



RUNNING START ELEMENTARY & SECONDARY SCHOOLS EMERGENCY RELIEF FUNDS (ESSER) FUNDS PROGRAM

2022-23 FISCAL GUIDELINES

Education Services Division

Washington State Board for Community and Technical Colleges

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SBCTC.edu

The Washington State Board for Community and Technical Colleges reserves the right to make changes to this document due to, but not limited to, federal, state, or local legislation or policy changes.

Deadlines and Milestones

Milestone	Dates (subject to change)
Projected start date of grant	July 2022
Billing deadline for all expenses incurred through September 30, 2022	October 31, 2022
Billing deadline for all expenses incurred through December 31, 2022	January 31, 2023
Billing deadline for all expenses incurred through March 31, 2023	April 30, 2023
Final budget revision deadline	June 15, 2023
Projected end date of grant	June 30, 2023
Billing deadline for all expenses incurred through June 30, 2023	July 14, 2023

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Budget & Invoicing Guidance

Budget Activities

The following list identifies all eligible Running Start ESSER Funds Program components by activity (also known as a budget line or line item).

Required & Permissive Uses

All funds are intended to support work that meets federal Running Start ESSER Funds Program requirements, state goals, and local priorities. See Running Start ESSER Grant Guidelines for a complete list of required and permissive uses of Running Start ESSER Program funds.

Administration

Administration is defined as activities necessary for the proper and efficient performance of eligible recipient's duties under this grant, including supervision, but does not include curriculum development activities, personnel development, or research activities.

No more than 5% of the grant may be used for administrative purposes including approved indirect costs. Indirect must be calculated at no more than 5% of the administrative salaries and wages budgeted. The allowable variance of 10% per budget cell does not apply to budgeted amounts in the Administrative activity.

Budget Categories

Based on the budget activities above, you must determine how much of each activity will be budgeted in each budget category (also known as a budget column). The following is an overview of each budget category.

Salaries, Wages, and Benefits

Salaries and benefits for staff and faculty who work with Running Start ESSER Funds Program activities.

In your budget narrative, please be sure to include all position titles to be funded by the grant, percentages of effort/FTE/FTEF/hourly wage information, and a brief description of duties by position as they relate to the grant.

General Salary, Wages and Benefits are only for faculty positions that may need to be funded by the grant to keep low enrolled courses running to accommodate the needs of the Running Start population you will be serving.

Please put each position on a new line of text.

Example:

- 50% of faculty salary to run a low enrolled course in the social sciences division (i.e. history, political science, psychology)

Goods and Services

Goods: Items with an individual acquisition cost of less than \$5,000 or a useful life of less than

one year or services necessary to carry out grant activities.

Examples: outreach materials for program such as digital ads, printed materials, or social media ads

Services: Services of a routine nature necessary for carrying out grant activities.

Examples: interpreter services, interagency agreements (contracts between two or more public entities)

The cost of any items purchased that will not be used exclusively for the Running Start ESSER Program must be split amongst other funding sources.

Non-consumable items purchased shall remain in the property of the grant recipient and are subject to the "Purchased Items" terms in this document.

Funds may not be used to acquire equipment (including computer software) that results in a direct financial benefit to any organization representing the interest of the acquiring entity or its employees or any affiliate of such an organization.

Tuition

Tuition paid for eligible students.

Summer Quarter Tuition: If paying tuition from Running Start ESSER Funds, colleges must bill the tuition to the grant in the fiscal year in which college policy states that tuition is due. For example, if summer quarter starts July 2, 2023, but the student registers on June 28, 2023, and college policy states that tuition is due at the time of registration, the college may bill tuition to the 2022-23 Running Start ESSER Funds.

Summer Quarter Tuition Refunds: Any tuition refunds (due to students dropping, etc.) must be refunded to the grant from which they were originally paid. If the college has already submitted the final invoice to SBCTC for that grant, the college must mail a check to SBCTC for the refund(s). Please contact SBCTC for more information prior to mailing a check. Alternatively, if a college uses their 2022-23 grant to pay for summer quarter 2022 tuition, refunds can simply be deducted from a future invoice to SBCTC.

Books

Required books for eligible students. The college must receive and maintain receipts for all purchases.

Tools

Costs associated with tools/kits and supplies required for a student's program or activity. All other students must have the same requirement for tools/kits.

Examples: nursing kits, welding tools, other laboratory equipment or materials needed to successfully complete the course

Testing

Costs associated with aptitude, educational testing, credentials, certifications, and employment

licensing.

Examples: assessment/placement testing, nursing license/testing, food handler's cards, CPR certifications.

Student Fees

Required fees (lab fees, technology fees, etc.) paid for eligible students.

Indirect/Facilities and Administrative Costs (F&A)

To cover such costs as operation, maintenance, library, and student administration expenses that cannot be clearly allocated to an individual program.

To calculate the indirect/F&A amount, take the administrative salary and wages and multiply that amount by 5%. This is the maximum amount that can be budgeted for indirect/F&A.

Indirect/F&A may be budgeted at no more than 5% of the administrative salaries budgeted.

Indirect/F&A charges must be based on actual salary expenses. The allowable variance of 10% per budget cell does not apply to the amount budgeted in the indirect/F&A budget cell.

Budget Revisions

SBCTC approval of a revised budget is required if there is more than a 10% variation in expenditure levels for any individual budget cell.

Budget revisions must be submitted to SBCTC via the Online Budget & Invoicing System ([OBIS](#)).

Final budget revision deadline: June 14, 2023

See the OBIS user manual (available in the Resources section of OBIS) for information on how to create and submit a budget revision. Be sure to update budget narrative answers as applicable.

Invoicing

Funds for this grant must be claimed on a reimbursement basis. No payments in advance of or in anticipation of goods or services provided under this grant shall be requested or paid. All costs must be reported for the period incurred.

Reimbursement requests must be submitted at least quarterly, but not more than monthly via [OBIS](#). All costs must be submitted for reimbursement in accordance with the schedule shown below.

For expenses incurred	In voice no later than
July – September 2022	October 31, 2022
October – December 2022	January 31, 2023
January – March 2023	April 30, 2023
April – June 2023	July 14, 2023

Grant Terms & Information

General

Funds under this grant are provided to the State Board of Community and Technical Colleges (SBCTC) through a contract between SBCTC and the Washington Office of Superintendent of Public Instruction (OSPI). The awards are federal funds, provided by the U.S. Department of Education (DOE) under **CFDA/Assistance Listing 84.425D**, the Coronavirus Aid, Relief, and Economic Security (CARES) Act: Elementary & Secondary School Emergency Relief Fund (ESSER).

Allowable Costs

All expenditures submitted for reimbursement under this grant must be necessary and reasonable for proper and efficient administration of the Running Start ESSER Funds Program.

Allowable costs are determined by 2 CFR Subpart E (parts 200.400-475).

The following state and federal regulations must be followed:

Applicable Washington State Regulations

The State Administrative and Accounting Manual ([SAAM](#)) must be followed.

Applicable OMB Circulars (Federal)

[2 CFR](#) Title I, Chapter II, Parts 200, 215, 220, 225 and 230I (Uniform Administrative Requirements, Cost principles, and Audit Requirements for Federal Awards).

Purchased Items – Tracking

All non-consumable items purchased with grant funds shall remain the property of the grant recipient. “Small and attractive” items and items with a per unit acquisition of \$5,000 or more and a useful life in excess of one year must be under inventory control.

Purchased Items – Disposal of Items

The price initially paid for an item determines which category it falls into below.

Supplies:

Per 2 CFR 200.314, if upon termination or completion of a grant, a grant recipient no longer has a need for supplies with an aggregate value of more than \$5,000, they may be offered to another federal program at the recipient’s college at no cost. If the supplies are not needed for another federal program, they can be sold or transferred to a non-federal program. If the supplies are sold or transferred, the value must be returned to the federal agency where the funds originated. The SBCTC will assist in the return of funds. Please contact [SBCTC](#) for assistance.

Unallowable Costs

The following costs are explicitly disallowed:

- Administrative or supervisory costs that exceed 5% of grant funds allowed for administering this grant

- Purchase or lease of passenger vehicles including vehicles such as automobiles, trucks, buses, utility vehicles, airplanes, boats, and golf carts
- Light refreshments
- Bad debt expenses
- Payment to any person for influencing, or attempting to influence, an officer or employee of any agency, member of Congress, an officer or employee of Congress, or an employee of a member of Congress, in connection with the awarding of a federal contract, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement
- Legislative expenses such as lobbying
- Sectarian worship, instruction, or proselytization
- Promotional items and memorabilia including, but not limited to tote bags, key chains, t-shirts, pens, magnets, etc.
- Commencement and convocation costs (2 CFR 200.429)
- Contributions and donations (2 CFR 200.434)
- Student activity costs unless specifically provided for in the grant award (2 CFR 200.469)
- Individual transportation assistance requests, such as transit tickets, bus passes, parking passes, and fuel cards for participant owned-vehicles

Debarment and Suspension

The grant recipient agrees that it is not debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, “Debarment and Suspension” and that the recipient will not contract with a subcontractor that is debarred or suspended.

Expenditure Accounting

These funds must be kept in an account separate from all other funding sources.

For colleges these funds must be set up as a cost-reimbursement/as-incurred grant and be accounted for as grant and contract (fund 145). SBCTC reimbursement for this grant must be coded to object SX. For colleges in ctcLink, set this grant up using the following information:

- Grant Type: As Incurred/Cost Reimbursable
- Sponsor ID: FIN00107
- CFDA/Assistance listing: 84.425D
- F&A Distribution Department: 98219
- F&A Rate Type: IND

- F&A Base Budget: SALRY
- FA Rate %: 5.00
- Project Type: 02012
- Fund: 145
- Class: See [NACUBO Code Section, below, for suggestions](#)
- Revenue Account: 4020120
- Contract Asset Account: 1010180

NACUBO Code

The following are suggested National Association of College and University Business Officers ([NACUBO](#)) codes. Colleges may use other codes as appropriate.

- Required & Permissible Uses budget line: 145 or 165
- Administration budget line: 143

Non-Discrimination

No individual shall be excluded from participation, denied the benefits of, subjected to discrimination under, or denied employment in the administration of or in connection with any such program because of race, color, religion, sex, national origin, age, handicap, or political affiliation or belief.

Public Announcements, Disclosure of Federal Funding

When issuing statements, press releases, or other documents describing this project, the grant recipient shall clearly state:

1. The dollar amount of federal funds for the project;
2. The percentage of the total cost of the project financed with federal funds; and
3. The percentage and dollar amount of the total costs of the project financed by non-governmental sources.

Records Retention

Financial management systems shall reflect accurate, current, and complete disclosure of all cost expenses for grant activities. Grant recipients must maintain books and records, supported by source documentation, that sufficiently and properly reflect the source of funds and all costs expended for program purposes. These records and financial statements are subject to inspection, review, reproduction, and/or audit by SBCTC or its designee for at least six years after the dispersal of funds, the termination or expiration of the contract, or the resolution of litigation or audits related to the program, whichever is latest. Additional information on records retention may be found in Chapter 7 of the [SBCTC Policy Manual](#).

Rights in Materials

Materials, which originate from ESSER funds, shall be “works for hire” as defined by the U.S. Copyright Act of 1976 and shall be owned by the U.S. Department of Education. Materials shall include, but are not limited to, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, register, and the ability to transfer these rights.

Termination

This grant may be terminated by the SBCTC upon giving notice in writing to the grant recipient at least thirty (30) days in advance of the date of termination. If the grant is terminated for any reason, all reports and data gathered by grant recipient prior to termination shall at the option of the SBCTC, become the property of the SBCTC. If termination shall occur pursuant to this section, reimbursement to grant recipient shall be made on the basis of work performed prior to the effective date of termination as mutually agreed upon by both parties. Determination of final adjustments, either payments or refunds, shall also be mutually agreed upon by both parties.

Termination for Cause

If for any reason, the grant recipient violates any terms and conditions of the Running Start ESSER Funds Program, SBCTC will give the grant recipient notice of such failure or violation. Grant recipient will be given the opportunity to correct the violation or failure within thirty (30) days. If failure or violation is not corrected, this grant may be terminated immediately by written notice from SBCTC.

Savings

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to normal completion, the SBCTC may terminate the grant under the "Termination" clause, without the thirty-day notice requirement, subject to renegotiation at the SBCTC's discretion under those new funding limitations and conditions.

Time & Effort Reporting

Federal regulations under 2 CFR 200.430 require employees whose salaries are charged to a federal grant to keep time and/or effort reports to substantiate the charges. Additional time & effort reporting information may be found [online](#).

Transparency Act

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. As a result of FFATA:

- The SBCTC must report federal grants of \$25,000 or more.
- Colleges must have a Dun and Bradstreet Data Universal Numbering System (DUNS) Number as a universal identifier.

If your college does not already have a DUNS number, you must obtain one from D&B by

telephone (866-705-5711) or the [Internet](#).

- Colleges must be registered in the federal government's System for Award Management ([SAM](#)).
- Colleges must report the total compensation for each of the five most highly compensated executives for the preceding completed fiscal year if:

The college received:

1. 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
2. \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
3. Compensation information is not already available through reporting to the Securities and Exchange Commission (SEC).

Appendix A: How to Calculate FTE & FTEF

Why Are Accurate FTE and FTEF Calculations Necessary?

Grant expenses must be “necessary and reasonable.” You must provide some type of salary breakdown for us to determine that a budgeted cost is reasonable.

What are FTE and FTEF?

FTE is full-time equivalent staff. The plural is “FTEs” (with a lower case “s”).

FTEF is full-time equivalent faculty.

Note: FTES = full-time equivalent student. Grant budget narratives should not normally include “FTES” (with a capital “S”) as grant funds cannot be paid directly for student FTES.

How Do I Calculate Percentages of FTE and FTEF?

(total amount of funds budgeted for the staff time per position type) ÷ (annual full-time salary per position) = total FTE per position to be funded from the grant

Example of Calculating FTE (staff):

\$10,000 budgeted for a total of 3 part-time office assistants ÷ \$25,000 annual full-time salary for an office assistant at your organization = a total of .4 FTE office assistant paid from this grant

$$\$10,000 \div \$25,000 = .4$$

Example of Calculating FTEF (faculty):

\$200,000 budgeted for multiple part-time and full time faculty ÷ \$60,000 annual full-time salary for faculty at your organization = 3.33 FTEF paid from this grant

$$\$200,000 \div \$60,000 = 3.33$$

More Examples & Explanations

Acceptable Budget Narrative:

Budget amount: \$10,000

Narrative description: .4 FTE part-time office assistants to provide data entry

SBCTC can determine that this is a reasonable cost for the positions and work done.

\$10,000 ÷ .4 FTE = \$25,000 annual salary. This is very reasonable for an office assistant providing data entry.

Unacceptable Budget Narrative:

Budget amount: \$10,000

Narrative description: Part-time staff to provide data entry

Without knowing how many staff, what kind of staff, and the total percent of full-time equivalent staff (FTE) that will make up the \$10,000 worth of work, SBCTC cannot determine if the cost is reasonable or not.

Budget Narrative Using Hourly Wage Information:

While we prefer FTE/FTEF amounts, it's also acceptable to provide an approximate number of hours and an approximate hourly pay rate in budget narratives.

Budget amount: \$10,000

Narrative description: Office assistants to provide data entry, approx. 800 hrs at \$12/hr

SBCTC can determine that dollar amount is reasonable.



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Washington State Board for Community and Technical Colleges