed or covered with any other source of federal funding.

The CRF awarded to school divisions **must** be spent on the following categories of allowable uses:

- **Testing Supplies** - expenses related to COVID-19 testing kits/testing costs for staff and students.
- **Personal Protective Equipment (PPE)** - general PPE supplies and equipment for staff and students for use in safely returning to and attending school for in-person instruction.
- **Facility Cleaning and Sanitization** - expenses for supplies and equipment needed to clean and sanitize public school facilities, particularly those used for instruction. Includes signage for buildings and grounds providing safety directions.
- **Technology to Support Distance Learning** - includes one-time upgrades to division networks to improve virtual instruction delivery; additional student and staff devices needed to fully implement virtual instruction in the remote environment; refresh/replacement of student/staff computer devices near end of life or damaged to enable effective virtual instruction delivery; purchase of digital instructional content used in virtual instruction; and additional hotspot or MiFi devices enabling internet access for remote instruction.

- **Staffing** - supplemental staffing costs (salaries, wage, benefits) for staff with duties related to COVID-19 response/mitigation for a temporary period, including hazard pay or overtime, or to avoid layoffs or furloughs of staff with duties related to COVID-19 preparation/response/mitigation (e.g., extra teachers or instructional aides needed to maintain social distancing; additional substitute teachers needed to support virtual classes and/or teacher absences, as well as substitutes for absences of support personnel; aides that monitor students during the day; teachers providing virtual instruction due to the pandemic; health services staff addressing COVID-related health needs; extra custodial, bus drivers, school nutrition staff, or other staff on temporary assignment for COVID-related duties). (**Note: general, across-the-board, one-time employee bonuses are not an allowable use of CRF. See Question #29 in the U.S. Treasury FAQ guidance document.**)
- **Capital Facility Upgrades** - includes school building HVAC cleaning, upgrades, and purchases related to COVID-19 mitigation; installation of plexiglass barriers, wall dividers, hot water service, and other building upgrades such as isolation areas to mitigate COVID-19; facility upgrades needed to prepare for in-person instruction. Any capital costs paid with CRF should be reasonable and necessary and tied directly to COVID-19 preparation, response, and mitigation.
- **Pupil Transportation** - includes school bus upgrades and purchases (purchases of additional buses needed due to capacity restrictions/extra route runs for social distancing and not routine bus replacements); also includes additional operating costs for extra bus routes due to capacity restrictions/social distancing. Any capital costs paid with CRF should be reasonable and necessary and tied directly to COVID-19 preparation, response, and mitigation. School buses should not be modified in any manner that would conflict with state or federal bus specification requirements.
- **Emphasize Special Student Populations** - In spending the CRF for the above uses, school divisions should emphasize the use of the funds in schools so that they impact as much as possible English Learner (EL) students, students receiving special education, and young learners in grades PK-3.

The assurance certification form provided in Attachment B must be signed by the division superintendent and submitted to VDOE by **October 22, 2020**. Meeting this deadline is critical for VDOE to begin processing CRF payments to divisions. The division superintendent assures in this form that the school division will spend the CRF only on the allowable uses, by the final December 30, 2020 expenditure deadline, in accordance with the U.S. Treasury guidance on the program and requirements in this memo, among other provisions. The signed certification form should be emailed to VDOE in scanned .pdf format to CARESgrantapp@doe.virginia.gov. School divisions should anticipate additional monitoring and state-level reporting processes from VDOE after the December 30th expenditure deadline.

Please review Attachments C and D that provide terms and conditions information on the CRF funds. The FFATA certification form on executive compensation is also attached (Attachment E) since there are several divisions that have yet to submit this annual certification to VDOE as required.

Thank you for quickly preparing to spend this critical source of federal funding in support of public schools during the COVID-19 pandemic and for your careful stewardship in the use of these one-time federal relief funds. Questions about the division CRF awards should be directed to CARESgrantapp@doe.virginia.gov.

JFL/kcd

Attachments

- A. [CARES Act CRF Division Allocation Awards](#) (XLS)
- B. [Division Superintendent's Certification](#) (PDF)
- C. [Additional Required Special Terms and Conditions for Grant Awards or Cooperative Agreements](#) (Word)
- D. [CARES Act CRF Terms of Grant Award](#) (Word)
- E. [FFATA Reporting](#) (Word)