



STATE OF CONNECTICUT  
DEPARTMENT OF EDUCATION



October 26, 2020

Dear Superintendents,

Many of you have continued to advocate for additional flexibility in how you can spend your Coronavirus Relief Fund (CRF) allocations. The Department, in recognition of the ever changing operational needs districts face in responding to COVID, has continued to work with the Office of Policy and Management (OPM) for approval of broader flexibility.

We have received notification from OPM that districts may reallocate CRF funds between categories within the approved CRF reopening plan framework. The Secretary has approved flexibility to allow districts to allocate expenses among any of the individual categories (e.g., academic, transportation, PPE) with the requirement that (1) PPE and cleaning expenses be covered in full, consistent with the Governor's commitment and (2) districts' expenses remain within the approved categories that were outlined as part of the reopening framework. Based on this information, we will reopen the CRF application for revisions on **Monday, October 26, 2020**. Reallocation requests will be due to the Department by close of business on Monday, **November 2, 2020**.

Please note there is no requirement to submit a request for reallocation if you are satisfied with your current plan. This is also your opportunity to notify us if you will be unable to encumber all of your CRF allocation by December 30, 2020, as required by law, or if you need additional funding in certain categories beyond your current allocation. Attached please find updated instructions for completing your application. If you have any questions, please contact me at [kathy.demsey@ct.gov](mailto:kathy.demsey@ct.gov) or the CRF program manager, Leah Grenier, at [leah.grenier@ct.gov](mailto:leah.grenier@ct.gov).

Sincerely,

A handwritten signature in cursive script that reads "Kathy Demsey".

Kathy Demsey  
Chief Financial Officer

KD

cc: Leah Grenier  
School Business Officials

**\*\*\*REVISED\*\*\***

### **District Instructions**

Reallocation requests are due to the Department by close of business on **Monday, November 2, 2020**. They will be reviewed with OPM the following week so we can get approvals back to you as soon as possible.

If you are not seeking a reallocation: please simply return the application for review. Please note that the guidance on allowable expenses has been revised given updates from OPM, so please ensure that the expenses in your budget are allowable prior to return. For those districts that have already submitted their applications for the previous deadline of October 23 under prior guidance and would like it returned to them in order to make reallocations given this new flexible reallocation guidance, please email Leah.Grenier@ct.gov.

If you are seeking a reallocation, you must adjust your application in two sections: (1) In the eGMS application, under the section "Spending Category Limits and Budget Instructions," please check the box, input the revised allocations per the reallocation guidelines below, provide a brief description of why the reallocation is needed, and outline additional needs by category per number 2 below. (2) Then under the section "Budget" adjust your budget detail to match your revised allocations (refer to the guidance on allowable expenses).

1. ***If you will be unable to expend your full allocation prior to December 30, 2020, even after the reallocation process, please communicate that to us also.*** The eGMS application will allow you to input a budget that is less than the allocation. If you anticipate you will not expend the full allocated amount in any category, please include only the funding you need and leave the rest unbudgeted. This will allow us to repurpose the funds to support other district needs. It is critical that we ensure that the State will not have to return unexpended funds to the federal government when there are so many unmet needs in various areas across the state.
2. To the extent that your spending will exceed your allocation in any category, please indicate that by including in the narrative box under the "Spending Category Limits and Budget Instructions" section if you are seeking a reallocation or in the narrative description of one of your items: the category, the additional funding needed, and a list/description of what the expenses are so that we can determine with OPM if they are allowable.

### **Reallocation of CRF Funding Between Allocated Categories**

District CRF applications may be revised to allow for reallocations among **any** categories. Revised guidance from OPM allows for flexibility in reallocations; keeping the focus of the CRF funds on providing safe in-person learning for students and staff and the Governor's priority to fund cleaning/PPE costs.

The Secretary has approved flexibility to allow districts to reallocate their CRF funding between any of the categories with the requirements that (1) PPE and cleaning expenses be covered in full, consistent with the Governor's commitment and (2) continue to meet the allowable expenses that were outlined in previous guidance.

For reference: prior guidance only allowed for reallocating Transportation funding to the other categories and reallocating between personnel and non-personnel expenses in the same category. This revised guidance allows reallocation between academic, student supports, transportation and cleaning/PPE (only to the extent districts have funds in excess of their CRF needs). ***Again, the Governor's commitment is to fully fund districts' cleaning/PPE requests; therefore any reallocations should not reduce funding in the cleaning/PPE category if funding will be needed in that area.***

The Department will continue to review district requests with OPM consistent with current practice and the allowable costs previously shared.

Districts may reallocate funding between any of the existing categories of funding, but must meet the requirement above to fully maximize funding for cleaning/PPE:

1. Personnel-related Academic
2. Personnel-related Student Supports
3. Personnel-related Cleaning/PPE/Health/Safety
4. Personnel-related Transportation
5. Non-personnel-related Cleaning/PPE/Health/Safety
6. Non-personnel-related Transportation

**We recommend that districts review these changes in conjunction with their ESSER application with the goal of maximizing the allocation of the two funding sources to support district needs. Adjustments can still be made to your ESSER grant application.**

**IMPORTANT:** Please ensure that the budgets under each category sum to no more than the amounts allocated by category, as revised by any reallocation above (item totals should not include cents, only whole dollar amounts – you do not need to include quantity and unit prices, you may input a quantity of 1 and a whole dollar amount). Please also review the Guidance for Allowable Expenses for Funding document carefully as, per further clarification from OPM, some initially allowable expenses may have changed.

#### **Documentation Required for Drawdown/Reimbursement**

Districts should maintain payroll records, contracts, purchase orders, vouchers, receipts, and any other documentation associated with the expenditure of CRF funds that can clearly indicate that those expenses were directly due to COVID-19. These documents may be required in the future for audit purposes or reporting to OPM or the federal government. These documents do not need to be uploaded into eGMS for reimbursement. **For reimbursement in eGMS, please upload a report from your local finance system that supports the drawdown and includes such information as vendor, payment, date, etc.**