



School Business – July 23, 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 post: [COVID Funds](#) – ESSER III – US DOE Maintenance of Equity FAQs and Guidance

Financial and Business Services Organization and Vacancy Announcement

Within the DPI organizational structure, Financial and Business Services (FBS) is the area managed by the Chief Financial Officer, Alexis Schauss, who reports to the State Superintendent. FBS is comprised of two divisions - Agency Financial Services and the Division of School Business.

Agency Financial Services is responsible for the financial operations of the Department, the cash management of the public school units (PSUs), and the overall budget. We recently welcomed Joyce Munro as the new Director of Agency Financial Services. Joyce comes to FBS from NC State University where she served as the Assistant Dean for Business Operations for NC State College of Agriculture and Life Sciences and she previously worked for the City of Raleigh as the Budget Director.

The Division of School Business is responsible for the financial operations of the PSUs, including budget and allocations; the financial, personnel and aggregate student data; monitoring and compliance; and information analysis. The Director of School Business is currently vacant, and we are actively searching for a candidate. The full announcement was recently posted on the NCASBO site, any inquiries may be made to Alexis Schauss at alexis.schauss@dpi.nc.gov.

Budget Process and Preliminary Initial Allotments

The State budget process is delayed and it appears that a final budget is more than a month away. In order to ensure that Public School Units have access to State and Federal funds, the Division of School Business has created a process to provide

“Preliminary Initial Allotments” for LEAs and authority to draw for independent public schools.

State Funds

1. Local Education Agencies

Preliminary Initial Allotments are being loaded to the allotments system before July 21. The preliminary initial allotments are calculated in accordance with the Continuation Budget that the State is currently operating under, and in general reflects the planning allotment information you have been provided. You will note the following:

- Low wealth is lower than the planning to reflect the Base budget recurring funds
- The exceptional children allotment is pre budget adjustments
- No small county funds are provided to LEAs who are newly eligible for the funds.

These allotments are temporary and will be recalculated when there is a final 2022 budget.

2. Independent Public Schools

To ensure schools have funding available, an authority to draw funds was provided to independent public schools on July 21st. The authority was calculated at:

20% x Initial average daily membership * estimated 21-22 State average base for continuation funding.

2021-22 State average base for continuation funding is as follows:

Charter, Regional & Lab Schools \$5,853.17

ISD \$5,558.07

Virtual charter schools \$ 5,664.94

Funds shall only be made available to schools that have a certificate of occupancy approved by the Office of Charter Schools.

Federal Funds

Once both the Preliminary Initial Allotments and authority to draw are completed, the School Allotments Section will resume Federal allotments, including ESSER II and ESSER III allotments that have been approved by the Federal Programs Division.

For the non-COVID related Federal grants, School Allotments will begin calculating FY 22 Initial Allotments and will make first installments for PSUs that have approved applications. The anticipated timeline for programs like Title I, IDEA, and CTE is by mid to late August.

The allotments process will be reassessed in the event that a State budget is passed.

ESSER II and III PRC Chart

A [PRC Chart](#) has been created by the [Federal Program Monitoring and Support Division](#) to provide clarity and aid in tracking the various PRCs associated with ESSER. This chart will outline all known ESSER PRCs, including purpose, initial and continuation application instructions, and budget information for FY22 and beyond. If you have any questions, contact your regional program administrator.

Maintenance of Equity (MOEquity) – LEAs only

ARPA includes a new maintenance of equity provision that are a condition of State Education Agencies and LEAs to receive ESSER funds. Related to LEAs, the provision ensures that LEAs with greater than 1,000 students do not disproportionately reduce either:

1. the State and local per pupil funding in high-poverty schools
2. the number of FTE staff per pupil in high poverty schools

An [FAQ](#) has been posted to provide more information on this requirement. There is also a [guidance document](#) from the US Department of Education. Please note that LEAs may elect to make the determination on a LEA-wide basis or by grade span and should refer to the guidance document for further understanding.

School Business is working with the Federal Programs Division to provide additional support.

Reminders

Legislated Survey for Federal Use of Funds due **TODAY, Friday, July 23, 2021**

Details are in the July 16, 2021 newsletter *

July PSBCF and NBPSCF Lottery Distribution Requests are due **July 26, 2021**

Details are in the July 9, 2021 newsletter *

CCIP ESSER Federal Fund – applications and carryover budgets are due **July 30, 2021**

Details are in the July 9, 2021 newsletter *

2022 IDEA Grant Budgets are due **July 31, 2021**

Details are in the July 16, 2021 newsletter *

School Safety Grant Awardees - updates to CCIP can be entered now

Details are in the July 9, 2021 newsletter *

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