This notification is to inform you of the creation of the following funds to account for monies received through the Coronavirus Aid, Relief, and Economic Security (CARES) Act:

507 Elementary and Secondary School Emergency Relief (ESSER) Fund

Authority: Catalog of Federal Domestic Assistance #84.425D

Purpose: To provide emergency relief grants to school districts related to the COVID-19 pandemic. Restrictions include, but are not limited to, providing for coordination of preparedness and response efforts, training and professional development of staff, planning and coordination during long-term closure, and purchasing technology for students.

Classification: Governmental Fund Type, Special Revenue Fund

508 Governor's Emergency Education Relief (GEER) Fund

Authority: Catalog of Federal Domestic Assistance #84.425C

Purpose: To provide emergency support through grants to schools that have been most significantly impacted by coronavirus. These monies are restricted to support the school to continue to provide educational services to the students.

Classification: Governmental Fund Type, Special Revenue Fund

If you receive COVID-19 related funding through other Federal programs under the CARES Act or other Families First Coronavirus Relief Funding Act, these amounts can be accounted for through a separate special cost center of an existing Federal Fund (if the COVID-19 funding is related to a pre-existing program) or through a separate special cost center in fund 599 (if the COVID-19 funding is related to a new Federal program). While these COVID-19 funds must be separately accounted for, schools do not need to seek Auditor of State approval to establish the new funds/SCCs.

Certain expenditures made dating back to early March could be allowable expenditures under the CARES Act and Families First Coronavirus Relief Funding Act. School districts should refer to the terms and conditions of their grant agreements to determine the period for which expenditures are eligible to be reimbursed or charge to their applicable programs. The exact period varies slightly among different programs; however, expenditures dating back to March 13, 2020, for example, can be reimbursed by the ESSER program. These expenditures may have been made prior to receiving the CARES Act money. If school districts opt to use ESSER or other COVID-19 funding to reimburse eligible expenditures already made, dollars should be advanced to the appropriate CARES Act fund (507, 508 or 599), usually by the general fund (no advance is required if the exception noted below applies). The ESSER and GEER Fund expenditures should be allocated to the appropriate fund as each Federal fund needs to reflect how those dollars were used for compliance and special reporting purposes. Once the ESSER and GEER monies are received, they can be receipted into the respective fund and advanced back to the general fund (no advance is required if the exception noted below applies). It is important that school districts make sure all FY20 COVID-19 expenditures being claimed to these programs are reflected in the respective funds prior to closing their FY20 books, regardless of when the related revenue is received from ODE.

Consistent with Ohio Rev. Code § 3315.20, school districts do not need to book an advance if all of the following conditions are satisfied:

- The school district has a request for payment pending with the state sufficient to cover the amount of the deficit. [Ohio Rev. Code § 3315.20(A)]
- There is a reasonable likelihood that the payment will be made. [Ohio Rev. Code § 3315.20(A)]
- The unspent and unencumbered balance in the school district's general fund is greater than the aggregate of deficit amounts in all of the school district's special funds. [Ohio Rev. Code § 3315.20(B)]

School districts should note that if FY20 expenditures are reflected in a CARES Act fund, but the school district has not requested funds prior to June 30, 2020, the above exception may not be met and an advance may be required.