

**SOUTH CAROLINA
DEPARTMENT OF EDUCATION
CHIEF FINANCE OFFICE
SEPTEMBER 2021 – 2022 ISSUE 3**



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

September 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 September

Revenue Code	Subfund	Description
0720	200	Medicaid FY21-22
3160C	100	Bus Driver SLED Check
3134	924	CERDEP Program
3134A	924	CERDEP Supplies
3135	935	Reading Coaches
3143	924	GEER Summer - CERDEP
3143A	924	GEER Extended Day - CERDEP
3155	955	DSS SNAP & E&T Program
3156	956	Adult Education
3532	332	National Board Certification
3535	335	Reading Coaches
3541	341	CERDEP Program
3556	356	Adult Education

Medicaid Match

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

CERDEP Program

Initial allocations are based on prior 135-day data and new classrooms approved for expansion for the 21-22 school year. The per pupil rate for FY22 is \$4,800.

CERDEP Supplies

Approved expansion classrooms have been funded at \$10,000 per classroom.

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.



Office of Finance Contacts

Financial Services – Melanie Cooper and Desiree Williams

Grants Accounting – Sequoyah Williams

Fiscal Practices – Daniel Haven

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

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

Revised ARP ESSER Funds Allocation - continued

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.

2021–22 School Year Hotspot Program Updates

The SCDE, Office of the Chief Information Officer, will be transitioning the billing of the hotspots and wired connections that were obtained through the Online Learning Initiative to the associated school districts effective August 1, 2021. Please plan accordingly if you intend to provide hotspots to your students after this date. For example, you may wish to amend the district's ESSER budgets to include the monthly service fees for hotspots so that these expenditures can be reimbursed. If you have any questions, please contact Jeff Henry at rhenry@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

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

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

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

Recently Posted Correspondence/Data - continued

[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.



Guidance for Proviso 1.97 – School District Employees Data

Reference [memo](#) regarding reporting requirements set forth in Proviso 1.97 for School District Employees Data. The SCDE is requesting districts to properly code and complete necessary information for all employees in the district within the SC Educator System no later than Wednesday, September 15, 2021.

For all position codes not considered as “classroom instruction” additional information will need to be provided. A Staff Listing Report will be sent to each district with an added column named “Job Duties.” This column shall include a brief description and overview of the individual’s job duties. The reports are due back to the SCDE no later than Thursday, September 30, 2021.

For additional questions and information, please contact Desiree Williams at dawilliams@ed.sc.gov.

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.



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.

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.

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

New Language In Federal Subawards - continued

- 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\(d\)](#)
- 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.

Ensure Procedures Comply with Agreements & Regulations - continued

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 Controller 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 next ESSER Report due date is October 5, 2021 (for claims submitted from July 1 – September 30).

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 4973, and Fund 601 – Revenue 4971

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).

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).

**Instructions for Fund 217 – Revenue 4973,
and Fund 601 – Revenue 4971 - continued**

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, PO's, 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.

From the Office of Federal and State Accountability - CARES Act

1. With the new allowed flexibilities under the CARES Act, districts may want to make changes to their original plans (particularly Title II and Title IV). Amendments should be made: (a) if there are changes in the scope of the plan, or (b) if there are expenditures for function or object codes that were not in the approved budget. Otherwise, an amendment is not needed under these exceptional circumstances.

The mission of the Office of Federal and State Accountability is to process amendment requests with record speed and efficiency. Districts are encouraged to take advantage of all allowed flexibilities under these waivers. At the same time, we want to help protect districts from findings that may occur when the program gets monitored. If you have questions or would like to explore whether or not an amendment is needed, please reach out to Jewell Stanley at jstanley@ed.sc.gov.

From the Office of Federal and State Accountability - CARES Act - continued

2. The period of availability for all FY19 ESSA grants has been extended to September 30, 2021. Additionally, the carryover threshold for Title I is waived for FY20.

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](#).



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:

Source of Fund	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*

*District 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

September 22
October 22
November TBD
December TBD
January 21
February 22
March 22
April 22
May 20
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
December 1	Audits, In\$ite, and ESSA Financial Transparency Report
June 30	Funding Flexibility Form 2021-22