



**CO L O R A D O**

**Department of Education**

**PROGRAM REQUIREMENTS  
FOR ESEA & ESSER MONITORING**



Updated October 2021

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## Program Requirements Overview

This document contains a **subset** of the program requirements that LEAs must comply with in order to accept and use federal funds. CDE will use this document to ensure compliance with these requirements for ESEA and ESSER funds. CDE will prioritize requirements within each category and will notify LEAs of the requirements that will be included in the monitoring process. As part of the review, CDE will make recommendations to support LEAs with improving best practices within their ESEA and ESSER programs.

The ESEA and ESSER program requirements have been divided into three main categories:

- **Meaningful Stakeholder Engagement**
- **Identification and Delivery of Services**
- **Fiscal Requirements**

In this document, the indicator represents the statutory or regulatory requirement that must be monitored. CDE has outlined criteria for demonstrating compliance and created a list of examples of evidence that LEAs may collect or maintain to demonstrate compliance with each requirement. The lists are not exhaustive and not all of the listed documents have to be submitted. An LEA's individual context will determine the amount of evidence to be submitted. An LEA may choose to demonstrate compliance based on other processes or documents that pertain to the individual LEA and are not listed in the examples of evidence. **It is up to the LEA to determine what evidence best demonstrates compliance.**

CDE's goal is to provide support so that all LEAs will be able to demonstrate compliance with every requirement. Please reach out to your [Regional Contact](#) with any questions, concerns, or request for assistance at any time. Updates and additional information, including announcements of upcoming trainings, can be accessed on the CDE [monitoring website](#).

## Additional Guidance for ARP ESSER III

ARP ESSER III has additional planning requirements as delineated in the Interim Final Rule and the ESSER and GEER FAQ Guidance, published by the U.S. Department of Education on April 22, 2021 and May 26, 2021, respectively. These additional requirements necessitated the addition of indicators in four major areas of work.

- Use of ARP ESSER Funds Plan
- Safe Return to In-Person Instruction Plan
- 20% Learning Loss Set-Aside (In Colorado: Addressing Lost Instructional Time)
- Maintenance of Equity

Additional information regarding the requirements within these four areas of work can be found in the individual program requirements.

## Stakeholder Engagement (SE)

The LEA meaningfully engages parents, families, and community members and communicates information in a timely manner in a language and a format that parents, families, and community members can understand, to the extent practicable.

### SE 7.1 Safe Return to In-Person Instruction Plan

### § ESSER III: 2001(i)(1-3)

#### Statutory Indicator

##### ARP ESSER III:

*IN GENERAL.—A local educational agency receiving funds under this section shall develop and make publicly available on the local educational agency’s website, not later than 30 days after receiving the allocation of funds described in paragraph (d)(1), a plan for the safe return to in-person instruction and continuity of services*

*COMMENT PERIOD.—Before making the plan described in paragraph (1) publicly available, the local educational agency shall seek public comment on the plan and take such comments into account in the development of the plan.*

*PREVIOUS PLANS.—If a local educational agency has developed a plan for the safe return to in-person instruction before the date of enactment of this Act that meets the requirements described in paragraphs (1) and (2), such plan shall be deemed to satisfy the requirements under this subsection.*

*In an understandable and uniform format; to the extent practicable, written in a language that parents can understand or, if not practicable, orally translated; and upon request by a parent who is an individual with a disability, provided in an alternative format accessible to that parent.*

*LEA must seek public input on whether to revise its plan and on any revisions to its plan no less frequently than every six months (taking*

#### Demonstration of Compliance<sup>1</sup>

- The LEA has posted its Safe Return to In-Person Instruction and Continuity of Services plan on the LEA’s website within 30 days of receiving the allocation of funds and will review and update the plan in an ongoing manner (no less frequently than every 6 months).
- The LEA’s plan describes how it will maintain the health and safety of students, educators, and other school and LEA staff.
- The LEA plan describes any policies pertaining to each of the CDC’s safety recommendations including:
  - Universal and correct wearing of masks;
  - modifying facilities to allow for physical distancing (e.g., use of cohorts/podding);
  - handwashing and respiratory etiquette;
  - cleaning and maintaining healthy facilities, including improving ventilation;
  - contact tracing in combination with isolation and quarantine, in collaboration with the State, local, territorial, or Tribal health departments;
  - diagnostic and screening testing;
  - efforts to provide vaccinations to school communities;
  - appropriate accommodations for children with disabilities with respect to health and safety policies; and
  - coordination with State and local health officials.
- The LEA plan describes how the LEA ensure continuity of services, including but not limited to services to address students’ academic needs and students’ and staff social, emotional, mental health and other needs, which may include student health and food services, **if such information is not included in the LEA’s use of funds plans.**

<sup>1</sup> Additional information can be found in the Interim Final Rules: <https://www.federalregister.gov/documents/2021/04/22/2021-08359/american-rescue-plan-act-elementary-and-secondary-school-emergency-relief-fund>

*into consideration the timing of significant changes to CDC guidance on reopening schools)*

- The LEA held a public comment period in accordance with local practices on the plan's development prior to making it publicly available.
- The LEA will review the plan at least every six months and update if needed, taking into consideration input from stakeholders and the public about whether the plan needs revision, and if so, in what manner. Any revisions must also take into consideration current CDC or local health departments recommendations.
- The plan, and any updates or revisions to it, meets American Disabilities Act (ADA) accessibility requirements or the LEA has responded to any requests for translations or making materials available in an accessible manner (e.g., oral for visually impaired individuals).

#### **Examples of Evidence**

- Published Safe Return to In-Person Instruction and Continuity of Services plan; [If link is provided in ARP-ESSER III application, no need to resubmit as part of monitoring].
- Evidence of public comment period: record of comments received, narrative of process, agenda/minutes from meeting, or other evidence deemed appropriate by LEA.
- Corresponding evidence showing how LEA incorporated public input into the plan: feedback on comments, meeting notes showing discussion, list of revisions based on comments, narrative explaining how input was used, pre- and post- drafts of plan on website. Communications shared with families and school community about reviewing or providing input on the plan.
- List of dates that the plan was developed, reviewed, or revised. Any corresponding documentation to demonstrate revisions (e.g., stamp dated updates to the website, notice of public comment, internal memos about the revisions to the plan).
- Any published updates based on periodic (at least every 6 months) reviews; narrative of review process.
- Translated versions of the plan.
- Board documents that demonstrate opportunity for stakeholder or public input.

**Statutory Indicator****ARP ESSER III:**

*Each LEA that receives ARP ESSER funds must develop, submit to the SEA on a reasonable timeline determined by the SEA, and make publicly available on the LEA's website, a plan for the LEA's use of ARP ESSER funds. The plan, and any revisions to the plan submitted consistent with procedures established by the SEA, must include at a minimum a description of—*

- (1) The extent to which and how the funds will be used to implement prevention and mitigation strategies that are, to the greatest extent practicable, consistent with the most recent CDC guidance on reopening schools, in order to continuously and safely open and operate schools for in-person learning;*
- (2) How the LEA will use the funds it reserves under section 2001(e)(1) of the ARP Act to address the academic impact of lost instructional time through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year;*
- (3) How the LEA will spend its remaining ARP ESSER funds consistent with section 2001(e)(2) of the ARP Act; and*
- (4) How the LEA will ensure that the interventions it implements, including but not limited to the interventions implemented under section 2001(e)(1) of the ARP Act to address the academic impact of lost instructional time, will respond to the academic, social, emotional, and mental health needs of*

**Demonstration of Compliance**

- The LEA has a plan that meets the requirements under the IFR as outlined in the statutory requirement.
- The LEA plan was developed in consultation with key stakeholders who had an opportunity to provide meaningful input, including the following:
  - o students
  - o families
  - o school and district administrators (including special education administrators)
  - o teachers, principals, school leaders, other educators, school staff, and their unions
- In addition, the LEA provided an opportunity for the following stakeholders to provide input, to the extent present or served by the LEA:
  - o Tribes
  - o civil rights organizations (including disability rights organizations)
  - o stakeholders representing the interests of children with disabilities, English learners, children experiencing homelessness, children in foster care, migratory students, children who are incarcerated, and other underserved students
- The public had an opportunity to provide input on the LEA plan.
- The LEA plan is posted on the LEA website.
- The plan, and any updates or revisions to it, is available in a language that parents can understand and meets Americans with Disabilities Act (ADA) accessibility requirements or the LEA has responded to any requests for translations or making materials available in an accessible manner (e.g., oral for visually impaired individuals).

**Examples of Evidence**

- The LEA plan submitted in the ARP ESSER III [CDE already has on file; no need to resubmit as part of monitoring]
- Documentation of stakeholder engagement
  - o Agendas from stakeholder meetings
  - o List of stakeholders who were invited or participated
  - o Content provided at stakeholder meetings (PPT or other materials shared)
  - o Samples of documents examined during stakeholder engagement activities

*all students, and particularly those students disproportionately impacted by the COVID–19 pandemic, including students from low-income families, students of color, English learners, children with disabilities, students experiencing homelessness, children in foster care, and migratory students.*

*Under this requirement, an LEA must engage in meaningful consultation with stakeholders and give the public an opportunity to provide input in the development of its plan. Specifically, an LEA must engage in meaningful consultation with students; families; school and district administrators (including special education administrators); and teachers, principals, school leaders, other educators, school staff, and their unions.*

*Additionally, an LEA must engage in meaningful consultation with each of the following, to the extent present in or served by the LEA: Tribes; civil rights organizations (including disability rights organizations); and stakeholders representing the interests of children with disabilities, English learners, children experiencing homelessness, children in foster care, migratory students, children who are incarcerated, and other underserved students.*

*Finally, under the requirement, each LEA’s ARP ESSER plan must be: In an understandable and uniform format; to the extent practicable, written in a language that parents can understand or, if not practicable, orally translated; and, upon request by a parent who is an individual with a disability, provided in an alternative format accessible to that parent.*

- Meeting notes including participation information and feedback on the LEA plan for use of funds.
- Link to the website where the LEA’s plan is posted.
- Samples of survey responses or input provided by various stakeholders.
- Translations of the LEA plan.
- Communication inviting stakeholders to participate in meetings, surveys, or other platforms for providing meaningful stakeholder input on the LEA use of funds plan.
- Communications summarizing or sharing use of funds plans with stakeholders.
- Board documentation demonstrating discussions of use of funds plans and public opportunity to provide input.

**Statutory Indicator****ESEA:**

*The LEA has conducted timely, meaningful, and ongoing consultation with all non-public schools within its boundaries regarding the availability of Title I, Part A, Title II, Part A, Title III, Part A, Title IV, Part A, and Title IV, Part B funds and is providing equitable services to those who have chosen to participate.*

**ESSER I:**

*SEC. 18005 (a) IN GENERAL.—A local educational agency receiving funds under sections 18002 or 18003 of this title shall provide equitable services in the same manner as provided under section 1117 of the ESEA of 1965 to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools.*

**ESSER II/ARP ESSER III:**

*Not Applicable*

**Demonstration of Compliance**

- All eligible non-public schools were consulted in a timely, meaningful, and ongoing manner.
- Each LEA must have a process that it follows for consulting with its non-public schools. The LEA must submit evidence to CDE to demonstrate what that consultation process looks like and that the process has occurred in a timely and meaningful way for all eligible non-public schools.

**Examples of Evidence**

- Non-Public School Consultation Forms are submitted as a part of the LEA's application for funds. CDE will be able to verify demonstration of compliance on this indicator. However, in some instances, it might be necessary for CDE to collect additional evidence from the LEA. For example:
  - Evidence of communication to non-public schools to participate in the consultation process for equitable services
  - For all eligible non-public schools, provide consultation forms, if not previously submitted as part of the application for funds. The consultation forms should:
    - include signatures from representatives of both the district and the non-public school(s),
    - document the decision regarding participation of the non-public school(s),
    - for non-public schools that were non-responsive, include documentation of multiple contact attempts when consultation did not occur.
- Survey provided to non-public schools to identify needs
- Memorandum of understanding with receiving LEAs that consult and provide equitable services to participating non-public schools outside the sending LEA's boundary. [ESEA]
- For non-public schools that are not eligible for services a memorandum or other documentation of the reasons for ineligibility. For example:
  - Low-income student counts from non-public schools,
  - School is for-profit, or
  - School only serves preschool students.



- Note:** *If* a Non-Public School has filed a complaint against an LEA, CDE may already have access to additional documentation that may become a part of monitoring:
- Complaint received from any Non-Public Schools regarding consultation process or opportunities to participate in the consultation process
  - District response to any formal complaints filed on behalf of Non-Public Schools

## Identification and Delivery of Services (ID)

The LEA and schools identify the needs of their students and staff, design and implement programs and activities to meet the identified needs.

ID 7.1 20% Learning Loss Set-Aside (In Colorado: Addressing Lost Instructional Time)

ESSER III §2001.e.1  
ESEA §8101(21)(A)

### Statutory Indicator

#### ARP ESSER III:

*The LEA shall reserve not less than 20 percent of such funds to address learning loss through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year programs, and ensure that such interventions respond to students' academic, social, and emotional needs and address the disproportionate impact of the coronavirus on the student subgroups described in section 1111(b)(2)(B)(xi) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)(B)(xi)), students experiencing homelessness, and children and youth in foster care.*

*The ARP Act defines the term "evidence-based" as having the meaning in section 8101(21) of the ESEA.*

### Demonstration of Compliance

- The LEA has used at least 20% of the LEA's ARP-ESSER III allocation for addressing lost instructional time.
- The LEA has used funds to address the academic, social, emotional, and mental health needs of students.
- The LEA has a process for identifying the academic, social, emotional, and mental health needs of students, which includes disaggregation of the data for the student populations specified in statute who are enrolled in the LEA.
- The LEA has a process for ensuring that the academic, social, emotional, and mental health needs of students are addressed.
- The LEA has used funds to address any identified disproportionate impact of the coronavirus on student groups, including students from low-income families, students of color, English learners, children with disabilities, students experiencing homelessness, children and youth in foster care, and migratory students.
- Activities implemented by the LEA to address learning loss meet the criteria for being evidence-based interventions based on ESEA Section 8101(21)(A) and [USDE guidance](#).

### Examples of Evidence

- Complete narrative response provided in the ARP-ESSER III application explaining how funds were used to respond to learning loss [if CDE has an approved narrative on file; no need to resubmit as part of monitoring]
- At least 20% of allocated funds in the ARP-ESSER III application coded using Funding Source 9414 and each line item references an evidence-based intervention that meets ESEA §8101(21)(A) [LEA ESSER III application is already on file with CDE and does not need to be resubmitted].
- Expenditure reports that demonstrate at least 20% of allocated funds were used for evidence-based interventions, as approved in the ESSER III application, such as:

- summer learning
- summer enrichment
- extended day
- comprehensive after school programs
- extended school year programs
- other evidence-based interventions aimed at learning loss
- Links to or citations corresponding to evidence/research that demonstrates the intervention(s) outlined in the application [if using one of the evidence-based interventions specified by the USDE (e.g., summer learning, summer enrichment, extended day), citations/links are not required].
- Evidence demonstrating implementation of the process outlined in the narrative response on how the LEA used data to identify needs, progress monitor, *and/or* evaluate student academic, social, emotional, or mental health outcomes to ensure that strategies are addressing needs of students (for general student population and any student groups who have been disproportionately impacted), such as:
  - notes from data meetings wherein needs, progress monitoring, or evaluation were discussed,
  - PowerPoint slides that provide an overview of the data used to identify needs, share progress, or evaluation results, or
  - data visualization summarizing student needs, progress, or evaluation results.
- Evidence demonstrating implementation of evidence-based interventions: lesson plans, student participation data, time and effort reports, summer school or afterschool activity schedules, etc.

**Statutory Indicator****ESEA:**

*All activities and expenditures align with those described in the approved LEA Plan, are reasonable, and allocable (necessary to meet the purpose of the grant, as outlined in each section of ESEA Titles I-V).*

**ESSER I:**

*All activities and expenditures align with those described in the approved ESSER I application and are in compliance with CARES Act Sec. 18003(d)(1-12).*

**ESSER II:**

*All activities and expenditures align with those described in the approved ESSER II application and are in compliance with CRSAA Sec. 313(d)(1-15).*

**ARP ESSER III:**

*All activities and expenditures align with those described in the approved ARP-ESSER III application and are in compliance with ARP Act Sec. 2001(e)(1) and 2001(e)(2)(A-J).*

*All ESSER-funded activities must also be reasonable and allocable (necessary to respond to, prepare for, or prevent the spread of COVID-19).*

**Demonstration of Compliance**

- Funds expended and activities implemented match the application for funds as approved by CDE.
- Funded activities must be reasonable - based on a prudent person's judgment, align with similar activities funded with other funds, align with fair market values for such items, with additional considerations made for the LEA's geographical area and the accessibility of items, or be the most cost-effective way to implement such an activity/purchase such items.
- Any equipment or real property must comply with UGG requirements and local procurement policies and/or purchasing guidelines on equipment or real property management.
- For ESSER:
  - Activities must be allocable, meaning that funded activities or items were made necessary as a result of the COVID-19 pandemic and were necessary in order for the LEA to respond to, prepare for, or prevent the spread of COVID-19.
  - ESSER-funded activities were obligated within the performance period (on or after March 13, 2020) and prior to September 30, 2022 for ESSER I, prior to September 30, 2023 for ESSER II, and prior to September 30, 2024 for ARP-ESSER III.

**Examples of Evidence<sup>2</sup>**

- Expenditure detail reports that demonstrate the use of funds for allowable activities described in the application for funds submitted to and approved by CDE.

Prior to submitting additional evidence, please wait for CDE to identify the line items selected for monitoring based on the expenditure detail report.

<sup>2</sup> CDE will select a list of budgeted items from the approved budget which will total a minimum of 30% of the LEA's allocation (could range up to 100% of the allocation). The LEA will submit evidence to demonstrate that the expenditures match the selected approved budget items.

- For reasonableness, documentation of any process used for researching or identifying a vendor, provider, or supplier that provides fair market value or cost-effective supplies, materials, or other purchased items, including any bids, requests for purchases, or procurements. For larger items that exceed the LEA's procurement thresholds, evidence can also include requests for proposals or other bidding processes used by the LEA.
- Local written protocols/procedures document or narrative summarizing the process used by the LEA to determine reasonableness, including how employees research items needed for purchase.
- Additional documentation:
  - If funds were used to purchase equipment, supplies, and/or materials: submit invoices and/or inventory of equipment
  - If funds were used to provide professional development: submit PD content such as agendas and materials, induction documents, conference registration
  - If funds were used to provide FTE: submit samples of staff time and effort

**Statutory Indicator**

*The LEA will meet the requirements of section 442 and section 427 of the General Education Provisions Act (GEPA, 20 U.S.C. 1232(e) & 1228(a)).*

**Demonstration of Compliance**

- Documentation that the district is implementing the steps outlined in the GEPA statement to ensure equitable access to, and participation in, its federally-assisted programs for students, teachers, and other program beneficiaries with special needs and that each program has been administered in accordance with applicable statutes and regulations.
- GEPA statement(s) outlining the steps the LEA will take to overcome any barriers to ensure that teachers and students have equitable access to programs and opportunities provided with federal grant funds.

**Examples of Evidence**

- Information from a comprehensive needs assessment process or UIP that was used to develop a GEPA response describing the steps the LEA has taken to overcome any barriers that impede equal access or participation in federally funded activities.
- Narrative explaining how, when and by whom the steps are being implemented
- Additional documentation could include:
  - An employee handbook/how to manual for implementing the steps outlined in the GEPA statement
  - Job description of the individual(s) responsible for implementation of the action steps outline in the GEPA statement
  - Meeting agenda/notes regarding the implementation of action steps outlined in the GEPA statement

## Fiscal Requirements (FR)

Subrecipient monitoring is required to be performed by the Pass-Through Entity for all Federal Funds (2C.F.R.200.332 b - h)

### FR 1.7 Proportionate Share

ESEA §§ 1117(a)(4)(A)(i), 1117(c)(1)(C)  
ESSER I § 18005(a)

#### Statutory Indicator

##### ESEA:

*The LEA appropriately determines the proportionate share to provide equitable services under Title I, Part A to students attending a non-public school who reside in an attendance area of a Title I school.*

##### ESSER I:

*SEC. 18005. (a) IN GENERAL.—A local educational agency receiving funds under sections 18002 or 18003 of this title shall provide equitable services in the same manner as provided under section 1117 of the ESEA of 1965 to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools.*

##### ESSER II/ARP ESSER III:

*Not Applicable*

#### Demonstration of Compliance

- Each LEA must have a process that it follows for determining and distributing the proportionate share of federal funds to provide equitable services to non-public schools.

#### Examples of Evidence

- Documentation of data used to calculate the proportionate share in the Consolidated Application platform or ESSER I Application platform.
- The budget reflects the proportionate share using the Non-Public School Set Aside Funding Source
- A description of how the needs of the non-public schools discussed during the consultation process were used to distribute funds amongst participating non-public schools
  - for example: per-pupil amount, needs-based, specific requests from non-public schools
- Verification of addresses for students residing within Title I, Part A school boundary for both students attending non-public schools and public schools.
- Consultation forms [Please **only** submit any forms **not** previously submitted as part of the application for funds. CDE will automatically check any forms submitted as part of the application process.]

**Statutory Indicator****ARP ESSER III:**

*(1) As a condition of receiving funds under section 2001, a local educational agency shall not, in fiscal year 2022 or 2023—*

*(A) reduce per-pupil funding (from combined State and local funding) for any high-poverty school served by such local educational agency by an amount that exceeds—*

*(i) the total reduction in local educational agency funding (from combined State and local funding) for all schools served by the local educational agency in such fiscal year (if any); divided by*

*(ii) the number of children enrolled in all schools served by the local educational agency in such fiscal year; or*

*(B) reduce per-pupil, full-time equivalent staff in any high-poverty school by an amount that exceeds—*

*(i) the total reduction in full-time equivalent staff in all schools served by such local educational agency in such fiscal year (if any); divided by*

*(ii) the number of children enrolled in all schools served by the local educational agency in such fiscal year.*

*(2) EXCEPTION.—Paragraph (1) shall not apply to a local educational agency in fiscal year 2022 or 2023 that meets at least 1 of the following criteria in such fiscal year:*

**Demonstration of Compliance**

- In FY 2022 and 2023, per-pupil funding and per-pupil FTE staff at high poverty schools were not reduced by an amount that exceeds the total reduction in funding for all schools as compared to the comparison year.<sup>3</sup>
  - High poverty schools are defined as the top 25% of schools, including charter schools, in the LEA based on the percentage of economically disadvantaged students (i.e., free and reduced meal counts reported in Student October).

*Note:* If possible, this will be established by state data. If not, the LEA will have the opportunity to provide additional information to establish compliance.

**Examples of Evidence (only needed if state did not determine compliance)**

- Any data table, summary, or spreadsheet comparing state and local allocations<sup>4</sup> for fiscal years 2022 and 2023 against the comparison year. Data should demonstrate that:
  - Schools in the highest poverty quartile did not have a greater per-pupil reduction than the average reduction for all schools.
  - Schools in the highest poverty quartile did not have a greater reduction in FTE<sup>5</sup> per-pupil than the average reduction for all schools.
- Narrative explaining exceptional circumstances that could have resulted in an exception from this statutory indicator, as described in section 2.D.

<sup>3</sup> This does not apply to LEAs who meet the exceptions listed under the statutory indicator, section 2.A-D.

<sup>4</sup> An LEA generally includes all sources of State and local funds the LEA has available for current expenditures for free public education. (See section 8101(12) of the ESEA.) Current expenditures do not include dedicated funds for capital outlays and debt service, support from private donors, such as charitable contributions that corporations or individuals make to elementary and secondary education. The LEA must use consistent funding sources from year to year and document its sources of data. and if an LEA can document a one-time disbursement for a specific purpose (e.g., a revenue surplus that was distributed only for one year), then those funds may be excluded from MOEquity calculations. These data should be consistent with sources of State and local funding that an LEA uses to report for the purposes of per-pupil expenditures in section 1111(h)(1)(C)(x) of the ESEA.

<sup>5</sup> Each LEA must include all paid staff, both instructional and non-instructional when determining whether it maintained staffing equity on an FTE basis. This would include all employees and those hired by contract who perform school-level services. An LEA includes staff who split their time between more than one school building in the LEA. LEAs are encouraged to support their high-poverty schools with at least the same level of instructional staff on an FTE basis compared to other schools and are encouraged to determine whether they maintained equity of instructional staff. An LEA is also encouraged to consider equity in terms of its overall staffing budget, which may include considering the qualifications and level of experience of staff in its high-poverty schools compared to other schools.



- (A) Such local educational agency has a total enrollment of less than 1,000 students.*
- (B) Such local educational agency operates a single school.*
- (C) Such local educational agency serves all students within each grade span with a single school.*

**Statutory Indicator**

*A local educational agency may receive funds under a covered program for any fiscal year only if the state educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of the agency and with respect to the provision of free public education by the agency for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year.*

**Demonstration of Compliance**

- LEA provides a consistent (no less than 90 percent of the previous year's allocation) level of financial support to each public school within the LEA.

**Examples of Evidence**

- CDE annually calculates the fiscal effort of each LEA, both the combined fiscal effort per student and the aggregate state and local expenditures of the LEA, to determine whether MOE requirements have been met through either method.

The LEA does **not** need to submit any documentation. Any followup regarding Maintenance of Effort will occur directly between the district and school finance to determine the impact on future allocations. CDE completed calculations can be accessed by following this link:  
(<http://www.cde.state.co.us/cdefinance/sffpstablecontents>).

**Statutory Indicator****ESEA:**

*The educational services or other benefits, including materials and equipment provided to non-public schools with ESSA funds are secular, neutral, and non-ideological.*

**ESSER I:**

*All activities and expenditures align with those described in the approved ESSER I application according to CARES Act Sec. 18003(d)(1-12).*

**ESSER II/ARP ESSER III:**

*Not Applicable*

**Demonstration of Compliance**

- All equitable services provided with federal funds were for activities that are secular, neutral, and non-ideological.
- Evidence of alignment between the consultation forms and the proposed budget submitted through the application for funds. Additional changes to activities may be made during the ongoing consultation process.
- Implemented activities match those described in the approved budget items from the application for funds.

**Examples of Evidence**

- Expenditure report line item detail, action plan, budget, or other planning documents that demonstrate the use of funds for non-public school purchases.
- As applicable:
  - Invoices for books or supplies/materials purchased
  - Scope of work, contract, subcontractor/vendor agreements for providing equitable services
  - Inventory list of technology and/or equipment
  - Documentation of non-public school staff attending professional development opportunities that were part of the planned equitable services in the application for funds (as applicable)
  - Professional development material (agendas, PowerPoint, booklets) to demonstrate that the content was secular, neutral, and non-ideological
  - Documentation (abstracts, summaries, overviews) that the content of instructional materials purchased is secular, neutral, and non-ideological

**Statutory Indicator**

*The LEA utilizes an inventory and tracking system for supplies and equipment purchased with Federal funds that aligns with written policy and/or procedures and meets the following requirements to safeguard all assets. This would include the allowance of technology items to be checked out/loaned to students and staff.*

**OBJECT Code/Definitions for Usage**

**0600:** *Amounts paid for items that are consumed, worn out, or deteriorated through use; or items that lose their identity through fabrication or incorporation into different or more complex units or substances. Items that do not contribute to a district's capital assets, as evaluated by the district's capital assets policy, may be coded as supply items, or may be coded as 0735, Non-Capital Equipment. Items that contribute to a district's capital assets must be coded as equipment items in the 0700 series*

**0730:** *Expenditures for the initial and replacement items of equipment, such as machinery, furniture, fixtures, and vehicles Machinery, furniture, and fixtures (including teacher desks, chairs, and file cabinets), technology equipment, and other equipment that are used for instructional purposes should be charged to appropriate instructional programs. The district's capital asset policy establishes criteria for when an equipment item must be capitalized and included on the district's property inventory records. Usually this criteria requires equipment costing above a certain dollar amount to be capitalized. Capitalized equipment must be coded with an object 0730*

**0735:** *Expenditures for items classified as equipment but costing less than the district policy for capital assets inventory. Alternatively, non-capital equipment may be coded as a supply to an object in the 0600 series*

**Demonstration of Compliance**

- Documented physical inventory reports and status, at a minimum, every two years.
- LEA's written inventory procedures must include the following:
  - process performed when inventory is received;
  - process describing what type of property is tagged and what position/office performs the tagging;
  - process to adjust the inventory records in the event the property is sold, lost, or stolen, or cannot be repaired.
- Inventory Records should include at a minimum:
  - Serial number or other identification number
  - Source of funding for the property, including FAIN# (Federal Award Identification Number); and CFDA#
  - Title owner/holder
  - Acquisition date
  - Acquisition cost
  - Percentage of cost related to Federal participation for the program under which the property was acquired (when not fully funded with federal funds)
  - Location of equipment
  - Any ultimate disposition data including the date of disposal and sale price of the property, federal release of title/approval to dispose.

**Examples of Evidence**

- Written procedures
- Current Inventory list
- Check out procedures, to include current disposition and location of items, as well as Inventory Records Requirements in Property and Equipment section.

**Statutory Indicator**

*LEAs must expend and account for Federal funds in accordance with Federal and State laws and procedures for expending and accounting for these funds. LEA's accounting systems must satisfy Federal and State requirements regarding the ability to track the use of funds and permit the disclosure of financial results. LEAs must follow written procedures for determining cost allowability and must have effective control over all funds.*

**Demonstration of Compliance**

- Awards are received and expended under the programs for which they were received.
- Accurate, current, and complete disclosure of the financial results of each award.
- Records that identify the source and application of funds for federally funded activities.
- Effective control over and accountability for all funds, property, and other assets to assure that they are used solely for authorized purposes.
- Comparison of expenditures to budget amounts, to include a system/process in place to prevent over budgeted expenditures.
- Written procedures to implement payments.
- Written procedures to determine allowability of costs.

**Examples of Evidence**

- Generate report of budget to actual amounts (interim financial report generated from proprietary accounting system, general ledger).
- LEA revenue and expenditure detail report. Policy/procedure representing the requirement for federal funds being managed independently of all other funds.

**Statutory Indicator**

*The LEA maintains proper time and effort documentation that accounts for 100% of the effort of any employee that is paid in whole or in part with Federal funds.*

*Personnel activity reports (PAR): If an employee works on multiple activities or cost objectives, a distribution of the employee's salary and wages must be supported by a personnel activity report or equivalent documentation.*

*A PAR must – reflect an after-the-fact distribution of the actual activity of the employee; account for the total activity for which each employee is compensated for the payment period in question, be prepared at least monthly and coincide with one or more pay periods; the PAR (or time and effort report) must be approved by an individual (program manager/supervisor) with direct knowledge of the time and activity (effort) performed.*

*Semi-annual certifications are also an allowable form of time and effort tracking, must include all detail in the PAR description above, but are allowable to be completed on a semi-annual basis for individuals working on a single cost objective.*

**Demonstration of Compliance**

- Semi-annual certification (single cost objective 100%)
- Personnel Activity Reports (PARs) (multiple cost objectives)
- Substitute system (multiple cost objectives with predetermined, set schedule, must be pre-approved by CDE)

**Examples of Evidence**

- Written procedures for documenting time and effort to include approval and allocations of labor expenditures which tie to PAR/Semi-annual certification; financial payroll reporting; and general ledger reporting, and are in support of the program objectives.

**Statutory Indicator**

*Written policies and procedures exist for the following items in accordance with UGG.*

- 1) *Financial Management System (2 C.F.R. §200.302(b)(1-4), 34.75.730)*
- 2) *Cash Management System (2 C.F.R. §200.302(6))*
- 3) *Allowability of Costs (2 C.F.R. §§200.302(6);200.403-405)*
- 4) *Procurement (2 C.F.R. §200.318(a))*
- 4a) *Conflict of Interest (2 C.F.R. § 200.318(c)(1))*
- 5) *Travel (2 C.F.R. §200.475)*
- 6) *Property (2 C.F.R. § 200.313) (2 C.F.R. § 200.439)*
- 7) *Personally Identified Information (2 C.F.R. §200.338, 34.75.740)*
- 8) *Records Retention (2 C.F.R. §200.334)*

**Demonstration of Compliance**

- Policies, procedures and/or desk level procedures exist for each of the required items.

**Examples of Evidence**

- Policies that meet all requirements relating to:
  - 1) Financial Management System (levels of approval, handbook, grant approval process, internal procedures, evidence federal funds are tracked separately from other funds, board policies, budget to actual reporting, separation of duties)
  - 2) Cash Management System (policy/procedure to ensure CMA is adhered to, district does not draw down funds in advance of expenditure for federal funds)
  - 3) Allowability of Costs (process for reviewing expenditures to ensure they are allocable, allowable, reasonable, necessary and align to the program objectives)
  - 4) Procurement (proper levels of approval for purchase cost levels, separation of duties, MicroPurchase thresholds are followed, proper and complete documentation)
  - 4a) Conflict of Interest- policy/procedure for safeguarding against and notification to pass through entity of potential conflict
  - 5) Travel (proper levels of approval, reasonable and necessary, when are costs are actually obligated and process for determination)
  - 6) Property (are internal capital expenditure processes followed consistently) and inventory (inventory, tracking, and disposition procedures)
  - 7) Personally Identified Information - policy/procedure for safeguarding
  - 8) Records Retention (where stored, how, and what process is followed for destruction)

**Statutory Indicator**

*The non-Federal entity must use its own documented procurement procedures which reflect applicable State and local laws and regulations, provided that the procurement conform to applicable Federal law and the standards identified in this section.*

*Should the non-federal entity's internal policy and/or procedures be less restrictive than federal procurement regulations, the federal regulation should be followed.*

**Demonstration of Compliance**

- LEA's written procedures for procurement transactions, including vendor selection process. The procedures shall also describe the method(s) of procurement chosen by the LEA in regards to:
  - micro purchases;
  - small purchases;
  - sealed bids;
  - competitive proposals;
  - non-competitive (sole source) proposals, detail around conflicts of interest, approval authority, and separation of duties.

**Examples of Evidence**

- Sample evidence or contracts from a variety of purchases:
  - a) micro purchases;
  - b) small purchases;
  - c) sealed bids;
  - d) competitive proposals;
  - e) non-competitive (sole source) proposals.
- All evidence should include approvals for procurement, rationale pertaining to the type of procurement process used, receipts, receiving documents/packing slips; copies of competitive pricing/bids, copy of payment, cancelled check/pCard. If services or contract, include a copy of contract and invoice for services.
- Supporting documentation should support the internal policy/procedures for each type of procurement used. For instance, for small purchases, a simple print out from vendor websites showing price and availability can substantiate the vendor chosen. It is also a good practice to indicate on the receipt what cost objective/budget line item the purchase is supporting.



**Statutory Indicator**

*The LEA takes reasonable measures to safeguard and protect Personally Identifiable Information (PII).*

**Demonstration of Compliance**

- Policy and/or procedures regarding protection of PII for students, staff

**Examples of Evidence**

- Reports or public facing websites demonstrating redacted information.
- Policy and/or procedures regarding protection of PII (vendors, internal, students)

**Statutory Indicator**

*The LEA has procedures to identify and disclose in writing any violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award to the Federal awarding agency or pass-through entity in accordance with policy.*

*The LEA has procedures to identify and disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with policy.*

*The LEA has a procedure to identify and refrain from engaging with certain parties that are debarred, suspended or otherwise ineligible for participation in Federal assistance programs or activities.*

**Demonstration of Compliance**

- Procedures to identify fraud or bribery, conflict of interest, and parties that have been debarred or otherwise ineligible from participations in federal assistance programs or activities.

**Examples of Evidence**

- Written policy/procedures identifying district process to ensure Ethical Transparency and examples of process, to include disclosure to pass-through of any violation including fraud, waste, abuse, or conflicts of interest.
- Documentation in procurement support indicating the review of debarred status for vendors, contractors, and providers.

**Statutory Indicator**

*The LEA must establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.*

*LEAs are required to minimize the time elapsing between transfer of funds from U.S. or State Treasury (or pass through) and disbursement, so as not to exceed 3 days. CDE requires that all federal awards be managed on a reimbursement basis.*

**Demonstration of Compliance**

- The LEA has internal controls in place that identify:
  - Accounting Functions, to include requests for funds reimbursement, general accounting functions (coding expenditures, managing accounts payable, etc.)
  - Cash Management/treasury functions to include interest liability
  - Process and procedures for the internal accounting system to track obligations, unobligated balances and interest earned, and how these are monitored.
  - Policy/procedures for review and approval of all federally funded expenditures, obligations, payroll expenditures, requests for funds and interim and annual reporting.
  - Policy/procedures in place for ensuring separation of duties as well as review process for expenditures, time and effort, etc.

**Examples of Evidence**

- Written procedures for general ledger and payment systems.
- Interview with financial staff.
- Authorized requestors are updated appropriately identified to CDE via ConsApp or email.
- Audit/Single Audit.
- Corrective Action for prior year findings on internal control.

**Statutory Indicator**

*The LEA must adhere to the Cost Principles, as applicable per grant award and awarding agency or pass-through entity policy.*

*These principles must be used in determining the allowable costs of work performed by the non-Federal entity under Federal awards. These principles also must be used by the non-Federal entity as a guide in the pricing of fixed-price contracts and subcontracts where costs are used in determining the appropriate price.*

**Demonstration of Compliance**

- Procedures for determining allowable and allocable costs.
- A cost is reasonable if: in its nature and amount, does not exceed the market prices for comparable goods or services for the geographic area; does not exceed what would be incurred by a prudent person; meets requirements imposed by such factors as sound business practices; arm's-length bargaining; Federal, state and other laws and regulations; and terms and conditions of the Federal award.
- Documentation to be included in files supporting the allowability of costs, association to federal award as well as how the activity or cost supports the objective and in support of the required outcomes of the federal award.

**Examples of Evidence**

- Written procedure for allowable cost and determination of reasonableness
- Procurement policies
- Allowable per program (by statute) and documentation and guides for non-federal entity completing the work under the federal award, indicating what is and is not allowable.

**Statutory Indicator**

*The approved budget for the Federal award summarizes the financial aspects of the project or program as approved during the Federal award process. It must be related to performance for program evaluation purposes whenever appropriate. 2CFR200.308*

*Requirements:*

- (1) Change in the scope or the objective of the project or program (even if there is no associated budget revision requiring prior written approval).*
- (2) Change in a key person specified in the application*
- (3) The disengagement from the project for more than three months, or a 25% reduction in time devoted to the project*
- (4) The inclusion, unless waived by the Federal awarding agency, of costs that require prior approval in accordance with subpart E of this part as applicable.*
- (5) The transfer of funds budgeted for participant support costs to other categories of expense.*
- (6) Unless described in the application and funded in the approved Federal awards, the subawarding, transferring or contracting out of any work under a Federal award, including fixed amount subawards as described in §200.333. This provision does not apply to the acquisition of supplies, material, equipment, or general support services.*
- (7) Changes in the approved cost-sharing or matching provided by the non-Federal entity.*
- (8) The need arises for additional Federal funds to complete the project.*

**Demonstration of Compliance**

- Changes to program or budget that require prior approval have been accomplished, with documented CDE approval.
- Prior-approval if required for specific items of costs.

**Examples of Evidence**

- Post award revisions have been requested and approved.
- Supporting documentation of allowable changes, requirements/reason for required changes.

**Statutory Indicator**

*There is no universal rule for classifying certain costs as either direct or indirect (F&A) under every accounting system. A cost may be direct with respect to some specific service or function, but indirect with respect to the Federal award or other final cost objective. Therefore, it is essential that each item of cost incurred for the same purpose be treated consistently in like circumstances either as a direct or an indirect (F&A) cost in order to avoid possible double-charging of Federal awards.*

*Items of cost which are included in a negotiated Indirect Cost Rate base, cannot also be charged to a federal award as a direct cost, as this would result in 'double dipping'.*

**Demonstration of Compliance**

- Expenditure detail by job class code and object code
- Expenses included in general costs, review of calculation of ICR to ensure no administrative costs used to calculate ICR, are also charged as direct costs to award.
- Calculating based on actual expenditures vs. allocation, review of calculation.

**Examples of Evidence**

- General ledger-review of indirect journal entries
- Review of Indirect Cost rate calculation and base costs used.

**Statutory Indicator****ARP ESSER III:**

*An LEA using ESSER or GEER funds for remodeling, renovation, and new construction must comply with additional federal requirements. These projects require prior written approval by the SEA. Approved construction projects also must comply with applicable Uniform Guidance requirements, Davis-Bacon prevailing wage requirements, and all of the Department's applicable regulations regarding construction.*

**Demonstration of Compliance**

- Prior written approval was obtained before the completion of the construction from CDE.
- All remodeling, renovation, repairs, and new construction costing more than \$2,000 comply with the Davis-Bacon Prevailing Wage Requirements. Specifically, all contractors and subcontractors were paid prevailing wages in the LEA's area.
- Environmental impact survey was completed and concerns have been addressed satisfactorily with the appropriate agency, if applicable.
- Historical building considerations on the structure and surrounding area have been addressed.
- Proper Title and interest are secured by the LEA for a period of the useful life of the building or 50 years.
- The LEA has ensured that the building is in compliance with all federal, state and local health and safety regulations.
- The construction and/or remodel complies with the regulations of the Americans with Disabilities Act.
- The LEA has sufficient funds or a plan to obtain the funds to continue to run and upkeep the building.
- There is proper insurance on all real property and that all disposal meets the Federal guidelines.
- All capital expenditures must also meet local procurement policies.

**Examples of Evidence**

- Copies of consultation with governmental agencies, architecture plans with building permits, historic and environmental surveys.
- Copies of Title or rental and insurance paperwork.
- Plans for Maintenance of Operations.
- Relevant RFP and or solicitation documents.
- Copies of relevant contracts showing wage agreements.
- Prior Written Approval paperwork (emails, other grants with approval, approved application).
- Copies of input from engineers, architects, or other professionals specifying compliance with requirements listed.
- Written statements from contractors and accompanying documentation to demonstrate prevailing wages have been researched and compiled with

when paying contractors and subcontractors (e.g., payment ledgers of wages paid and a copy of the prevailing wage scale for the area).

- Copy of local procurement policies and documentation showing compliance.
- Description of the LEA's process for ensuring compliance with statutory and regulatory requirements of using ESSER funds for construction purposes.
- Any local written policies or protocol documents that summarize the LEA's process for ensuring compliance with statutory and regulatory requirements of using ESSER funds for construction purposes.