



Date: Thursday, July 15, 2021

To: Directors of Financial Services

From: Keona Jones, Assistant State Superintendent
Division for Student and School Success

Subject: Recalculation of ESSER II and III Allocations

Considering recent federal guidance regarding new independent charter schools, the Wisconsin Department of Public Instruction (DPI) will be adjusting the state's ESSER II and ESSER III allocations.

Under ESSER II and ESSER III, 90 percent of state ESSER funds are to be given to local education agencies (LEAs), including independent charter schools, in proportion to the amount of funds LEAs received under part A of Title I in the 2020-21 school year. Newly formed independent charter schools for the 2021-22 school year did not receive any Title I funds in the 2020-21 school year, so the DPI initially interpreted this to mean that these schools should not receive any of the 90 percent appropriation.

However, the U.S. Department of Education (ED) recently shared guidance that new independent charter schools are required to receive ESSER II and ESSER III 90 percent allocations. ED has provided guidance on calculating funding for new independent charter schools.

As a result, DPI will have to reduce ESSER II allocations determined under the Title I formula by 0.25 percent. The \$100,000 minimum for LEAs that operated in 2020-21 is not affected, so the LEAs that received the minimum allocation of \$100,000 will not receive a decrease. DPI is aware that many LEAs are getting ready to submit year-end ESSER II claims, and we are updating WISEgrants this week to reflect the change. If your LEA has already claimed or submitted a claim for the full ESSER II allocation, we will follow up with you directly. Expenditures allowed under ESSER II are also allowed under ESSER III.

Revised ESSER II allocations will soon appear on the "view/edit funding" screen in your WISEgrants portal. The Grant Award Notification document, also available in WISEgrants, will display the revised allocation. ESSER III allocations will reflect the recent ED guidance on new independent charter schools when they are finalized and made available in WISEgrants.

Please feel free to reach out to Laura Adams (laura.adams@dpi.wi.gov) with any questions or concerns.