



STATE OF SOUTH DAKOTA
OFFICE OF THE GOVERNOR

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MEMORANDUM

TO: South Dakota Legislators

FROM: Tiffany Sanderson, Senior Policy Advisor 
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CC: Dr. Ben Jones, Legislative Research Council Staff, Governor's Office Staff

DATE: May 27, 2020

RE: Education Funding through the CARES Act

Overview

South Dakota will receive approximately **\$68 million** in grant funding for K-12 and higher education in response to COVID-19. The education funds detailed in this memo are *in addition to* the \$1.25 billion in "Coronavirus Relief Funds (CRF)" that the state received from the U.S. Treasury.

The state has considered all available federal grants and their potential uses to provide schools as much flexibility as possible as they address their needs and costs related to COVID-19.

Higher Education Emergency Relief (HEER) Funds

South Dakota's 10 public colleges and universities received a total of **\$19 million** directly this spring. Half of the funds were granted to students for attendance-related expenses like food, housing, technology, healthcare, and childcare.

The other half of the funds can be used to defray campus expenses due to COVID-19. As our colleges and universities moved to online instruction this spring, they reimbursed students for things like unused food plans, housing, parking, and, in limited cases, tuition. The federal funds they received will be used to fill in those reimbursements and to cover costs for technology and connectivity for online instruction.

	Total Allocation	Min. Awarded for Grants to Students
BHSU	\$1,514,973	\$757,487
DSU	\$771,997	\$385,999
LATI	\$1,768,161	\$884,081
MTI	\$879,422	\$439,711
NSU	\$659,777	\$329,889
SDSMT	\$1,455,698	\$727,849
SDSU	\$6,020,168	\$3,010,084
STI	\$1,770,458	\$885,229
USD	\$3,634,766	\$1,817,383
WDT	\$863,880	\$431,940
TOTAL	\$19,339,300	\$9,669,650

Tribal and private universities also received HEER funds. Their grants totaled \$7.6 million and must be used in the same way as outlined above.

Elementary & Secondary Schools Emergency Relief (ESSER) Funds

The SD Department of Education (SD DOE) has applied to the U.S. Department of Education (USDE) for **\$41 million in grants to public school districts** through the Elementary & Secondary Schools Emergency Relief Funds. The money schools receive will be used to provide services to students and to fund their COVID-19 mitigation measures. Schools will have until September 30, 2022 to obligate these funds.

Districts have had unplanned expenses for cleaning facilities, adapting them to meet health and sanitation recommendations, providing technology and internet connections for remote learning, and providing breakfasts and lunches to students during school closures. These grants will help address those expenses. They will also help schools plan for this coming school year and provide needed services to students. Examples of expenses schools might use the funds for this next school year include additional contract days with teachers to assist at-risk students, special education and English learner services, or the purchase of technology to strengthen remote learning capabilities.

The CARES Act requires that no less than 90% of ESSER funds go to school districts following the Title I allocation formula. This means that districts with high poverty will receive the most money on a per-student basis. The range on a per-student basis in this distribution is from \$3,734.30 at the high end to \$9.65 per student at the low end.

The state can reserve up to 0.5% for administrative costs. The remaining 9.5% will be granted to school districts who don't receive much through the Title I formula. These funds will set a per-student floor for funding of about \$160. Districts who are already receiving a lot from the 90% will receive nothing further. Approximately 60 districts will receive this supplemental grant.

In summary:

- 90% to school districts via Title I formula (\$37,165,707)
- 0.5% to SD DOE for administration of grants (\$206,476)
- 9.5% to some districts for a per-student floor of \$160 (\$3,923,047)

More information is available on the SD DOE's website: <http://doe.sd.gov/coronavirus/>

Governor's Emergency Education Relief (GEER) Funds

South Dakota is applying to USDE for **\$7.9 million** in Governor's Emergency Education Relief Funds. The State will have one year to award the funds, but plans to do so throughout the 2020 summer.

The State will offer **\$5.7 million in grants** to school districts to compliment what they receive through the ESSER funding. Grant applications for these funds will prioritize quality remote learning as schools prepare for many possible scenarios this next school year, teacher professional development, and supporting students as they come back from extended school closures.

The remaining **\$2.2 million** will be granted to the Board of Technical Education to support workers who were displaced this spring due to layoffs or closures at the businesses where they worked. These workers will be eligible to apply for scholarships to pursue 16-week certification programs at our technical colleges to gain skills for good jobs as the economy recovers.

Equitable Services Requirement

The CARES Act requires that school districts who receive ESSER or GEER funds provide equitable *services* to non-public schools located in their district boundaries. The law provides that public schools must maintain control of the federal grant funds; no money can be granted to non-public schools.

Following USDE's guidance, districts must determine the services for non-public schools in consultation with representatives of those schools during the design of their plan for the funds. These services will be offered in a proportional share based on the number of students enrolled at the non-public school(s) and in the district. A non-public school can choose not to participate. Services the school district and non-public school(s) agree to must fall under the required CARES Act uses of funds. Even if the non-public school has not previously participated in Title programs, the LEA must offer to provide equitable services.

Additional Considerations

The costs of COVID-19 mitigation and providing quality learning through the variety of delivery methods we've seen in the last months will exceed the funding South Dakota receives specific to education. The State is considering the additional needs of public colleges and universities, private colleges, and private schools as plans are made for other federal funding sources.