

SOUTH CAROLINA DEPARTMENT OF EDUCATION CHIEF FINANCE OFFICE OCTOBER 2021 – 2022 ISSUE 4

Please submit information and requested data to the Financial Services Section at the following email address: financesvcs@ed.sc.gov.

October 2021 - A monthly update from the State Department of Education's (SCDE) Office of Finance to local school district business officials. If you have any questions about information in this issue, contact Steven Strother at 803-734-8885; Melanie Cooper at 803-734-8135; Sequoyah Williams at 734-8488, or Melissa Myers at 803-734-8453.

New or Updated Payments for October

Revenue Code	Subfund	Description
0720	200	Medicaid FY 21-22
3118	928	EEDA Career Specialists
3136	936	Health Fitness-Nurse
3160	100	Bus Driver Salary
3160C	100	Bus Driver SLED Check
3135	935	Reading Coaches
3156	956	Adult Education
3193	919	Apple Tags
3528	328	Industry Certificates
3532	332	National Board Certification
3535	335	Reading Coaches
3595	395	EEDA Supplies & Materials
3596	396	EEDA Career Specialists

Medicaid Match

District withholding Medicaid match for September are in the October payments.

Reading Coach

FY22 Reading coach maximum funding is \$53,395 for a 1.0 FTE. The district signed MOA and the eligible Reading Coach/Interventionist listed in SC Educator with a position code of “87” is required to have funding released.

CFO UPDATE

Office of Finance Contacts

Financial Services – Melanie Cooper, Desiree Williams, and Michael Scheele


Grants Accounting – Sequoyah Williams

Fiscal Practices – Daniel Haven

General Budget and Finance Questions – Nancy Williams, Steven Strother, and Melanie Cooper

New Staff Member in the Financial Services Section

Michael Scheele, formerly from the Instructional Materials Office, has taken a position in the Financial Services Section. Mr. Scheele will be generating the monthly EIA and State General Fund payments; managing the Pupil Accounting and Student Accountability System; and collecting and maintaining the statewide database of NBC eligible educators.



From the Division of Technology, Data & Agency Operations - Please Return All Recalled Hotspots

Two types of Verizon Wireless hotspots are subject to a federal recall because of significant overheating and heat-related damage: Ellipsis Jetpack MHS900LS and MHS900L PP. Verizon has sent each district with these models special packaging for the return of these hotspots. Return of these hotspots was also incorporated into a negotiated agreement with the State over billing for hotspots.

Although the recall began in Spring 2021, to date districts have not returned over 13,000 of those defective units. Verizon has offered on-site assistance for packaging the units for mailing. Please review your district's inventory and encourage the prompt return of the defective units.

For those who need replacement hotspots, a limited number of units are available in a different model.

If you have questions or need help with packaging, please contact Hotspots@ed.sc.gov and the person assigned to your district will respond.

Worldwide Interactive Network (WIN) for the Career Ready Assessment

Recently, the US District Court finalized a ruling regarding contract 4400017932 with Worldwide Interactive Network (WIN) for the Career Ready Assessment. A Change Order was issued to direct WIN to send all invoices related to School Districts to the SC Department of Education (SCDE). School Districts should not receive invoices related to the Fall 2021 assessment in full or partial amounts.

The SCDE will not reimburse school districts for the Fall 2021 assessment, as we will pay these directly on your behalf, as instructed by the Court's order.

You may send the invoices to Elsie Montgomery at emontgomery@ed.sc.gov or to Leslie Dawes at ldawes@ed.sc.gov. Thank you for your attention to this matter.

Revised ARP ESSER Funds Allocation

Due to a calculation revision by the US Department of Education, the SCDE has recalculated each district's American Rescue Plan (ARP) Act's Elementary and Secondary Schools Emergency Relief (ESSER) grant allocation. The revised amounts for this allocation are shown in the allocation tables found on the [ARP ESSER website](#).

If you have any questions, please e-mail scesser@ed.sc.gov.

ESSER Funds and the Potential Impact on LEA Fiscal Responsibilities

As additional funds under the Elementary and Secondary Schools Emergency Relief (ESSER) program are subgranted to Local educational agencies (LEAs), the SCDE wanted to address the use of these funds and the potential impact on LEA fiscal responsibilities under the Individuals with Disabilities Education Act (IDEA) for the IDEA local Maintenance of Effort (MOE) requirement. Please review the [memo](#) from Rebecca Davis, Director, Office of Special Education Services, for more information regarding these requirements.

For questions related to MOE or other IDEA fiscal requirements, please contact **Michelle Williams Young** at smwilliamsyoung@ed.sc.gov.

ESSER Application and Resources

Please use the following link to access the ESSER application, the recorded ESSER technical assistance session, and other important ESSER resources.

[South Carolina Coronavirus Aid, Relief, and Economic Security \(SC CARES\) Elementary and Secondary School Emergency Relief \(ESSER\) Subgrant 2020](#)

On February 2, 2021, ESSER updates and guidance were provided to four key areas related to funds provided under ESSER I and II programs. Please reference [memo](#) from John Payne and Cathy Hazelwood. If you have any questions regarding this guidance, please email scesser@ed.sc.gov.

Carryforward Authority

Per Superintendent's current authority listed in both the House and Senate versions of the budget for Fiscal Year 2022, districts will now have until June 30, 2022, to expend all state funds allocated in Fiscal Year 2020.

This carry forward authority does not apply to federal funds.

School Business Officials Contact List

Please keep us informed of key finance personnel changes that may occur in your district during the fiscal year. Notify Kim Moss, at kmoss@ed.sc.gov, so that she can revise the school business officials contact list.

Also make sure that your district is updating staff information through the SCDE Member Center – District & Entity Information Management (DEIM).

Recently Posted Correspondence/Data

[45 Day Data Verification Memo](#)

[EFA Payments to Other Entities – October 2021](#)

[Apple Tag First Quarter 2022](#)

[Fiscal Year 2021 – 2022 Funding Flexibility Form](#)

[Fiscal Year 2021 – 2022 State Minimum Teacher Salary Schedule - Final](#)

[Assurance Form for Meeting the Requirements to Employ Retired Individuals – School Year 2021 - 2022](#)

[ESSA Per Pupil Expenditure Guidelines](#)

Proviso Billing Rate

[The daily rate for FY 2021-22 is \\$4.19.](#)

FINANCIAL SERVICES

45th Day Pupil Accounting

The 45-day membership collection will open on **October 25, 2021**, and close **November 12, 2021**. You can submit revised extracts during the collection period. Extracted reports must be signed by the District Superintendent or designee and emailed to Melanie Cooper, mcooper@ed.sc.gov by November 12, 2021. Additional information is found at the following link: [45-Day Data Verification Memo](#)

Transportation, Distribution, Logistics, LBA - 6199

Locally board approved (LBA) courses, classified under a CTE program, qualifies for elective credit only.

Funding Flexibility Form and Procedures for FY 21-22

The [flexibility form](#) and [procedures](#) for FY 21-22 have been posted to Finance's web page.

Updates for PCS Users

The 2021-22 SC Educator System Compensation User Manual will be completed within a couple of weeks. The position code list and PCS User Access form can be found at the following links:


[PCS User Manual – FY 20-21](#)

[PCS User Access Form](#)

[PCS Position Code List for FY 21-22](#)

School District Website Requirements

The SCDE has created a [webpage](#) containing State and Federal requirements for school district websites and other public awareness resources. Questions should be directed to Valarie Byrd, Senior Consultant, Total Quality Management Services, vbyrd@ed.sc.gov.



State Aid to Classrooms – EFA

The FY22 Base Student Cost is \$2,516.

GRANTS ACCOUNTING

Quarterly Claims Submission

Quarterly submission of claims is required once an approved budget is in place. This is a key component in Risk Assessment Rating from Grants Accounting.

Quarterly Claims Due Dates

Quarter 1 - due by November 15

Quarter 2 - due by February 15

Quarter 3 - due by May 15

Quarter 4 - due by August 15

State Grants in GAPS – Earlier Final Claim Deadline than Federal Awards. Refer to GAN.

Payments to Counties

[Payment to County Reports](#) have been posted to our website. External auditors should be assigned a role to view all reports in GAPS.

New Language in Federal Subawards

School districts must review all new federal subgrants carefully. Be on the lookout for new language that is required by both changes in federal regulations and changes in federal awards the SCDE has received and must pass through to subgrantees. Such new language includes

- No text messaging and emailing while driving: “The subgrantee and their subgrant personnel are prohibited from text messaging and emailing while driving a government owned vehicle, or while driving their own privately-owned vehicle during official grant business, or from using government supplied electronic equipment to text message or email when driving.”

- Domestic preference for procurements: “Per [2 CFR Part 200.322](#), as appropriate and to the extent consistent with law, the subgrantee should, to the greatest extent practicable under a federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). (1) “Produced in the United States” means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States. (2) “Manufactured products” means items and construction materials composed in whole or in part of non-ferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.”

New Frequently Asked Questions

The federal Office of Management and Budget (OMB) released a [new Frequently Asked Questions \(FAQs\)](#) to address common questions about recent updates to Title 2 of the Code of Federal Regulations; this include the revisions to the Uniform Grant Guidance in 2 CFR Part 200 that were published in the Federal Register on August 13, 2020. Be sure to review these! The revised regulations apply to the ESSER II and ESSER III subawards and the subawards your district will receive in the next Fiscal Year.

GAPS Email Notifications

If you are not receiving GAPS email notifications, please email Steven Strother at sgstrother@ed.sc.gov.

Ensure Procedures Comply with Agreements & Regulations

The December 2020 Finance newsletter referenced five policies and procedures that your district should update to reflect the actual processes being followed during the current COVID-19 emergency:

- Allowability Procedures—[2 CFR Part 200.302\(b\)\(7\)](#)
- Managing Equipment—[§200.313\(d\)](#)

**Ensure Procedures Comply with Agreements
& Regulations - continued**

- Travel Policy—§[200.475\(b\)](#)
- Time and Effort Procedures—§ [200.430](#)
- Record Retention Procedures—§ [200.334](#)

Please note that the SCDE's Assurances and Terms and Conditions for Federal Subawards that accompanied your federal subgrants also affect how your district administers these policies and procedures.

For example, regarding time and effort procedures, Assurances item D. specifies that the district will maintain required support that "includes certifications and/or personnel activity records depending upon the amount of time spent on cost objectives." Terms and Conditions item J. Travel Costs implements the state's thresholds on the district's use of the subgrant funds for lodging, per diem, and mileage; the state's limits may be more restrictive than the district's travel policy.

Likewise, Terms and Conditions item P. Records extends the record retention period for subgrant records to six years following closeout, which is longer than the three years stated in the federal regulation.

Be sure to reference the Assurances and Terms and Conditions of your federal subgrants as your district works to ensure documentation for all three control environments: 1. The pre-COVID-19 (normal operations) environment, 2. The COVID-19 (shut-down/emergency operations) environment, and 3. The transition environment between shut-down/emergency operations and normal operations.

One more thing: chief finance officials should review the federal Office of Management and Budget (OMB) recently released Controllor Alert: [Leveraging Employer Identification Number \(EIN\) to Promote Transparency and Accountability](#). This alert provides additional information on the OMB's recent policy to support executive memoranda [M-21-03, Improvements in Federal Spending Transparency for Financial Assistance](#) issued in November 2020.

It includes that in federal fiscal year 2021, a funded entity's EIN will be posted on USASpending.gov to "increase transparency for entities that are receiving financial assistance from the federal government."

ESSER Reporting Requirement

The ESSER Report due date is January 5, 2022 (for claims submitted from October 1, 2021 – December 31, 2021). ESSER Report dates are determined by the claims you have submitted in GAPS during the reporting quarter.

Each report will include the claim(s) submitted prior to the reporting date during the reporting quarter. Send completed reports to grantsaccounting@ed.sc.gov.

If you need assistance or more information on the quarterly reporting, please view this [webinar](#). Additional information can be found on the SCDE [ESSER web page](#). Email scesser@ed.sc.gov with any questions or concerns.

**Instructions for Fund 217 – Revenue 3995,
and Fund 601 – Revenue 3995**

The State Department of Education is the sub-recipient of CRF per-pupil Funding, LEAP, ARC, and Hotspots Funding (Sub fund 217), and the Additional Cost per Meal Revenue (Sub fund 601). Because of this, these funds will not be reported on the SEFA. Please inform your auditor that these funds will not need to be reported on the SEFA and should be recorded in Revenue 3995. This will require a JE from Sub fund 217, Revenue 4973 (ARC, LEAP, CRF per-pupil, and Hotspots) to Sub fund 217 and Revenue 3995, and from Sub fund 601, Revenue 4971 to Sub fund 601, Revenue 3995. Only the Revenue should be changed, not the Sub fund.

In addition, any unspent CRF Funds will need to be included on the Due To Schedules for Fiscal Year end 2022. Districts have until September 30, 2021, to spend CRF Funds.

The per pupil allocation **will not need to be claimed via GAPS**. Please use the following modifiers to track the funds expended in the following four allowable categories: (The modifier should be the last digit in the modifier portion of the account number, preceded by 0's).

**Instructions for Fund 217 – Revenue 3995,
and Fund 601 – Revenue 3995 - continued**

1. School safety measures taken in response to COVID-19 including, but not limited to, purchasing masks, gloves, wipes, hand sanitizer, face shields, cleaning solution, Plexiglass, and other cleaning equipment and supplies. (Modifier 1. The modifier should be the last digit in the modifier portion of the account number, preceded by 0's).
2. Hire or contract for school nurse services for those schools that do not have a full-time school nurse. (Modifier 2. The modifier should be the last digit in the modifier portion of the account number, preceded by 0's).
3. Tutoring, supplemental services, and support services to include services for unengaged students, interventionists, and after school learning extensions that prioritize face-to-face instruction focused on students with reading or math difficulties and students with IEPs to address deficits resulting from COVID-19. (Modifier 3. The modifier should be the last digit in the modifier portion of the account number, preceded by 0's).
4. Technology purchases of devices and connectivity equipment to support online learning resulting from COVID-19. (Modifier 4. The modifier should be the last digit in the modifier portion of the account number, preceded by 0's).

These funds can be used to pay for expenditures incurred from July 1, 2020 through September 30, 2021. The supplement not supplant provision does not apply to these funds. Additionally, indirect cost recovery can't be charged to these funds. Districts are required to report quarterly on how these funds have been expended. The First Quarter (and Final) Report for FY22 is due November 15th for all expenditures incurred during the period of July 1, 2021 to September 30, 2021. Please ensure that all CRF Funding has been spent by September 30, 2021. Supporting documentation to include financial reports from your accounting system, invoices,

purchase orders, etc., must also be submitted with the quarterly reports.

When submitting CRF Reports, include:

The LEA system generated financial reports

- budget report
- detail printout of transactions
- copies of check requests/ vouchers, POs, and invoices to accompany the expenditures reported.

CRF Reporting Dates

Quarter 1 FY22 - Report by 11/15/2021

Submit CRF Reports to grantsaccounting@ed.sc.gov.

Time and Effort Reporting

All employees who are paid in full or in part with federal funds must keep specific documents to demonstrate the amount of time they spent on grant activities (2 C.F.R. § 200.430(i)(1)). Charges to federal awards for salaries and wages must be based on records that accurately reflect the work performed.

To meet the above requirements, all employees who must complete time and effort forms must submit either a semi-annual certification or a personnel activity report (PAR) as required below.

The type of form depends on the funding of the position and the number of cost objectives/grants that an employee works on.

The forms are located under the [Time and Effort Reporting](#) web page.

Special Note: In reference to the memo dated April 24, 2020, titled Guidance on Time and Effort Reporting and Internal Controls During COVID-19 posted on the web page, please contact [Mr. Strother](#) with any specific questions regarding time and effort reporting and [Ms. Myers](#) with any questions regarding internal controls.

Reports Menu

PLEASE REVIEW BUDGET AND EXPENDITURE STATUS REPORTS TO ENSURE THAT ALL ITEMS HAVE BEEN SUBMITTED TO THE SCDE. ITEMS MUST BE SUBMITTED TO SCDE, OFFICE OF FINANCE, BEFORE PAYMENTS CAN BE PROCESSED.

Grants Accounting Staff Listing

For questions regarding specific grants, please refer to the grants accounting staff listing located on the Grants Accounting Section's web page, [Grants Accounting Staff Listing](#).

AUDITING SERVICES

Fiscal Year 2020 – 2021 LEA Audit Report Submission/SCDE Supplemental Template/Annual Audit Guide

LEA annual audit reports for fiscal year 2020-21 are due on December 1, 2021. The State Superintendent does NOT have the flexibility granted to her on last year to extend the audit deadline. Communication regarding this expired flexibility was distributed to district superintendents on July 27, 2021. The memo is located at <https://ed.sc.gov/newsroom/school-district-memoranda-archive/expiration-of-waivers-granted-for-2020-21-school-year/expiration-of-waivers-granted-for-2020-21-school-year-memo/>.

In addition, the SCDE supplement template for each fund type is on the SCDE website at <https://ed.sc.gov/finance/auditing/manuals-handbooks-and-guidelines/annual-audit-guide-and-lars-template/fy-2020-2021/>.

The SCDE Annual Audit Guide was e-mailed to independent auditors earlier this month. If your district's auditor did not receive the SCDE Annual Audit Guide, please contact mmyers@ed.sc.gov to request it.

ESSER – Indirect Cost

ESSER funds are not subjected to the supplement, not supplant requirement. Therefore, districts may claim up to the approved unrestricted indirect cost for this program.

ESSER – Unallowable Expenditures

According to ED, LEAs may not spend ESSER funds on:

- Bonuses, merit pay, or similar expenditures, unless related to disruptions or closures related to COVID-19,
- Subsidizing or offsetting executive salaries and benefits of individuals who are not LEA employees, or
- Expenditures related to state or local teacher or faculty unions or associations.

Miscellaneous Revenue Codes and Subfunds

When allocations to school districts exceed \$500,000 from a single source of funds, a unique revenue code and subfund are assigned to those funds and guidelines for those funds will appear in Miscellaneous Revenue Codes and the Funding Manual produced by the Office of Finance.

If total allocations do not exceed \$500,000, miscellaneous revenue codes and subfunds will be used as follows:

Fund Source	Revenue Code	Subfund
Misc. State Restricted	3199	800 series
Misc. EIA	3599	399
Misc. State	3999	General Fund (100)
Misc. Lottery	3699	969
Misc. Federal	4999	800 series*

*Districts choose any subfund available for use in the 800 series

Financial Manuals

[South Carolina Educator System User Manual](#)

[FY 2019-2020 PCS User Manual](#)

[FY 2020-2021 Funding Manual](#)

Student Accountability

[Student Accountability Manual 2017](#)

Audit Guide

[FY 2019-2020 Annual Audit Guide - South Carolina Department of Education](#)

EFA/State Funding Release Dates – 2021-2022

October 22	January 21	April 22
November TBD	February 22	May 20
December TBD	March 22	June 22

Due Dates for SCDE Reports – 2021 – 2022

Listed below are reports required by the Office of Finance and their due dates for 2021-22. Reports that are identified by a dollar sign (\$) indicate that allocations are based on the information submitted in these reports. To avoid delays in the distribution of the allocations, please ensure that all reports are received in the Chief Financial Office by the specified due date.

DUE DATE	REPORT ACTIVITY
October 25 – November 12	Pupil Accounting 45 Day
November 1 (subject to change)	Deadline for SC Educator Staff Updates (This is a due date for Federal Reports and Accreditation Reports)
November 30 (subject to change)	Deadline for SC Educator Staff Updates (Teacher Supply Funding and Initial State Aid to Classroom Teacher Salary Funding) (\$)
December 1	Audits, In\$ite, and ESSA Financial Transparency Report
March 23 – April 8	Pupil Accounting 135 Day
April 30	Home Instruction Report (\$)
June 30 (subject to change)	Final Changes to SC Educator/Technology Proficiency for FY 21-22
June 30	Funding Flexibility Form 2021-22