

Section A.50 Pre-K-12 Education Pandemic Costs: Coronavirus Relief Fund Appropriations Public and Approved Independent Schools

- Although Coronavirus Relief Fund (CRF) monies may not be used to replace lost revenue, public school districts and approved independent schools have FY2020 expenditures that are eligible for reimbursement with CRF monies under Federal guidelines. There are two classifications of expenditures: unbudgeted costs (ex. PPE) and budgeted costs (ex. staff time dedicated to the transition to remote learning).
- The Q1 bill appropriates \$41 million in CRF monies to the Agency of Education (AOE) for the purpose of reimbursing public school districts for their FY2020 CRF-eligible expenditures.
 - Under the bill, any reimbursement of budgeted FY2020 CRF-eligible expenditures will be available for carryforward into FY2021 without waiting for these expenditures to be audited.
 - Any other FY2020 funds remaining available to a school district on June 30th will remain subject to audit and be carried forward for use in FY2022 as under current law.
 - The FY2020 expenditures of prekindergarten programs that are not operated by a school district are not eligible for reimbursement.
- The Q1 bill appropriates \$1.5 million in CRF monies to AOE for the purpose of reimbursing approved independent schools with publicly-funded students for their FY2020 CRF-eligible expenditures.
 - The maximum reimbursement is \$422 for each publicly-funded student who was enrolled as of March 27th.
 - Approved independent schools that receive CRF monies must provide access to AOE for the purpose of auditing the use of these funds.
- Education payments to school districts in FY2021 will be reduced by the amount of the reimbursement for budgeted FY2020 CRF-eligible expenditures from the first (Sept. 10) and second (Dec. 10) payments.
 - The reduction in the education payment to school districts will reduce the \$106 million projected deficit in the Education Fund in FY2021.
 - However, each district's FY2021 education spending will remain fully-funded at the level approved by voters.
- AOE will issue guidance to school districts on reimbursable expenditures and establish a process for the submission of, and reimbursement for, these expenditures.
- The Q1 bill also appropriates \$1 million in CRF monies to provide accounting and technical assistance to the supervisory unions and approved independent schools to fully identify CRF-eligible expenditures.