



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

Provisions of Particular Interest to the Charter School Community

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Big Picture



- Two COVID-19 related packages have passed Congress and been signed into law
- Third package (CARES Act) passed the Senate and just passed the House so we expect the President will sign soon
- Package I – Coronavirus Preparedness and Response Supplemental Appropriations Act
- Included \$8.3 billion in emergency funding for vaccine development, research and equipment stockpiles, and supporting State and local health budgets. The bill did not contain any education- or workforce-related provisions.

Big Picture (Continued)



■ Package II - Families First Coronavirus Response Act

- Provided \$1 billion in nutritional aid, expanded access to COVID-19 testing, and expanded sick leave benefits
 - Provided the U.S. Department of Agriculture (USDA) with authority to grant waivers (until September 30, 2020) for various provisions of Child Nutrition and School Lunch Acts to allow meals to be provided outside of school setting in a safe environment and to waive nutritional content requirements, among other things
 - Included an expansion of the Family and Medical Leave Act to provide paid leave, connected to the COVID-19 emergency, to employees at organizations with fewer than 500 total employees to care for a child if childcare is unavailable.
 - Included an employer-provided paid sick leave benefit to employees of private businesses with fewer than 500 employees and employees of public entities for illness or quarantine related to COVID-19 or the care of someone who is quarantined due to or ill because of COVID-19.

Overview of CARES Act



- Package III - Coronavirus Aid, Relief, and Economic Security (CARES) Act
- The bill provides \$2 trillion to help stimulate the economy through:
 - cash payments to individuals
 - providing critical support for hospitals and caregivers
 - supporting employers, unemployed workers, schools, libraries and childcare providers

Major K-12 Elements of the Bill



- Creation of the Education Stabilization Fund (\$30.75 billion)
- Additional funding for Project SERV (\$100 million)
- New waiver authorities

Education Stabilization Fund



- Allocation of the \$30.75 Billion
 - Up to 1/2 percent to the Outlying Areas
 - 1/2 percent to the BIE schools
 - 1 percent to States with the highest coronavirus burden (must be allotted within 60 days)
 - Of the remainder (~ 98 percent)
 - 9.8 percent to the Governor's Emergency Education Relief Fund (\$2.95 billion)
 - 43.9 percent to the Elementary and Secondary School Emergency Relief Fund (\$13.23 billion)
 - 46.3 percent to the Higher Education Emergency Relief Fund (\$13.95 billion)

Governor's Emergency Education Relief Fund



- Allocated to States 60 percent based on population aged 5-24 and 40 percent based on population of children aged 5-17 living in poverty
- Funds will be used, at the discretion of the Governor, for—
 - Grants to LEAs that the SEA deems have been most significantly affected by the virus, to support the continuing provision of educational services and the LEAs' ongoing functionality
 - Grants to IHEs with the most affected students, for the continuing provision of services and ongoing functionality
 - Support to other IHEs, LEAs, or education-related entities for emergency services to students, provision of childcare and early childhood education, social and emotional support, and the protection of education-related jobs

Elementary and Secondary School Emergency Relief Fund



- Allocation of Funds
 - Allocated to SEAs based on the States' previous year's ESEA Title I shares
 - 90 percent then allocated to LEAs based on Title I shares (10 percent SEA reserve fund)

Elementary and Secondary Education Emergency Relief Fund



■ Uses of Funds

- The bill include 12 authorized activities for LEAs, including, among others:
 - Any activity authorized by ESEA, IDEA, the Adult Education and Family Literacy Act, the Perkins CTE Act, or the McKinney-Vento Homeless Assistance Act
 - Coordination of preparedness and response efforts of local educational agencies with State, local, Tribal, and territorial public health departments, and other relevant agencies
 - Planning for and coordinating on long-term closures (including on meeting IDEA requirements, how to provide online learning, and how to provide meals to students)
 - Staff training and professional development on sanitation and minimizing the spread of infectious disease; purchasing supplies to sanitize and clean facilities

Elementary and Secondary Education Emergency Relief Fund



- Uses of Funds (continued)
 - Purchasing educational technology (hardware, software, and connectivity) for students, that aids in the regular and substantive educational interaction between students and their instructors, which may include assistive or adaptive technology
 - Mental health services and supports
 - Summer learning and supplemental after-school programs
 - Discretionary funds for school principals to address the needs of their individual schools
 - Other activities that are necessary to maintain the operation and continuity of services in LEAs and to continuing the employment of their existing staff

Higher Education Emergency Relief Fund



- 90 percent of the funding allocated to IHES based on counts of Pell Grant recipients (75%) and on counts of non-Pell students (25%)
- 7.5 percent will be used to make additional awards to minority-serving institutions under HEA Titles III and V
- 2.5 percent will go to IHEs with the greatest need related to the coronavirus
- IHEs will use the funds to cover costs associated with significant changes in delivery of instruction due to the coronavirus

Participation of Non-Public Schools



- An LEA receiving funding from the Governor's Fund or the Elementary and Secondary Fund must provide equitable services to non-public-school students in teachers in the same manner as provided under ESEA Title I, as determined in consultation with non-public-school representatives.
- Services, assistance, materials, equipment, and property provided or purchased with program funds will remain under public control.

Timeliness of Federal Payments



- Under the Governor's Fund and the Elementary and Secondary Fund, the Secretary must issue a notice inviting applications within 30 days of enactment of the bill and must approve or deny a State's application within 30 days of receipt.
- For the 1 percent reservation for States with the highest coronavirus burden, the Secretary must also issue notice inviting applications within 30 days of enactment of the bill and must approve or deny a State's application within 30 days of receipt

Duration of Funding Availability



- The SEAs and Governors must award funds within 1 year
- Funds are available at the Federal level for LEAs until 9/30/21.
- The Tydings amendment gives LEAs 1 year after that to spend the funds.

Maintenance of Effort



- A State must maintain fiscal support for K-12 and higher education at the average level of the three previous years before the pandemic.
- The Secretary can waive this requirement for States that have experienced a precipitous decline in financial resources.

Project SERV



- Project SERV (School Emergency Response to Violence) provides support (such for counseling and referral to mental health services) to LEAs and IHEs in which the learning environment has been disrupted by violence or traumatic crisis.
- It has historically supported schools and colleges that have experienced shootings, natural disasters, or multiple suicides, and usually makes at a total of no more than \$5 million in a year.
- The stimulus bill adds \$100 million.

National Emergency Educational Waivers



- The bill grants the Secretary new authority to waive statutory or regulatory requirements, at the request of an SEA or LEA, if the Secretary determines those waivers necessary because of the national emergency.
- The Secretary must create an expedited application and approval processor for those waivers.

Waivers that may be granted



- The Secretary may grant SEAs waivers of Title I requirements on:
 - Assessments
 - Accountability systems
 - Annual report card requirements related to assessments and accountability systems
- 47 States (as of Friday am) have already been approved to waive many of the provisions under these waivers

Waivers that may be granted (continued)



- Both SEAs and LEAs may receive waivers on:
 - The Title I schoolwide programs poverty threshold
 - Maintenance of effort (MOE) under ESEA
 - Carryover of Title I funding
 - The Title IV-A needs assessment
 - Within-district allocation of Title IV-A funds
 - The cap on technology purchases under Title IV-A
 - The ESEA definition of “professional development”

Treatment of Charter Schools under the Waivers



- Any waivers issued under the new authority must be implemented -
 - For all public schools, including charter schools within the boundary of the applicable State or LEA; and
 - In accordance with State charter school law.

Other Waiver Provisions



- The bill requires that schools that are affected by waivers and are in Title I comprehensive or targeted support and improvement status for the 2019-2020 school year will remain in that status, and continue to receive their supports and interventions, during 2020-2021.
- The bill specifies requirements for waiver applications (different from, and less extensive than under, ESEA).
- The waivers may cover only school year 2019-2020 (except to carry out MOE waivers granted for 2019-2020).
- The bill specifies public notice, Congressional notification, and reporting requirements.