



U.S. Department of Education
Office of Inspector General

Review of State Plans for Use of Governor's Emergency Education Relief Funds

December 20, 2021
ED-OIG/F20DC0028

FLASH REPORT



NOTICE

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**UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL**

Audit Services

December 20, 2021

TO: Ian Rosenblum
Acting Assistant Secretary
Office of Elementary and Secondary Education

FROM: Bryon S. Gordon /s/
Assistant Inspector General for Audit

SUBJECT: Final Flash Report, "Review of State Plans for Use of Governor's Emergency Education Relief Funds," Control Number ED-OIG/F20DC0028

Attached is the subject final flash report that consolidates the results of our review of State plans for use of Governor's Emergency Education Relief Funds. We have provided an electronic copy to your audit liaison officer. We received your comments responding to our draft report.

We appreciate your cooperation during this review. If you have any questions, please contact Michele Weaver-Dugan at (202) 245-6941 or Michele.Weaver-Dugan@ed.gov.

Attachment

Purpose

The purpose of this report is to share with the U.S. Department of Education (Department) observations made by the Office of Inspector General (OIG) regarding States' Governor's Emergency Education Relief (GEER) Fund initial 45-day reports and annual reports.

What We Did

The objectives of our review were to review States' initial 45-day GEER Fund reports to determine how States plan to allocate funds to entities within the three authorized categories: local educational agencies (LEA), institutions of higher education (IHE), and education-related entities, and the criteria upon which these decisions were based; and review GEER Fund annual reports to identify changes to and progress made from the initial plans in the 45-day reports.

To accomplish our objective, we reviewed plans submitted by each of the 50 States, as well as the District of Columbia and Puerto Rico, to determine how they planned to allocate funds to entities within the three authorized categories and the criteria upon which these decisions were based. We also reviewed the annual reports submitted by each State¹ to determine if there were any notable changes from what was reported in their initial plans and to compile reported expenditure data.

Introduction

Background

The Coronavirus Aid, Relief, and Economic Security (CARES) Act² was signed into law on March 27, 2020. It authorized more than \$2 trillion to battle Coronavirus Disease 2019 (coronavirus) and its economic effects. The CARES Act provided approximately \$31 billion for an Education Stabilization Fund to prevent, prepare for, and respond to coronavirus, domestically or internationally. The Education Stabilization Fund is composed of three primary emergency relief funds: a GEER Fund, an Elementary and Secondary School Emergency Relief Fund, and a Higher Education Emergency Relief Fund.

¹ Throughout the remainder of this report, "State" is inclusive of the 50 States, the District of Columbia, and Puerto Rico.

² Public Law No. 116-136.

Governor's Emergency Education Relief Fund

Congress set aside approximately \$3 billion for the GEER Fund. The Department awarded these grants to States based on a formula stipulated in the legislation: 60 percent awarded based on the State's relative population of individuals aged 5 through 24, and 40 percent awarded based on the State's relative number of children counted under section 1124(c) of the Elementary and Secondary Education Act of 1965.

According to the Department's GEER Fund Frequently Asked Questions, States may provide funds to entities within three authorized categories: LEAs, IHEs, and education-related entities. The Department defines an education-related entity as a governmental, nonprofit, or for-profit entity within the State that provides services supporting preschool, elementary, secondary, or higher education. Examples of education-related entities identified by the Department include

- State agencies that oversee or directly provide early childhood education services;
- public agencies or private entities that coordinate or directly provide early intervention services under Part C of the Individuals with Disabilities Education Act;
- State agencies that oversee or provide vocational rehabilitative services;
- State mental health agencies;
- State Higher Education Boards;
- education-related non-profit organizations;
- non-public elementary, secondary, and postsecondary schools;
- for-profit elementary, secondary, and postsecondary schools;
- charter management organizations;
- non-profit and for-profit child-care centers;
- public libraries;
- community centers; and
- State or local agencies coordinating food services for students and their families.

The funds may be used to provide emergency support through subgrants to LEAs and IHEs that have been "most significantly impacted by coronavirus" to support their ability

to continue providing educational services to their students and to support the ongoing functionality of these entities.³ In addition, States may use funds to provide support through subgrants or contracts to any other LEA, IHE, or education-related entity within the State that the Governor deems “essential for carrying out emergency educational services” to students for authorized activities described in the Elementary and Secondary Education Act or the Higher Education Act, the provision of child-care and early childhood education, social and emotional support, and the protection of education-related jobs. The Department also encouraged States, LEAs, and IHEs to invest GEER funds in technology infrastructure and professional development that will improve capacity to provide high-quality, accessible distance education or remote learning. Funds that are not awarded within 1 year of receipt must be returned to the Department for reallocation to the remaining States.

The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSA), enacted on December 27, 2020, provided an additional \$4 billion for the GEER Fund. The CRRSA provides that \$1.3 billion of the funds be used to supplement the funds awarded to each State with an approved GEER application under the CARES Act. These funds are referred to as GEER II funds. The remainder of the funds are reserved for an Emergency Assistance to Non-Public Schools program. The American Rescue Plan Act of 2021 did not allocate additional funds to the GEER Fund.

Reporting Requirements

Each Governor that receives GEER funds must meet the reporting requirements of section 15011 of the CARES Act. Governors satisfy these requirements through the following:

- monthly reporting in accordance with the Federal Funding and Transparency Act (FFATA) requirements, which includes reporting subgrantee data on awards equal to or greater than \$30,000 via the FFATA Sub-Award Reporting System (FSRS), and
- initial reports, annual reports, and other reporting the Secretary may require.

Under the CRRSA Act, each Governor that receives GEER II funds must meet the CARES Act reporting requirements that apply to GEER funds.

³ The Department’s guidance states that if the recipients are LEAs, the State educational agency must determine that the LEAs have been the “most significantly impacted by coronavirus” to be eligible for a GEER Fund emergency grant. Similarly, if IHEs are the recipients, the Governor must determine them to be the “most significantly impacted by coronavirus.”

Initial Reports

States applied for their allocation of GEER funds provided under the CARES Act by submitting to the Department an executed Certification and Agreement, which included programmatic, fiscal, and reporting assurances. This included an assurance that within 45 days of receiving GEER funds the State would submit to the Department an initial report detailing the State’s process for awarding the funds to LEAs, IHEs, or other education-related entities, including the criteria for determining those entities that are “most significantly impacted by coronavirus” or “essential for carrying out emergency educational services.” In a clarification document sent to States in June 2020, the Department specifically requested that States provide

- a. a timeline for awarding funds to LEAs, IHEs, or other education-related entities;
- b. the criteria, process and deliberations the State used to determine which LEAs, IHEs, or other education-related agencies are “most significantly impacted by coronavirus” or “essential for carrying out emergency educational service”;
- c. the funding mechanisms (e.g., grants, contracts) the State will use to provide funds to LEAs, IHEs, or other education-related entities; and
- d. any specific funding conditions or requirements the State will place on awards to ensure the funds are spent for specific purposes or activities.

The Department conducted an initial review of each State’s report for completeness, and States that provided insufficient information were given an opportunity to provide additional information to the Department.

Annual Reports

The Department’s GEER Fund *Recipient Reporting Data Collection Form* (data collection form), dated December 2020,⁴ requires States to provide an annual report that includes information related to the types of entities that were awarded funds, including a listing of LEAs, IHEs, and other education-related entities and their expended funds. The data collection form requested that States acknowledge and identify any changes to the State’s LEA and IHE⁵ GEER funding conditions or requirements since the State’s initial 45-day report to the Department. The first annual report, due February 1, 2021, had an applicable reporting period of March 13, 2020, to September 30, 2020.

⁴ See the following link for a copy of the data collection form: [Recipient Reporting Data Collection Form](#).

⁵ Other education-related entities were not included.

What We Found

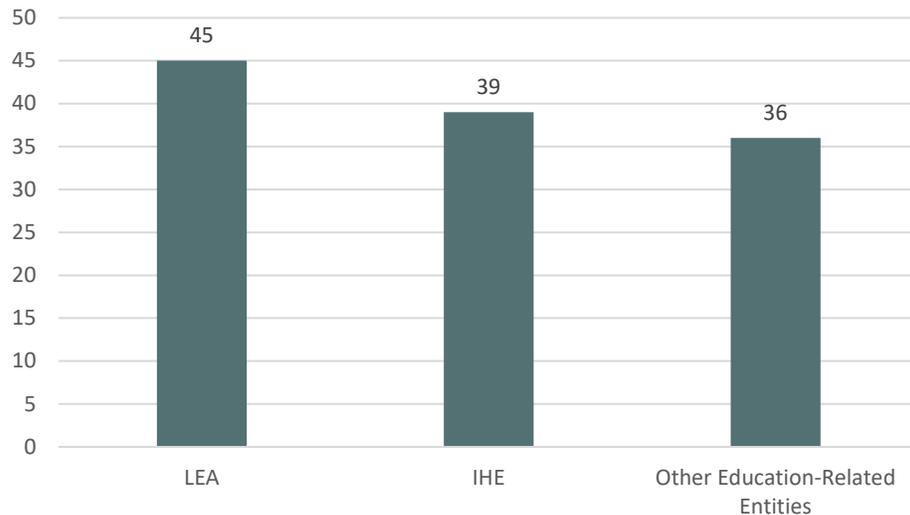
Initial 45-Day Reports

We reviewed the initial 45-day reports submitted by each of the States to determine how they planned to allocate funds to entities within the three authorized categories and the criteria upon which these decisions were based.⁶

Allocation of Funding

We found that within the three authorized entity categories, 45 States (87 percent) planned to allocate GEER funds to LEAs, 39 States (75 percent) planned to allocate funds to IHEs, and 36 States (69 percent) planned to allocate funds to other education-related entities. See Figure 1.⁷

Figure 1. Number of States Allocating Funds by Entity Category



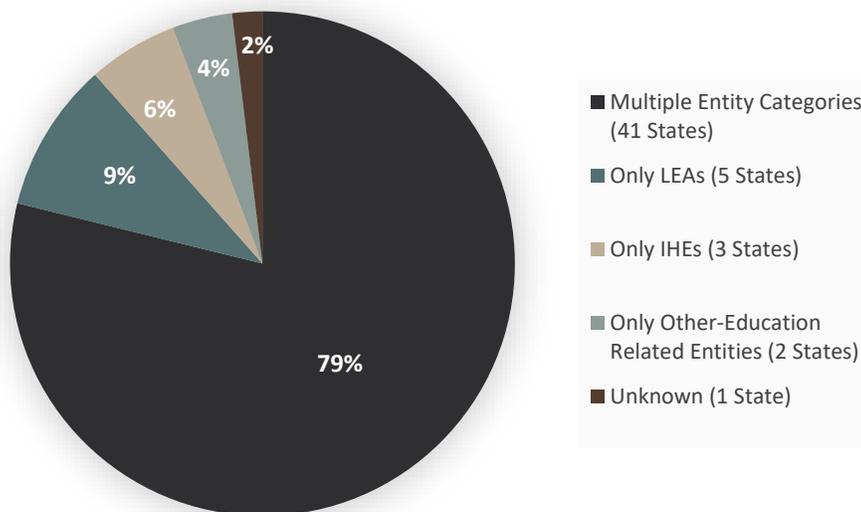
Further, we found that 41 States (79 percent) planned to allocate GEER funds among more than one entity category. Of the remaining 11 States, 5 States (10 percent) planned to allocate funds to only LEAs, 3 States (6 percent) to only IHEs, and 2 States (4 percent) to only other education-related entities. One State did not include

⁶ The 45-day reports include information pertaining to GEER funding provided by only the CARES Act.

⁷ The 45-day reports did not include enough detail to determine the actual amount of funding to be allocated to each entity category.

information that specified its intended allocation of funds by entity category. See Figure 2.

Figure 2. Number and Percentage of States Allocating GEER Funds to Multiple and Individual Entity Categories



Regarding other education-related entities, we found that States planned to allocate funding to entities in both the private and public sector. These entities included daycare facilities, charter and private schools, tribal schools, career and technical centers, home school organizations, telecommunications and public broadcasting entities, career centers, scholarship funding organizations, State education agencies, and other State agencies related to information technology and behavioral health. The entities provided programs and services related to early childhood education and literacy, childcare, special needs, math and science programs, higher education, mental health programs, teacher recruitment, blended and adaptive learning, digital learning strategies, teacher retention, and workforce training. The identified entities and services conformed to the Department’s guidance related to other education-related entities.

Commonly Noted Usages of Funding

We found that 38 States (73 percent) specifically identified information technology as a priority for use of funds. While some States were more detailed than others in their descriptions for how they intended to use GEER funds for information technology, we noted the following observations related to information technology expenditures:

- Twenty States planned on using GEER funds to increase online capacity learning and remote learning.

- Nineteen States planned to expand broadband access and provide mobile hot spots in communities, including improving connectivity and providing devices to teachers and students.
- Two States planned to provide funding to internet service providers.
- One State planned to equip school buses with Wi-Fi capabilities.
- One State planned to improve classroom technology at public institutions of higher learning to help accommodate remote learning.

We also noted that 19 States (37 percent) specifically identified professional development related to online, digital, or distance education as a funding priority.

Criteria for Determining Entities Most Significantly Impacted by Coronavirus or Essential for Carrying out Emergency Educational Service

We found that 46 States (88 percent) identified criteria and processes used to determine which LEAs, IHEs, or other education-related entities were “most significantly impacted by coronavirus,” or “essential for carrying out emergency educational service.” These States identified entity categories or priority areas within authorized entity categories that were “most significantly impacted” or essential, and included data, research, or other explanations related to how they made these determinations. For example,

- one State noted that its Governor convened the leaders of three primary State agencies and divisions to request their assistance in shaping a plan for the use of GEER funds. In developing this plan, the agencies and divisions reached out to school districts, education service districts, public and private universities, early learning providers, childcare facilities, non-profit service providers, tribal government, private business industry representatives, and other community--based organizations. As a result, the State noted that the pandemic has created a greater disparate impact on low-income, and historically underserved and economically disadvantaged children, students, and families, which has placed these populations at increased risk of poverty, homelessness, and food insecurity and has significantly impacted opportunities for students to meet their educational goals. To implement strategies that address each risk area, the State indicated there would be a focus to prioritize populations that are at greater risk, and provided funding for specific programs within LEAs, IHEs, early childhood program providers, relief nursery program providers, and tribal government partners that focus on those populations.
- another State created a GEER advisory group of State leaders of higher education, the public school system, private schools, and charter schools to

assess impact, identify priority needs, and seek solutions. Based on the advisory group’s identified priorities, the State developed strategies for use of GEER funds and criteria for determining the “most significantly impacted,” including criteria on the lack of access to and availability of devices and connectivity for the most vulnerable students and families for remote instruction. The State determined that the impact of the coronavirus will be a dynamic and ongoing process, and cited results from a State Department of Education survey on the significant impact of secondary students and schools with high levels of poverty.

Conversely, we found that six States (12 percent) did not identify criteria and processes used to determine which entities were “most significantly impacted by coronavirus” or “essential for carrying out emergency educational service.” We noted that some of these States simply provided which entities would receive funds but did not state how they determined which entities were “most significantly impacted” or essential. Others identified priority areas but did not explain how those were determined.

Annual Reports

We found that 51 States submitted their GEER fund annual report.⁸ The Department stated that all reports were submitted by the February 1 due date; however, Department reviews of the reports identified areas that needed further explanation or indicated potential data quality issues. The Department shared its questions and possible concerns regarding data quality with applicable grantees and allowed a report revision period through March 31, 2021. After the revision period, the Department identified three grantees that still had data issues and provided targeted technical assistance. A subsequent report revision period was established through July 2021. The Department indicated that all remaining data issues were resolved and all State reports are posted on the Department’s Education Stabilization Fund portal (portal) website. We noted that 38 States (75 percent) resubmitted reports during the report revision periods.

Changes from Initial 45-Day Reports

We found that the posted reports did not include information related to changes made since the initial 45-day reports were submitted to the Department. The data collection form requires States to include information specific to any changes made to funding conditions or requirements that had been placed to ensure that LEAs and IHEs spent the funds on specified purposes or activities. The Department stated that only three States

⁸ One report was not required to be submitted since funds were not received until March 2021.

had reported any changes in this area and that this factored into its decision on whether to publish this particular data point.

Entity Categories

The data collection form requested that States identify the types of entities within the State that were awarded GEER funds. We compared entity categories listed on the annual reports with those that were noted in the initial 45-day reports and noted the following:

- Sixteen States identified the same entity categories in their annual reports as in their initial 45-day reports.
- Seven States identified at least one category in their annual reports that was not included in their initial 45-day reports.
- Fourteen States identified fewer entity categories in their annual reports than were included in their initial 45-day reports; however, these differences may be attributed to the States not yet awarding funds to entities in all initially reported entity categories by September 30, 2020. For example, a State may have identified LEAs and IHEs in its 45-day report, but checked only the LEA category in its annual report because it had not yet awarded funds to IHEs.
- Fourteen States did not identify any entity categories in their annual reports. While 12 of the 14 reports indicated that no funds had been expended yet and therefore no entity categories would be reported, 2 of the reports did indicate that funds had been expended but did not provide any subgrantee data that could be used to compare to the initial 45-day reports.⁹

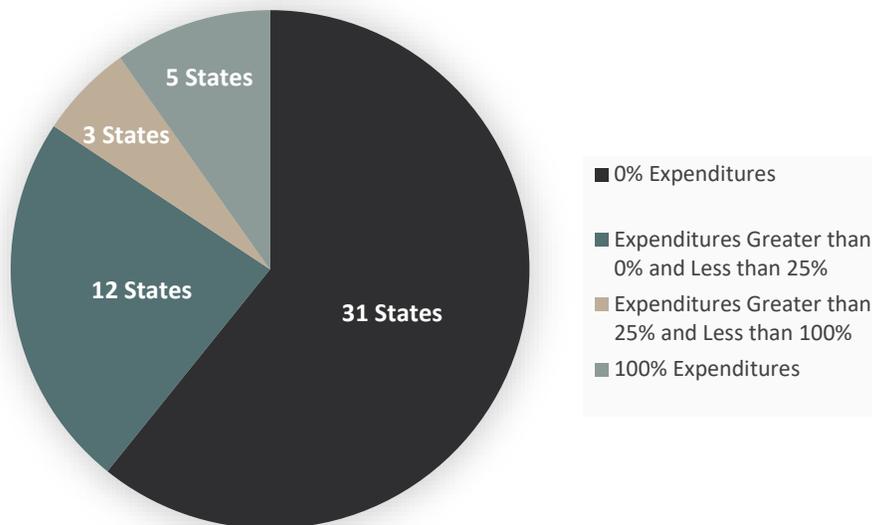
When asked whether there were any concerns with States identifying awards to entity categories that were not included in their initial 45-day reports, the Department stated that the 45-day report was intended to be a snapshot in time, and therefore the Department did not ask States to resubmit these reports if their plans had changed.

⁹ As noted above, one State did not include information in its 45-day report that specified its intended allocation of funds by entity category. In its annual report, the State is one of the 14 that did not identify any entity categories.

GEER Fund Expenditures¹⁰

As of September 30, 2020, the annual reports indicated that States expended \$535 million (18 percent) of the \$3 billion in GEER funds awarded under the CARES Act.¹¹ We found that 31 States reported no expenditures; 5 States reported that all of their GEER funds had been expended. See Figure 3 for the percentage of expenditures to award amounts noted in the annual reports.

Figure 3. Annual Report Percentage of Expenditures



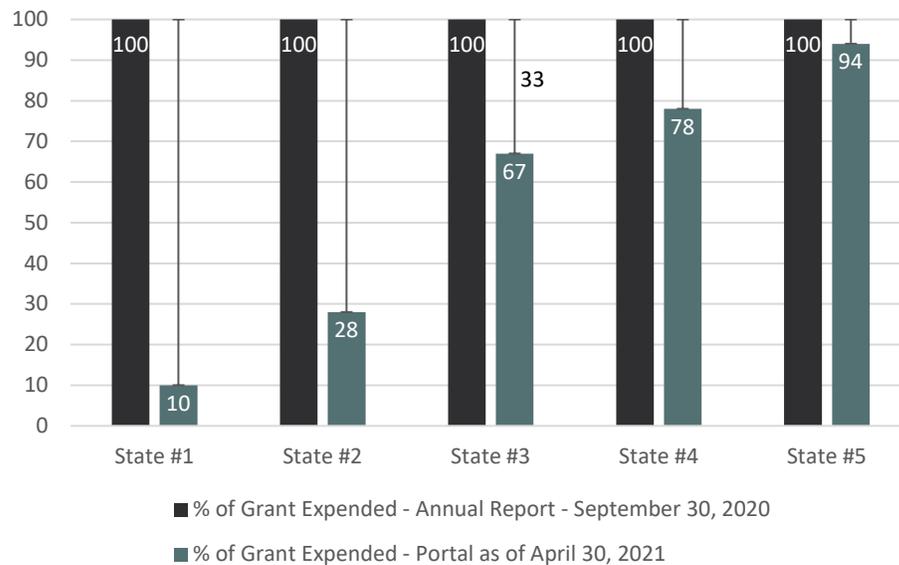
However, we found discrepancies in data provided in the annual reports. Of the 31 States that reported no funds expended on the top part of the report, 15 listed expenditures for individual entities—LEAs, IHEs, or other education-related entities—on the bottom part of the report. Further, for the five States that reported expending 100 percent of their GEER fund awards as of September 30, 2020, data from the Department’s portal, which reflects data reported by the Department to USASpending.gov, indicated that the funds had not all been spent by each State as of

¹⁰ The annual reports include a line item noting the total amount of the grant expended, which actually represents the amount of the GEER award drawn down by the State.

¹¹ The amounts reported in the annual reports pertain to GEER funding provided by only the CARES Act. Annual reports do not include funds from the CRRSA as it was enacted after the reporting period ended.

April 30, 2021.¹² See Figure 4 for a listing of States that reported expending all of their GEER funds compared to the data on the portal.

Figure 4. Annual Report Expenditures vs. Portal Expenditures



The Department noted that the discrepancies related to the five States noted above were the result of the States returning their unexpended GEER funds in response to the Department’s targeted monitoring, which occurred after the annual report end date of September 30, 2020. According to the monitoring report we reviewed for one of these States, the State drew down its total award amount before it was ready to spend it (award to subgrantees), in violation of cash management requirements. The Department subsequently required the State to return unexpended funds until it was ready to make awards.

We noted that the reasons for the discrepancies noted on the reports associated with the other 15 States could be attributed to data coming from different systems and related timing differences associated with the data. Total expenditure data included on the top part of the annual reports comes from information in the Department’s G5 (grants management) system. These amounts would reflect total drawdowns made by the States as of the reporting period end date. Data included on the bottom of the States’ annual reports comes from subaward data reported directly by the States to the FFATA Sub-Award Reporting System and related expenditure data from the subgrantees

¹² This was the most current data available on the Department’s portal at the time of our analysis (July 2021).

as of the reporting period end date. The Department agreed that the timing of the drawdown of funds from the Department does not align perfectly with the timing of expenditures at the subaward level, noting that States typically draw down funds to reimburse subgrantees after the subgrantees have expended awarded funds. It added that the absence of drawdowns does not necessarily equate to an absence of expenditures.

Office of Elementary and Secondary Education Comments

We provided a draft of this report to the Office of Elementary and Secondary Education for comment. In its response, the Office of Elementary and Secondary Education offered a few technical comments reflecting suggested clarifications. The full text of the Office of Elementary and Secondary Education's comments is provided at the end of the report.

OIG Response

We considered and addressed, as appropriate, the technical comments provided by the Office of Elementary and Secondary Education. We did not make any substantive changes to the report.

Appendix A. Scope and Methodology

To answer our objective, we reviewed the laws, criteria, and guidance related to GEER Fund reporting requirements. We conducted discussions with Office of Elementary and Secondary Education officials and staff to gain an understanding of reporting requirements and the Department’s process for reviewing State reports. We also reviewed prior OIG, Government Accountability Office, and other Federal agency reports related to our objective.

45-Day Reports

We reviewed 45-day reports submitted by the 50 States, the District of Columbia, and Puerto Rico, to determine how States planned to allocate funds to entities within the three authorized categories and the criteria upon which these decisions were based. Our review included a determination of whether the State reports included the process used to determine the entities and areas “most significantly impacted by the coronavirus” or considered most essential, as well as the criteria used to determine the “most significantly impacted” or essential entities and areas. In addition, we compiled information related to the types of other education-related entities and services to which the States planned to allocate funds, and any common usages of funds noted across States.

Annual Reports

To identify changes to and progress made from States’ initial plans in the 45-day reports, we reviewed the annual reports from each State for the period ending September 30, 2020, that were submitted and posted on the Department’s portal.¹³ Our review included a determination of whether the annual reports contained the information requested by the Department. We also compiled information reported by each State related to the total grant amount expended and compared that to subaward data provided on the reports as well as to total expenditure data reflected on the Department’s portal. In addition, we compared categories of entities that States reported awarding funds to with those that were noted in the initial 45-day reports and identified any discrepancies.

Use of Computer-Processed Data

Use of computer-processed data was limited to identifying GEER Fund obligation and drawdown amounts from the Department’s Education Stabilization portal for comparison with information reported by States in their 45-day and annual reports. We

¹³ One report was not required to be submitted since funds were not received until March 2021.

did not assess the reliability of the computer-processed data. We used this data for informational purposes only.

Compliance with Standards

We prepared this flash report in alignment with OIG’s quality control standards and the Council of Inspectors General for Integrity and Efficiency’s “Quality Standards for Federal Offices of Inspector General,” which require that we conduct our work with integrity, objectivity, and independence. We believe that the information obtained provides a reasonable basis for the conclusions contained in this report.

We performed our work for this review from March 2021 through August 2021.

Appendix B. Acronyms and Abbreviations

| | |
|----------------------|---|
| CARES Act | Coronavirus Aid, Relief, and Economic Security Act |
| coronavirus | Coronavirus Disease 2019 |
| CRRSA | Coronavirus Response and Relief Supplemental Appropriations Act, 2021 |
| data collection form | The Department's Governor's Emergency Education Relief Fund <i>Recipient Reporting Data Collection Form</i> |
| Department | U.S. Department of Education |
| GEER | Governor's Emergency Education Relief |
| FFATA | Federal Funding Accountability and Transparency Act |
| IHE | Institution of Higher Education |
| LEA | Local Educational Agency |
| OIG | Office of Inspector General |

Office of Elementary and Secondary Education Comments



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

November 19, 2021

Michele Weaver-Dugan
Regional Inspector General for Audit, Internal Operations/Philadelphia Audit Team
U.S. Department of Education Office of Inspector General
Michele.Weaver-Dugan@ed.gov

Dear Ms. Weaver-Dugan,

Thank you for the opportunity for U.S. Department of Education's (Department's) Office of Elementary and Secondary Education (OESE) to provide comments on the Office of the Inspector General's (OIG's) draft report, *State Plans for Use of Governor's Emergency Education Relief Funds* (F20DC0028). Our comments reflect the suggestions of the Department, developed in conjunction with the Office of the General Counsel and other Department offices that reviewed the report.

We have a few technical comments to offer:

- The amount for GEER under the CRRSA Act was \$1.3B (the report rounds down, which is up to OIG).
- On page 4, we suggest the report note that the C&A and the initial report were requirements under GEER I.
- On page 8, where the report says "We found that the posted reports did not include information related to changes to the State's LEA and IHE GEER award conditions or requirements since the initial 45-day report to the Department as required per the data collection form.", we are unsure what "award conditions" this refers to.
- On page 11, we ask that OIG clarify or give more context for the discussion about expenditure data (from G5 and on the APR) and subaward data (from FFATA reporting). FFATA reporting is subaward data. The State makes subawards before spending the money. Subawards are Step One in the process to expend funds. So, it is understandable that subaward data would not equal expenditure data, as those data represent a subset of the overall award amount. Eventually, once all spending is done, the sum of the subawards should be equal to the award (or expended) totals.

Thank you for your consideration of the Department's feedback

Sincerely,

**Mark
Washington**

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Mark Washington
Deputy Assistant Secretary
Office of Elementary and Secondary Education