Federal P-12 COVID-19 Funding in Maryland

Comptroller's Workgroup
March 29, 2022

Presented By | **Justin Dayhoff**
Ary Amerikaner
Krishna Tallur

Federal Covid Funding for P-12 Education in Maryland

- Overview of COVID Funding in P-12
- Review of COVID Relief Spending
- Special Programs Spending: EANS and Early Childhood
- State Reserve/Set-Aside Funds
- Fraud Prevention – Internal Controls
- Lessons Learned
- Q&A

Federal Covid Funding Sources

CARES Act
Coronavirus Aid, Relief, and Economic Security Act

$666.8 million

$422.9 million for LEAs

$45.8 million for Childcare

$157.5 million for School Lunch

Available from March 2020 through 9/30/2022

CRRSA Act
Coronavirus Response & Relief Supplemental Appropriations Act

$1 billion

$789.9 million for LEAs

$35.8 million for Nonpublic Schools

$128.8 million for Childcare

Available from January 2021 through 9/30/2023
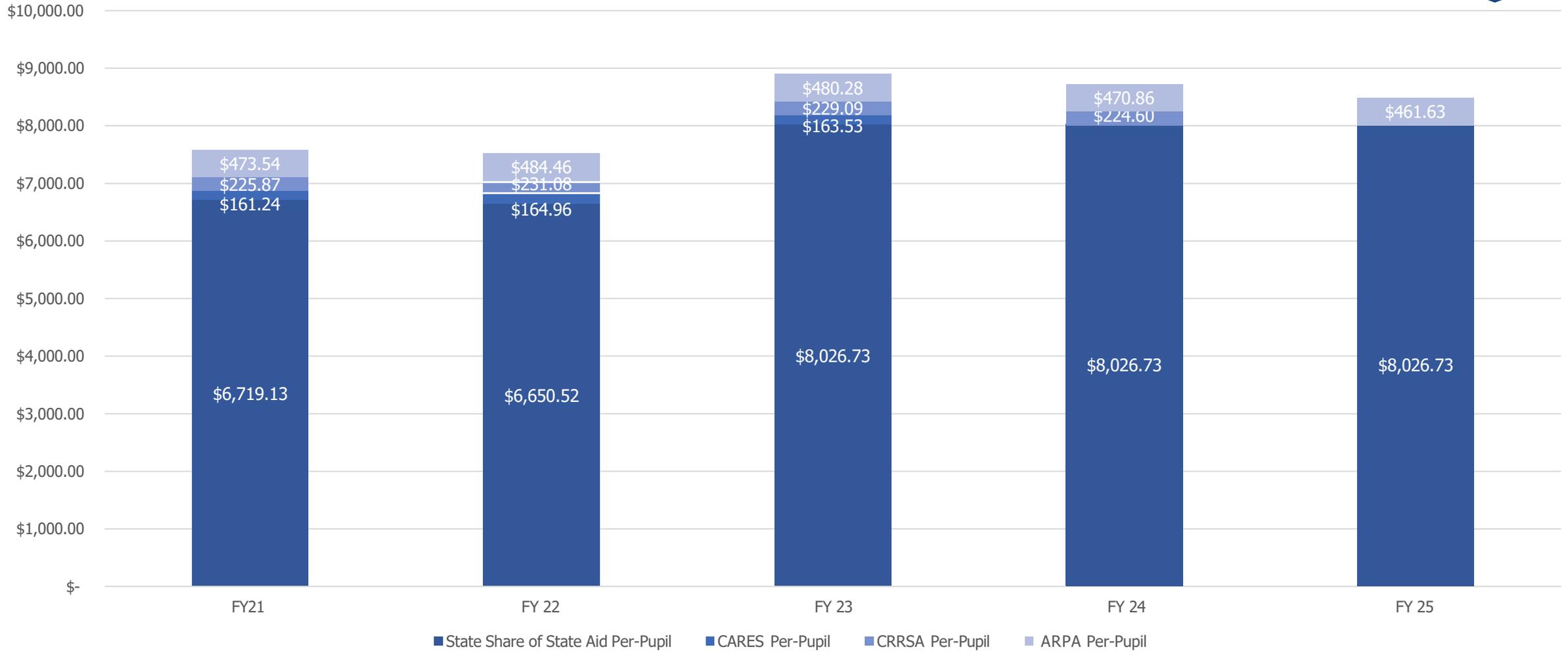
ARP Act
American Rescue Plan

$2.8 billion

$2.07 billion for LEAs

$39.2 million for Nonpublic Schools

$502 million for Childcare

Available from March 2021 through 9/30/2024

Federal Covid Funding as a Portion of all K–12 State Aid

	FY21	FY 22	FY 23	FY 24	FY 25
ARPA Per-Pupil	$473.54	$484.46	$480.28	$470.86	$461.63
CRRSA Per-Pupil	$225.87	$231.08	$229.09	$224.60	
CARES Per-Pupil	$161.24	$164.96	$163.53		
State Share of State Aid Per-Pupil	$6,719.13	$6,650.52	$8,026.73	$8,026.73	$8,026.73

■ State Share of State Aid Per-Pupil ■ CARES Per-Pupil ■ CRRSA Per-Pupil ■ ARPA Per-Pupil

*FY 23 Preliminary State Aid; FY 24-25 data assume annual 2% increase in funding and enrollment
**Per-pupil data assume even grant fund distribution across grant performance period fiscal years

Local Education Agency Funds

Coronavirus Aid, Relief, and Economic Security Act (CARES)

Elementary and Secondary Emergency Relief Fund, March 2020

- *Grants to LEAs – 90%*
- *State Set Aside – 10%*

Governor's Emergency Education Relief Fund, August 2020

- *Grants to LEAs for Technology*
- *Competitive Grant – Innovative Approaches to Connecting Students and Teachers*
- *Community College Workforce Initiative*
- *Broadband Initiative*

Coronavirus Relief Fund, August 2020

- *US Treasury Funds*
- *$100 million for Technology; $100 million for Tutoring*

Local Education Agency Funds

Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)

Elementary and Secondary Emergency Relief Fund, January 2021

- *Grants to LEAs – 90%*
- *State Set Aside – 10%*

Governor's Emergency Education Relief Fund, January 2021

- *Competitive Grant – Innovative Approaches to Connecting Students and Teachers*
- *Community College Workforce Initiative*
- *Emergency Assistance to Nonpublic Schools*

Local Education Agency Funds

American Rescue Plan (ARP) Act

🎯 Elementary and Secondary Emergency Relief Fund, June 2021

- *Grants to LEAs – 90%, 20% Set Aside for Learning Loss*

- *State Set Aside: 5% for Learning Loss, 1% for Afterschool Programming, 1% for Summer Enrichment Programming, 3% for Other Emergency Assistance*
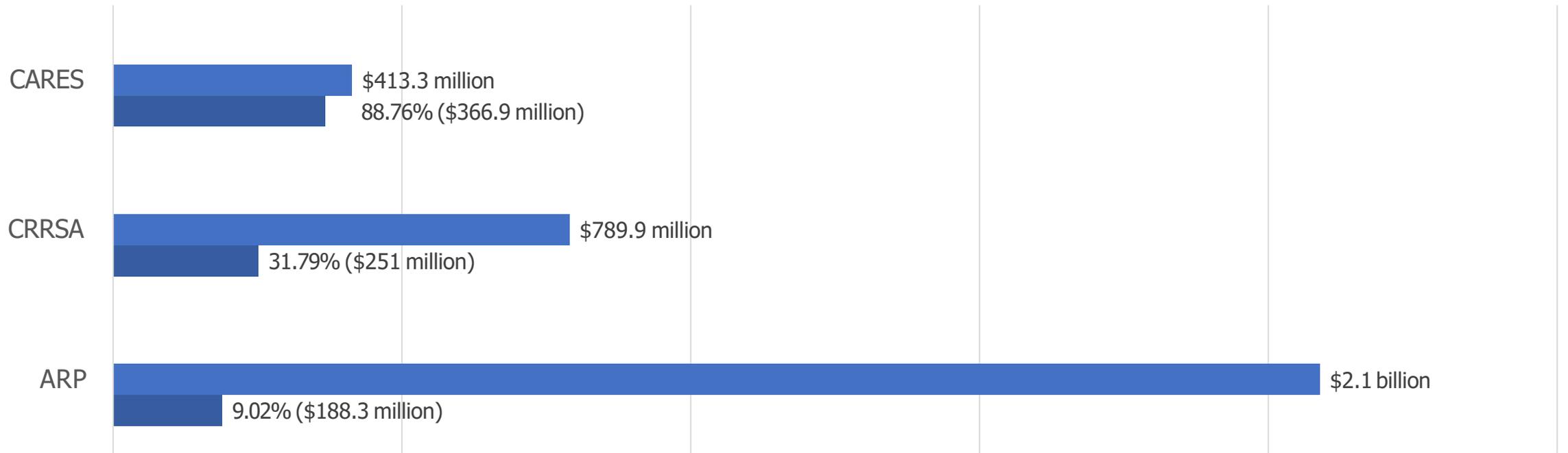
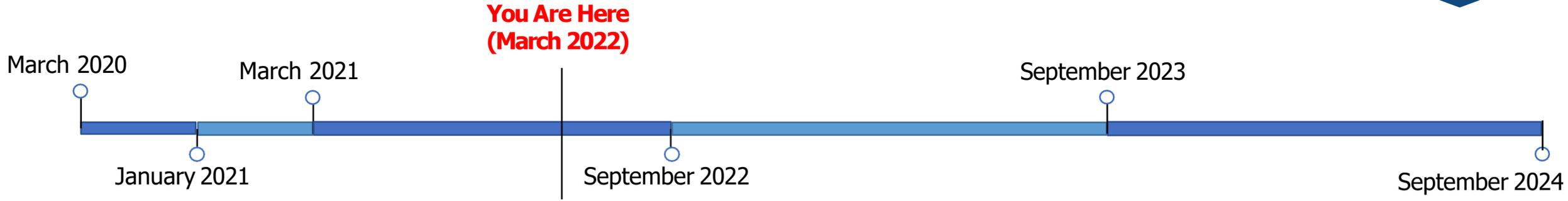🎯 Governor's Emergency Education Relief Fund, March 2022

- *Emergency Assistance to Nonpublic Schools*

🎯 State and Local Fiscal Relief Fund, June 2021

- *US Treasury Funds*

- *FY 2021 Grants: Reopening Schools, Summer School, Trauma Behavioral Health*
- *FY 2022 Grants: Summer School, Trauma Behavioral Health, Transitional Supplemental Instruction, Tutoring*
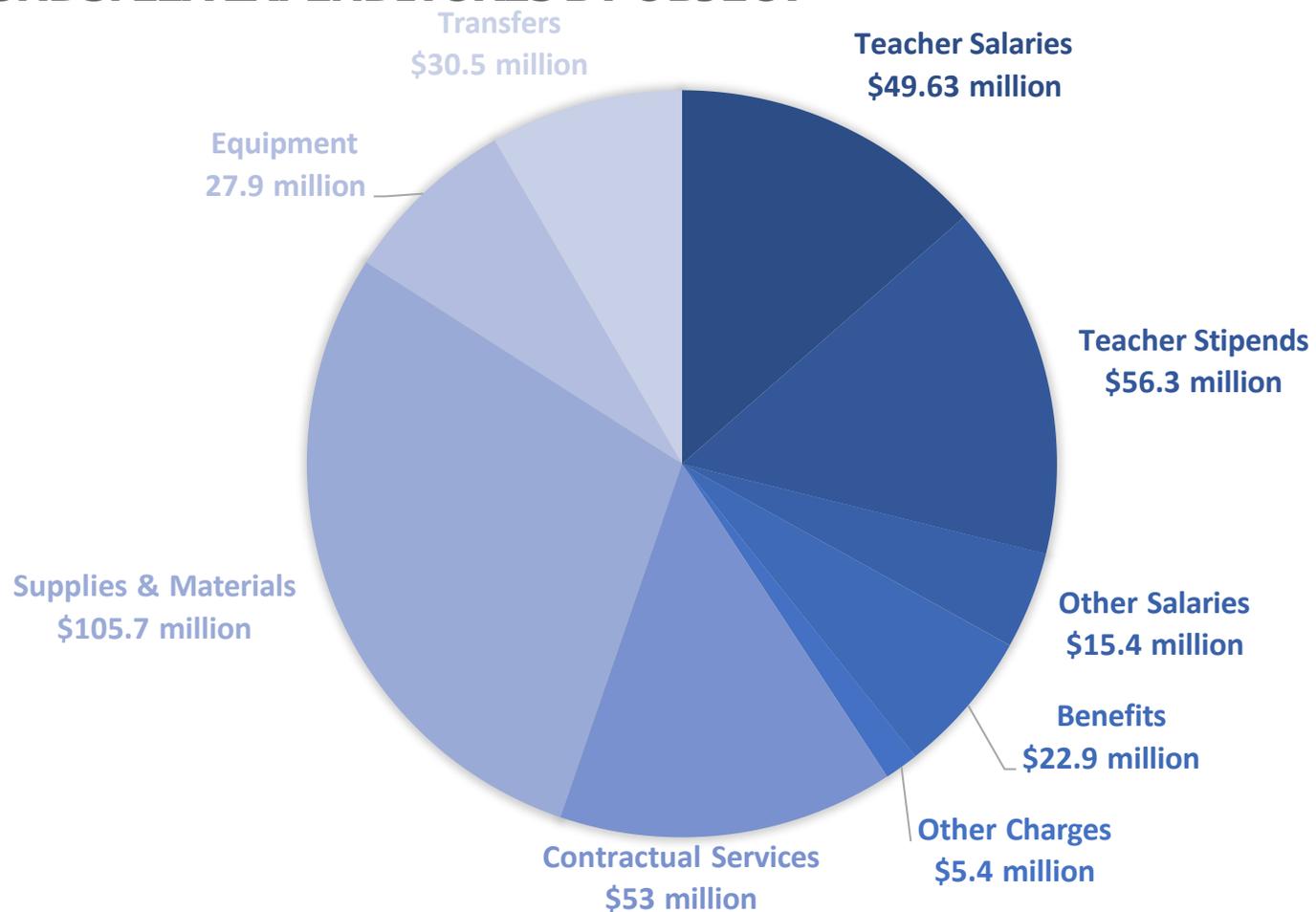
Total and Percent Spent by Grant Program, to Date

**You Are Here
(March 2022)**

March 2020

March 2021

January 2021

September 2022

September 2023

September 2024

CARES
$413.3 million
88.76% ($366.9 million)

CRRSA
$789.9 million
31.79% ($251 million)

ARP
$2.1 billion
9.02% ($188.3 million)

LEA CARES Spending, to Date

CARES ACT FUNDS: LEA EXPENDITURES BY OBJECT

As of February, 2022

Transfers
$30.5 million

Teacher Salaries
$49.63 million

Equipment
27.9 million

Teacher Stipends
$56.3 million

Other Salaries
$15.4 million

Benefits
$22.9 million

Supplies & Materials
$105.7 million

Other Charges
$5.4 million

Contractual Services
$53 million

LEA CRRSA Spending, to Date

CRRSA FUNDS: LEA EXPENDITURES BY OBJECT

As of February, 2022

Transfers
$20.9 million

Teacher Salaries
$34 million

Equipment
$19.1 million

Teacher Stipends
$38.5 million

Supplies & Materials
$72.4 million

Other Salaries
$10.6 million

Benefits
$15.7 million

Other Charges
$3.7 million

Contractual Services
$36.3 million
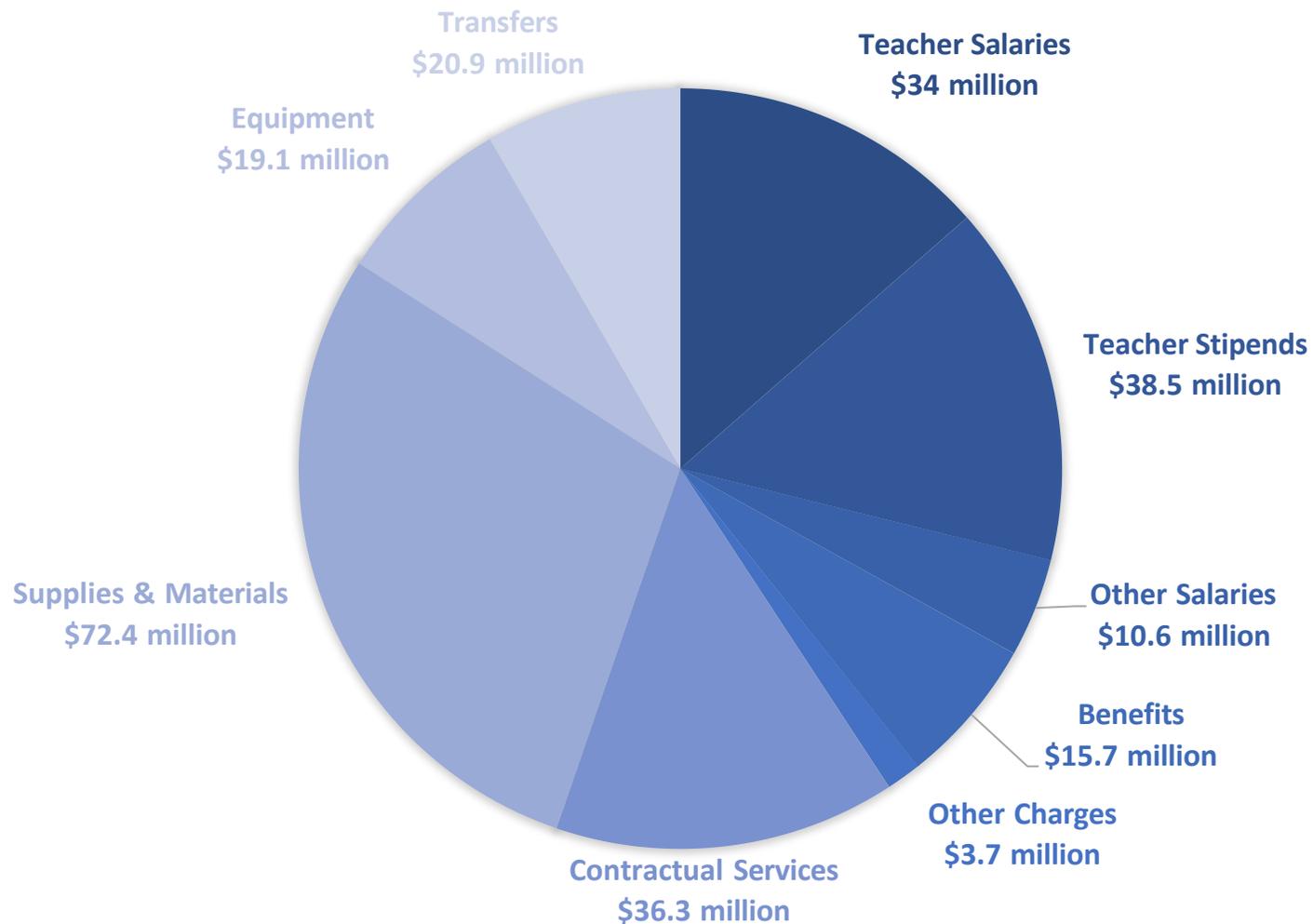
LEA ARP Act Spending, to Date

ARP ACT FUNDS: LEA EXPENDITURES BY OBJECT

As of February, 2022

Transfers
$15.7 million

Equipment
$14.3 million

Teacher Salaries
$25.5 million

Teacher Stipends
$28.9 million

Other Salaries
$7.9 million

Benefits
$11.7 million

Supplies & Materials
$54.3 million

Other Charges
$2.8 million

Contractual Services
$27.2 million
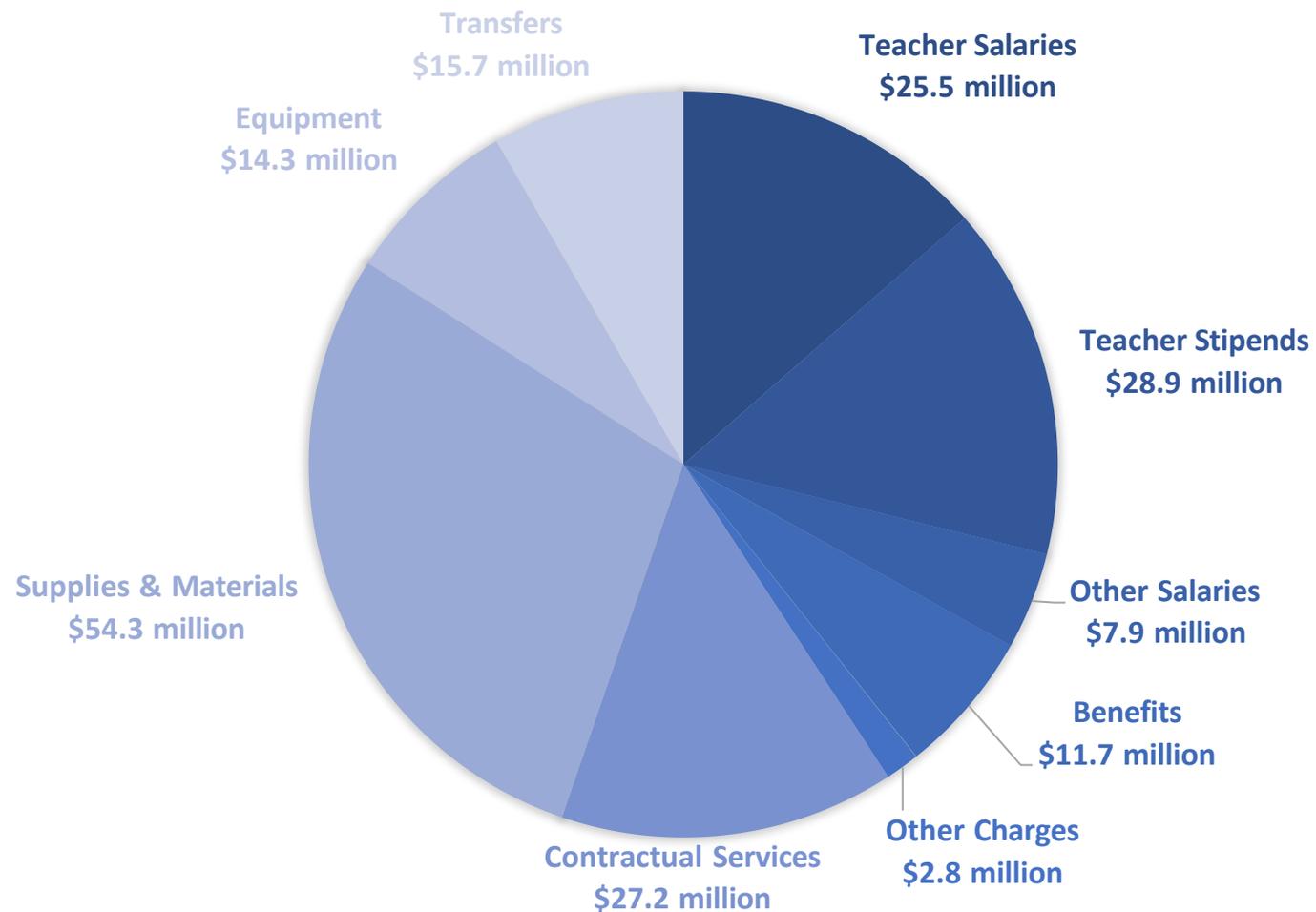
Total and Percent Spent, to Date:

Maryland School for the Blind, Maryland School for the Deaf, The SEED School of Maryland*

SEED — $4.8 million
9.5% ($461 thousand)

MSD — $1.2 million
31.4% ($365 thousand)

MSB — $900 thousand
29.5% ($270 thousand)
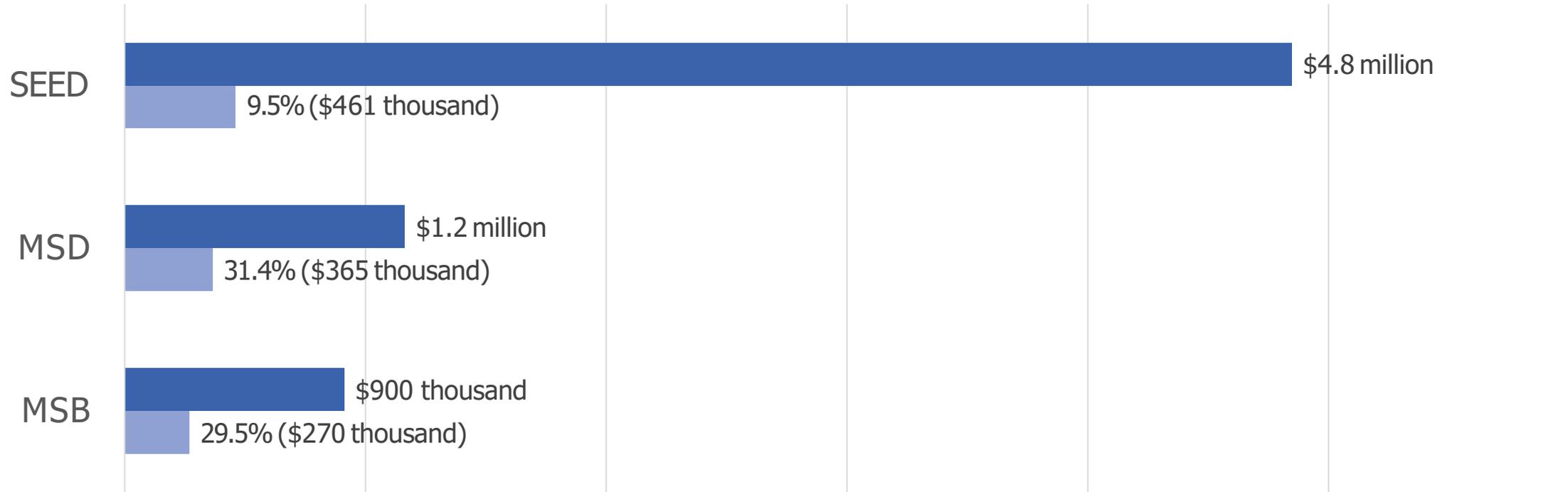
On average, current spending pacing aligns with LEA spending pacing. Amounts above include CARES, CRRSA, and ARP funding. ARP spending can occur through September, 2024.

* The Maryland School for the Blind and the Maryland School for the Deaf receive public funds for serving public school students whose IEPs cannot be served in a public-school setting. The SEED School of Maryland is a residential boarding school serving economically disadvantaged students from across the State.

Emergency Assistance for Nonpublic Schools (EANS)

The Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) provided for $35.8 Million in Emergency Assistance to Nonpublic Schools

- Funds can only support services and assistance (no actual funds can be awarded directly to Nonpublic Schools)

- MSDE received the funds in January of 2021

- MSDE issued two rounds of funding in March and June of 2021, distributing $14.2 million dollars to reimburse eligible nonpublic school expenses

- MSDE issued a third round of funding in January 2022

- MSDE is finalizing procurement for requested services and assistance

- The American Rescue Plan included an additional $39.2 million in Emergency Assistance to Nonpublic Schools funds

EANS II (ARPA EANS) Application Information Coming Soon!

Coronavirus Aid, Relief, and Economic Security (CARES) Act

Child Care Funding from Emergency Covid Relief Bills

$45.8 million

$31.8 million
to cover childcare expenses for Essential Personnel

$250 reimbursed per school-age child
$350 reimbursed per child under 3 years-old

$7.6 million
$2,000 grants to child care providers serving essential persons to help with lower capacity

$6.4 million
$800/$1,600 grants to child care providers for cleaning, sanitizing, and Personal Protective Equipment (PPE)

Child Care Funding from Emergency Covid Relief Bills

$128.8 million

$49.6 million
to support the Essential Personnel Child Care Program.

$60 million
to provide grants to licensed child care programs to support recovery efforts from the impact of the COVID-19 pandemic.

$19.2 million
to provide additional funding for the Childcare Scholarship Program.

American Rescue Plan Act (ARPA)

Child Care Funding from Emergency Covid Relief Bills

$502 million

$309 million
Child Care Stabilization Funds

$193 million
Allowable uses of the
Child Care Development Fund (CCDF)

State Education Agency (MSDE) Reserve Funds

ESSER I - $20,783,406

- Reopening Grants
- Maryland Virtual Learning Opportunities and Online/Virtual Program Development
- School Nutrition Grants
- Hand Sanitizer Pumps
- Administration

ESSER II - $86,877,124

- Maryland Leads
- Expert Review Team Pilot Program
- Maryland Virtual Learning Opportunities and Online/Virtual Program Development
- Adverse Childhood Experiences Grants
- Achieving Academic Equity and Excellence for Black Boys Task Force Initiatives
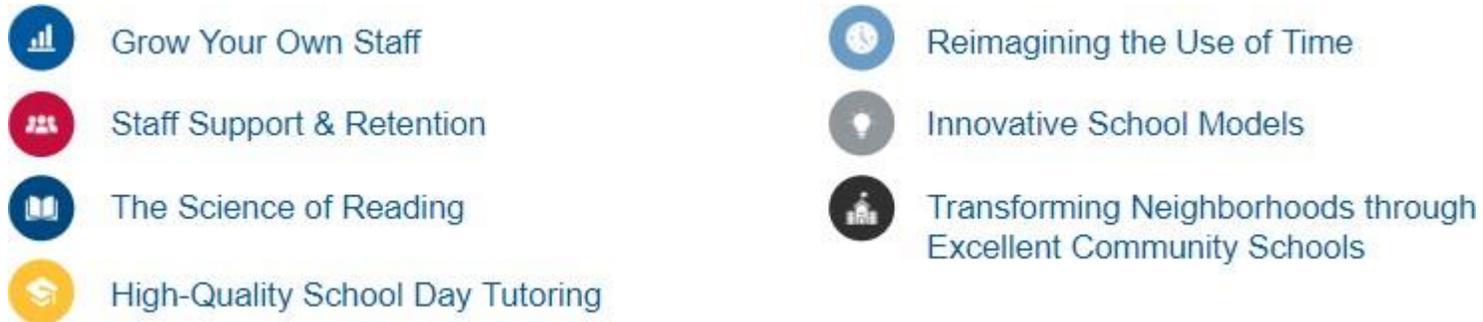- Mental Health Response Team Program
- Administration

State Education Agency (MSDE) Reserve Funds

ESSER III - $195,253,909

- Maryland Leads

- Summer Enrichment

- Afterschool Programs

- Mental Health Response Team Program

- Adverse Childhood Experiences Grants

- Achieving Academic Equity and Excellence for Black Boys Task Force Initiatives

- Administration

Maryland Leads

Maryland Leads is a new grant initiative designed to support Local Education Agencies (LEAs) in utilizing federal funds to overcome the learning loss resulting from the COVID-19 pandemic, accelerate student learning to narrow opportunity and achievement gaps, and provide more targeted support for historically underserved students and their communities.

- 📊 Grow Your Own Staff
- 👥 Staff Support & Retention
- 📖 The Science of Reading
- 🎓 High-Quality School Day Tutoring

- 🕐 Reimagining the Use of Time
- 💡 Innovative School Models
- 🏛 Transforming Neighborhoods through Excellent Community Schools

- Each strategy contains a number of focus areas and best practices from the field that LEAs may choose to implement.

- LEAs will have the opportunity to work with best-in-class partners to strategize and execute plans within and across all seven strategies.

Distribute $133M+ ESSER State Reserve funds to LEAs through a non-competitive grant process

Fraud Prevention – Internal Controls

MSDE implements consistent controls in order to prevent fraud while allowing the work to move forward.

- Continued emphasis on adherence to Department fiscal SOPs that provide sufficient control and quality assurance without also creating 'bottlenecks' for workflow
    - One (1) potential case of fraud identified and forwarded to OAG false claims unit from Stabilization Grant applicants
    - One (1) potential case of fraud identified and forwarded to OAG false claims unit from EANS applicants

- Based on lessons learned, MSDE operates in a cycle of continuous improvement with constant feedback loops that drive and inform process and procedural updates
    - Standard Expectations for Customer Service
    - Dedicated QA personnel in MSDE Accounting
    - Key and consistent tenets in grant process

- State and local grant and procurement processes provide additional layers of control for COVID spending
    - Purchasing thresholds
    - Transparent, committee-based review processes
    - Oversight

Growth Mindset: Lessons Learned

P-12 COVID-19 relief funding through 17 different programs resulting in more than 426 grant awards and more than 16,000 provider payments, to date.

- Lessons Learned
  - Community Engagement
    - Meetings with the provider community;
    - streamlining application content (reduction of effort for applicants)
  - Customer Service
    - Customer service support sessions
    - On-demand call center (M-Sa) for one-on-one support
    - Dedicated email inbox/support
  - Transparency
    - Grant information guides
    - Updated web materials and PowerPoints from customer service sessions
    - Consistent language and messaging
    - Materials accessible and available in multiple languages
  - Systems thinking
    - Revised internal processes to ensure that the user experience is an essential part of the grant-making process
    - Revised internal controls to ensure fair, transparent, and consistent evaluation of applicants/applications across all grant programs

Q&A

Questions?