June 24, 2025

Dear Superintendents and BOCES directors,

I apologize for the delayed message this week and for the length of this message; we have the following four updates today:

- Federal "Supplement, not supplant" guidance for Federal Funds allocation delays
- From CCSSO: Senate HELP Committee to Vote on ED Nominations
- <u>Update on US Department of Education lay-offs</u>

"Supplement, not supplant" guidance for allocation delays

As you know, to date we have received and posted LEA allocations for Title I, Part A; Title I, Part D; and Title IV, Part A in the Consolidated Application. As of today, June 24, we are still waiting for the State's allocations under Titles II, Part A and Title III, Part A, and other federal programs that are not part of the consolidated application. As soon as those state allocations are received, LEA allocations will be calculated and added to the Consolidated Application in GAINS.

At last week's ESEA Office Hours, questions were raised regarding the impact of the delayed funding on the Supplement, Not Supplant (*SNS*) provisions of ESEA. As you might recall, Title I, Part A *SNS* provisions will not be impacted as long as use of state and local funds determinations are made in a Title I-neutral manner, meaning that how state and local funds are allocated to schools is not impacted by the school's Title I status. For the other Titles, namely Titles II (§2301) and III (§3115(g)), an SNS violation would occur if:

- Federal funds are used to provide services that are required under other Federal, State, or local laws.
- Federal funds are used to provide services that were provided with non-Federal funds (for Title III, Part A, also with other Federal funds) in the prior year.
 - Reminder that Title III, Part A may only be used to supplement the level of Federal, State, and local public funds that, in the absence of the Title III funds, would have been provided for programs for English/multilingual learners and immigrant children and youth (§3115(g) of ESEA).

The BruMan Group, our federal compliance and legislative consulting firm, has reminded us that neither the U.S. Department of Education (ED) nor the State Education Agency (CDE) has the authority to waive Supplement, Not Supplant (*SNS*) requirements. Therefore, all *SNS* provisions must be followed. Where feasible, the BruMan Group recommends using journal vouchers to appropriately charge allowable costs.

In absence of available award notifications, there are a few options districts may want to consider. These are, of course, decisions you should make in consultation with your district team and legal counsel.

- If you have carryover in any of these accounts, one approach to consider is to book and/or incur any allowable expenses to your carryover funds.
- Another option would be to set up grant coding for each anticipated award with a \$0 budget and continuing to charge expenditures as they are incurred per your normal process. Then, if/when the awards are received as anticipated, the budget can be loaded to those respective grants and drawdown requests can be completed for all accumulated expenses. If, for any reason, the funds do not become available, the accounting will be clean in terms of designating the impact of the loss of funds.
- If you do not have carryover and are concerned about charging expenses to an unfunded account, you may also consider whether you want to pause the activities associated with the federal funds.
 - Note- CDE does not have access to your carryover funding amounts except in limited circumstances. You should consult with your finance team about the amount you have available.
- 1. We recommend that you reach out to your <u>Regional Contact</u> before proceeding with your preferred option so that you can determine if a budget revision is needed.

Should you have any questions about ESEA programs, please contact your LEA's <u>ESEA</u> <u>Regional Contact</u>. For questions pertaining to **SNS** provisions, please contact Nazie Mohajeri-Nelson, or email Grants Fiscal.

From CCSSO: Senate HELP Committee to Vote on ED Nominations

The Senate Committee on Health, Education, Labor and Pensions (HELP) has scheduled an executive session on Thursday, June 26, to vote on several nominations, including Penny Schwinn for Deputy Secretary and Kim Richey for Assistant Secretary for Civil Rights at the U.S. Department of Education (ED). You can find additional information about this committee activity here. Should the HELP Committee advance these nominations, they would be subject to a vote by the full Senate.

Update on US Department of Education lay-offs

On Friday, June 20, a <u>federal judge in Boston issued an order</u> directing the US Department of Education (ED) to restore staffing in its Office of Civil Rights.

Have a great week and I hope to see you in the optional office hours.

Warm regards, Susana Cordova