

CARES Act: Initial Guidance from the Vermont Agency of Education

Background

The Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020 was passed by Congress and signed by the president on March 27, 2020. Among other things, the CARES Act provides substantial funds for K-12 and higher education relief. In addition, there are monies coming to each state for early childhood and child nutrition programs, but little is known about those funding streams yet.

The Agency of Education is still awaiting guidance from the United States Department of Education (U.S. DOE) on the CARES Act, including guidance on the start date of funds, allowable uses, how to disburse the funds, and reporting requirements, among other important details. Meanwhile, based on our knowledge of past stimulus or relief funding and the limited information we have thus far, we are working internally to develop an application process to allow your districts to begin the process of receiving the federal funds allocated to you as soon as they are available.

While we will be providing additional specific details in the coming days and weeks, we have the below high-level information to share today. We will provide additional guidance with more specifics and instructions on how to apply for the funding, what it may be used for, etc. as soon as we are able.

CARES Act Funding for Vermont

Several sources of funding are provided by the CARES Act for use by school districts.

Elementary and Secondary School Emergency Relief Fund

The Elementary and Secondary School Emergency Relief Fund provides flexible funds to state education agencies and school districts to support the extra costs associated with their COVID-19 preparation and response efforts, including efforts to protect public health while ensuring continuity of learning, with particular attention to the needs of the most vulnerable and at risk students.

- Vermont is forecasted to receive about \$31 million.
- 90% of these funds will go to LEAs, with 10% reserved for SEA level activities.
- Funds will be allocated to states and LEAs based upon their most recent year Title I allocations but are not Title funds and therefore, not subject to the same requirements (e.g., regarding allowable uses or school eligibility).
- Monies must be obligated by LEAs by September 30, 2021. It is possible that the funds will come with an additional 12 months under the Tydings Amendment, however, that

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is unknown at this time. The State must award the funds to LEAs within one year of the federal issuance of the funds (the State's federal award date).

We are developing a streamlined application process and expect to receive funding by the middle of May.

The Governor's Emergency Education Relief Fund

The Governor's Emergency Education Relief Fund is designed to give governors flexibility in addressing the impact of COVID-19 on state education systems. Vermont will receive an allocation of approximately \$4.4 million. The funds can be used to:

- Provide emergency support through grants to the LEAs that the SEA deems to have been most significantly impacted by COVID-19.
- Provide emergency support through grants to institutes of higher education serving students within the State that the Governor determines have been most significantly impacted by COVID-19.
- Provide support to any other education-related entity within the State that the Governor deems essential for carrying out emergency educational services to students.

The [application for these funds](#) went live on April 14, 2020. We are working with the Governor's Office to complete the application.

Additional Fiscal Considerations

While we expect CARES Act funding to be valuable to school districts to stabilize fiscal situations in the short term and help account for COVID-19 related costs, we expect that CARES Act funding alone will not solve the fiscal challenges brought on by COVID-19. We are continuing to work with the Governor's Office, the State's COVID-19 emergency response effort, the General Assembly and our federal legislative delegation to identify additional avenues and methods of supporting school districts during this incident. We expect to provide regular updates as this work progresses. Guidance is pending from AOE and Vermont Emergency Management on FEMA Public Assistance funding in the near future.