



FAQ Regarding Reimbursements

1. What supporting documentation is required when requesting reimbursement?

- a. An LEA maintains policies and procedures that apply to all employees, whether they are paid with Federal or other funds. See question #3
- b. An LEA maintains policies and procedures regarding unexpected and extraordinary circumstances in order to continue to pay staff consistent with referenced 1(a) policies and procedures referenced above. See question #3
- c. Time and Effort certification for all employees paid with CARES Act ESSER funding. See question #2
- d. An accounting report showing transaction level of detail. If claiming salaries and benefits, and staff names are not reflected on the accounting report, a payroll distribution report is also needed.
- e. The expenditure must be coded to the proper accounting code for the CARES Act ESSER Grant in order to be an allowable expense reimbursement.
- f. Provide journal entry (JE) support (original transaction detail) if items claimed required an adjusting journal entry into the CARES Act ESSER account coding.
- g. Salary only being charged to a grant is not reasonable and therefore unallowable. Per 2 CFR 200.430 Compensation-personal services and 2 CFR 200.431 Compensation-fringe benefits salary and benefits cost must be equitably allocated to all related activities, including Federal awards. (Example – if 70% of salary charged to a grant, 70% of benefits must also be charged to that grant)

2. Do the requirements related to documentation for personnel expenses in the Uniform Guidance (2 CFR § 200.430(i)) apply to ESSER funds?

Yes, in general, the requirements in the Uniform Guidance apply to expenditures of ESSER funds, including the requirements related to documenting personnel expenses in 2 CFR § 200.430(i). This would mean that an LEA maintains the records it generally maintains for salaries and wages, including for employees in leave status, as long as payments to employees in leave status are made consistent with grantee policies and procedures that apply to all employees, whether they are paid with Federal or other funds. See U.S. Department of Education Fact Sheet at:

<https://www2.ed.gov/documents/coronavirus/factsheet-fiscal-questions.pdf> (See Below) for more information on paying employees in leave status.

An LEA must maintain time distribution records (sometimes called “time and effort” reporting) for all employee activities that may be funded under ESSER and activities that are not allowable under ESSER. However, there will be very few situations when an employee of an LEA would perform multiple activities where some are not allowable under ESSER, and thus would be required to maintain time distribution records, *given that an LEA is authorized to use funds on “activities that are necessary to maintain the operation of and continuity of services in [an LEA] and continuing to employ existing staff of the [LEA]” in order to “prevent, prepare for, and respond to” the COVID-19 pandemic. (Section 18003(d)(12).)*

3. May a grantee or subgrantee continue to pay the compensation of an employee paid with grant funds from the Department during the period the employee is unable to work because his or her organization is closed due to novel Coronavirus Disease 2019 (COVID-19)?

Yes. Generally, a grantee or subgrantee may continue to charge the compensation (including but not necessarily limited to salaries, wages, and fringe benefits) of its employees who are paid by a currently active grant funded by the Department to that grant, *consistent with the organization’s policies and procedures* for paying compensation from all funding sources, Federal and non-Federal, *under unexpected or extraordinary circumstances, such as a public health emergency like COVID-19.*[1] Thus, if the organization pays, consistent with its policies and procedures, similarly situated employees whose compensation is paid with non-Federal funds during an extended closure, those paid with grant funds from the Department may also continue to be paid. [2] However, an employee who is being paid with Department grant funds while the program grant activities are closed in whole or in part due to the COVID-19 pandemic may not also be paid for the time during which the program is closed by the organization or another organization for working on other activities that are not closed down.

If a grantee or subgrantee does not currently have in place a policy that addresses extraordinary circumstances such as those caused by COVID-19, the grantee or subgrantee may amend or create a policy in order to put emergency contingencies in place for Federal and non-Federal similarly situated employees. If the conditions exist for charges to be made to the Federal grant, charges may also be made to any non-Federal sources that are used by a grantee or subgrantee in order to meet a matching requirement.

Time and effort examples

Attestation – an employee only paid from ESSER funding

Semiannual or PAR – an employee paid throughout the year from federal funds but then switched to ESSR funding.