

School Business – December 3, 2021

The FBS website continues to be updated with COVID-19 policies and information related to School Business, as well as our ongoing operations. Please check the [FBS homepage](#) regularly for updates.

Recent Posts:

[**Salary Schedules 2021-22**](#)

[Conference Budget Summary](#) November 19, 2021

[Budget Money Report and Salary](#) November 19, 2021

[Full Budget Documents](#)

[Compensation](#) - **Continuation Budget Salary Schedules 2021-2022**

SBE Actions:

Salary Schedules and Updates to the Salary Manual were approved by the Board on December 2, 2021. All changes were to align the schedules and manual to SL2021-180 (Budget Bill) and to help us expedite the initial allotments for the PSUs.

Updates to the Allotment Policy Manual (State funds only) were approved on December 2, 2021. The following are the key items:

- **RESTART SCHOOLS: Deadline to complete transfers is January 31, 2022.**
We will notify you when the window and transfer portal is ready for those transactions. We estimate the middle of December.
- **SCHOOL PSYCHOLOGISTS - Positions: PRC 006** for the Position Allotments will go out with your initial allotments.
- **School Psychologists – Converted: PRC 008** for the dollars if LEAs convert positions from PRC 006.
- **Digital Learning (PRC 078):** Deadline for securing the licenses has been extended to February 1, 2022.
- **Hold Harmless:** Extends the hold harmless for LEAs and updates the hold harmless for charter schools. More information will be provided when the calculations are finalized.

All other items updated were to align the policies for the state funds and initial allotment categories to match the requirements in the SL2021-180 (Budget Bill). We will be posting the updated manuals on our website next week.

FAQ for Salary Related Items in SL2021-180 (Budget Bill) is still in process. We understand the complexities related to your implementation of the salary items in SL2021-180 and we are working to get you the clarifications you need. We hope to be able to post our FAQ Monday afternoon after we receive clarification this weekend. Thank you for your patience.

State Health Plan Rate for December payroll remains at the current published rate of \$532.36. The State Health Plan has provided additional guidance related to the rate(s) to use beginning in January 2022. Please see the attached link for their specific update. <https://shpnc.org/media/2652/download?attachment>

Deadlines for ESSER II PRCs 174, 176, 177

Per the State Board of Education approved Allotment Policies for PRCs 174 (ESSER II – Student Nutrition COVID Support), 176 (ESSER II – Learning Loss Funding), and 177 (ESSER II – Summer Career Accelerator Program), all PSUs must have their applications approved by December 15, 2021, so that all allotments for approved applicants can be made by December 31, 2021. No allocations will be made for applications approved after December 15, 2021 and the PSU will forfeit the access to the funds.

Unallotted balances for these PRCs shall be reallocated by January 15, 2022 as follows:

- For PRC 174, unallotted funds will be reallocated through PRC 171 (ESSER II).
- For PRCs 176 and 177, unallotted funds will be reallocated as supplemental funds to those PSUs that have already received allotments within each PRC.

If you have any questions about the allotment timelines for PRCs 174, 176, and 177, please contact the School Allotments Section. If you have questions about the status of your application, please contact the Federal Programs Division.

POTENTIAL FRAUDULANT UNEMPLOYMENT CLAIMS

This week DPI heard from many of you regarding concerns of the increase in fraudulent unemployment claims activity. Ms. Eileen Townsend spoke with the Department of Employment Security (DES) and below is the communication she received:

DES is aware of the spike in fraudulent claims in the school systems. We are investigating the incident. I can assure you that DES has not breached your members' data. The claims are coming from stolen identities that are widely available to criminals. Our system is designed to pick up these fraudulent claims and we have successfully stopped them.

Regarding advising your finance officers, please ask them to send us a list of the employees with the last 4 digits of the SSN and we will take immediate action. If the officers decide to take this route, please advise them that they do not need to fill out the Report Fraud Form. They should fill out the Request for Separation Information and state on the form that it is a fraudulent claim. The list can be sent to regina.graham@nccommerce.com and will be assigned to a staff member for action. If they send the list in Google Doc, password protection is not required.

Additionally, the affected employees should visit the link below. If you have provided us the list of names, the Report Fraud Form is not necessary. The link provides important information for identity theft victims.

<https://des.nc.gov/need-help/unemployment-insurance-fraud>

I know that this incident is frightening and infuriating. Unfortunately, fraudsters do not care about the consequences for their victims.

If you have any questions, please contact [Eileen Townsend](#), Chief of Insurance, with any questions.

2021 Unemployment Year End Charges

School insurance received an email from the Department of Employment Security (DES) regarding their mailing/posting of the 2021 Unemployment Year End Charges. It is our understanding DES will now have the NCUI 104B reimbursement statements to NC employers by **December 15, 2021**. Once you receive this information, you will have

30 days from the mail date to complete the information as requested in the attached 2021 UI Instructions, Employee Worksheets and Master Worksheet.

Please get this information to Eileen Townsend as soon as possible.

If you have any questions, please contact [Eileen Townsend](#), Chief of Insurance, with any questions.

Design Build Service Procurement and Federal Grant Funds

North Carolina General Statute § 143-128.1A(e) and G.S. § 143-64.31 require the selection of a design-build services firm based on competence and qualifications without consideration of price. The federal regulations, 2 CFR 200 Uniform Guidance, require price as a consideration in the procurement process.

The Budget Technical Corrections amends the procurement standards related to design-build services for certain federal funds in a way that allows for compliance with the G.S. and Uniform Guidance.

The amendment and specific requirements for design-build with federal funds can be found on page 6 in section 1.6 Part 5 of S.L. 2021-180 (HB 334). Click here for the link to the [Technical Corrections in HB 334](#) and specific requirements.

The procurement method will be considered compliant by NC DPI if the LEA complies with the Budget Technical Correction and considers price in the procurement process as required in the Uniform Guidance.

The amendment will expire on December 31, 2025.

Please be reminded the following laws still apply to these types of service contracts:

G.S. § 133-1.1. requires that certain projects involving public funds be designed and specified by a licensed architect or engineer.

G.S. § 133-2 prohibits drawing of plans by a material or equipment supplier.

G.S. § 133-3 requires project specifications to carry competitive items and permit substitution of materials.

Please contact Shirley McFadden at Shirley.McFadden@dpi.nc.gov, Monitoring and Compliance Manager, if there are any questions.

Charter School Financial Statement Audits

Charter Schools financial statement audits were due on October 31, 2021. Please note:

- Over the next few months, our section will begin reviewing each of the audits and will follow-up with your school directly if there are any financial or compliance findings related to funds administered by DPI.
- If your organization has submitted a 'Draft' copy of the report, rather than a 'Final' copy of the financial statement audit report, you will need to contact Joseph Letterio Maimone at letterio@dpi.nc.gov as soon as possible with a request to return the draft so that the 'Final' report can be uploaded.
- If the Charter School financial statement audit has not been received your organization point of contact will receive an email in the next couple of business days stating the required communication that should be provided to NC DPI.

Thank you also for making this transition to using EpiCenter for your remission an easy one!

SAM Registration Renewals (Charter Schools)

The 6-month automatic renewal period for SAM registrations have ended and some SAM numbers are getting ready to expire.

Please check your entity's SAM expiration dates. Organizations applying for and receiving federal funding are required to maintain registration in SAM throughout the contract period. DPI will be required to restrict access to federal funds if the SAM registration is not approved.

The SAM registration process is free and can be managed at [SAM.gov | Entity Information](#).

December PSBCF and NBPSCF Lottery Distribution Requests

Monthly distribution requests for PSBCF and NBPSCF lottery revenue for Capital Projects are due by **December 20, 2021**. Signed request forms and questions about lottery capital funds should be directed to Dennis Hilton, PE, via email:

dennis.hilton@dpi.nc.gov

Needs-Based Public School Capital Fund

The 2021-23 State Budget (SL 2021-180) includes significant changes to the Needs-Based Public School Capital Fund (NBPSCF).

These changes include:

- Increased maximum grants -- \$30m for elementary schools, \$40m for middle schools, and \$50m for high schools.
- Grant funds can now be used for new buildings, additions, repairs, and renovations.
- Changes to required local matching funds -- matching requirements now range from 0% to 35%.
- Changes to eligibility criteria based on property tax data -- more counties may be eligible.
- Elimination of 5-year period of ineligibility for receipt of annual PSBCF capital funds.
- Elimination of 5-year restriction for prior recipients to re-apply for another NBPSCF grant.
- Prior NBPSCF grant recipients who have not started construction may apply for increased grant funding.

DPI is required to incorporate these changes into program guidance materials prior to opening the 2021 NBPSCF application period. The 2021 application and submittal schedule will be announced soon. The 2021 application period will extend well into 2022, in order to provide ample time for applicants to submit their materials. For more information, please contact Nathan Maune at: nathan.maune@dpi.nc.gov

Exceptional Children Division Updates

Please contact Matt Hoskins at matt.hoskins@dpi.nc.gov with any questions.

Grant Information

Maintenance of Effort (MOE)

The MOE Expenditure Table was due by October 31, 2021, for PSUs with approved IDEA grants. The MOE Expenditure Table is a federal requirement, and the grant will remain open for late submission. If you were unable to attend the MOE training or if you need a refresher, the recording, along with the PowerPoint, are available on the Exceptional Children website [here](#) and on the NC CCIP Home Page. If you have questions, please contact your fiscal monitor.

Special Grants

Special grants, with the status of Chief Administrator Approved, are reviewed monthly after the 15th. Notification of review is made through NC CCIP. For your review, the Special Grants Training recording, along with the PowerPoint are available on the EC Website [here](#) under the Special Grants section.

- **PRC 167 ESSERF**

Please ensure that budget and grant use of funds align to ensure timely approvals.

- **IDEA/ American Rescue Plan Act of 2021 (ARP)**

The American Rescue Plan funds have been allotted under the following Program Report Codes. The budgets will be submitted the same way as the IDEA budgets. A new application is not required.

PRC 185 IDEA/American Rescue Plan Act of 2021 (ARP) Basic – 611

The funds will align with the IDEA Section 611 Use of Funds. If the funds are budgeted for items not currently in the Section 611 Use of Funds, the Use of Funds must be revised.

PRC 186 IDEA/American Rescue Plan Act of 2021 (ARP) Preschool – 619

The funds will align with the IDEA Section 619 Use of Funds. If the funds are budgeted for items not currently in the Section 619 Use of Funds, the Use of Funds must be revised.

PRC 187 IDEA/American Rescue Plan Act of 2021 (ARP) CEIS

For PSUs with mandatory CEIS, the funds will align with the CEIS Use of Funds. If the funds are budgeted for items not currently in the CEIS Use of Funds, the Use of Funds must be revised.

For PSUs with an approved IDEA grant and needing a grant revision, it should be submitted at the same time as your MOE Expenditures. Contact your fiscal monitor for additional information regarding the IDEA grant status and the submission of the budgets.

- Allotments can be seen on the allotment page of the IDEA Grant in CCIP
- Budgets are submitted through each PSU's budgeting system and will be pulled into CCIP
- Directors/Coordinators can view the budgets once submitted by clicking on the budget link on the IDEA Grant Sections page
- The funds can be utilized on any IDEA allowable expense. The Chart of Accounts now contains the allowable budget codes for PRC 185, 186 & 187. It can be found here:
- <https://www.dpi.nc.gov/districts-schools/district-operations/financial-and-business-services/school-district-finance-operations/chart-accounts>
- If the budget aligns with the current Section 611/619 and or CEIS Use of Funds, the IDEA Grant does not need to be revised.

- If the budget includes line items not currently in the Section 611/619 or CEIS Use of Funds, the IDEA Grant must be revised to include the new line items. Designate in the Use of Funds that the revision items are for PRC 185/186/187.
 - Example: Current Use of Funds does not include funds for professional development. Add to the Use of Funds:
 - Revision for PRC 185: Professional Development Workshop Expenses
 - After the IDEA Grant and all related budgets are approved, SPD notifies NCDPI School Business. SPD does not allot the funds or know when the funds will be allotted.
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Reminders

* [Procedures and Guidance | NC DPI](#)

- [2021 UI Instructions.doc](#)
- [2021 UI Master Worksheet.xlsx](#)
- [2021 UI Employee Worksheet.xls](#)

