

**Subject:** EANS and the Choice Programs

**Date:** March 28, 2021

**From:** DPI School Finance Auditors

Dear Choice/SNSP Administrators, Auditors & Interested Parties,

As the Department previously announced, under the federal Emergency Assistance for Non-Public Schools (EANS) program, the state of Wisconsin received an award of \$77,492,001, of which \$77,104,541 is available for services or assistance to eligible private schools. An application is currently available for private schools and is due by April 12, 2021. For general information on the EANS requirements and how to apply see the [DPI EANS webpage](#).

### **Overview of EANS Funds Options**

Schools have two options for how they may use their EANS funds:

- 1) *Reimbursement Model:* The school may seek reimbursement for allowable costs the school incurred on or after March 13, 2020. The school may also budget for allowable costs they plan to incur and seek reimbursement for in the future.
- 2) *Request Services or Assistance:* The school has the option to budget for future requested services or assistance.

Schools will have the option to split its EANS allocation between these 2 options. For example, if a school's EANS fund allocation is \$10,000, it could get reimbursement for \$1,000 and request services or assistance for the remaining \$9,000.

### **Reimbursement Model**

Under the reimbursement model, the school will receive a reimbursement for costs they incur for expenses that are eligible under the EANS program. EANS states that if a cost for materials, equipment, or property is reimbursed, the item will no longer be property of the private school. As a result, any fixed assets that are funded through the EANS program would **not** be included in the school's financial audit. Additionally, any reimbursed expenses should **not** be included in the school's financial audit since they are not considered expenses of the private school.

If a school chooses to get reimbursed for a cost that it incurred during the 2019-20 school year, it will need to reflect the following in the 2020-21 financial audit:

- 1) Remove the expenses for which the school received reimbursement from the prior year Statement of Activities.
- 2) If the reimbursement was for a fixed asset, remove the fixed asset from the Statement of Financial Position.
- 3) Reduce the eligible education expenses in the reserve balance schedule(s) for the expenses that were paid for by the EANS program. In the 2020-21 Reserve Balance schedule(s), any expenses that were included in the 2019-20 eligible education expenses that have now been reimbursed must be included as a negative in the prior year adjustments line(s) of the reserve balance schedule(s).

## **Request Services or Assistance**

If a school chooses to request services or assistance, the funds will be treated similar to Title funds. The private school will not receive any EANS funds directly or pay any expenses. As a result, the EANS related revenue and the expenses for the services or assistance will not be included in the financial audit.

## **Additional Resources**

The emails that were shared with private schools regarding EANS funding are available on the Choice program webpage at <https://dpi.wi.gov/parental-education-options/choice-programs/school-information> in the School Choice Emails to Private Schools section. Further information regarding EANS funding, including information on what types of costs may be reimbursed, is available at <https://dpi.wi.gov/crrsaa/eans>.

If you have any questions regarding the EANS funds in general, please direct your questions to EANS@dpi.wi.gov. If you have any questions regarding the Choice program/SNSP impact on eligible education expenses or how the funds should be accounted for in the Choice/SNSP financial audit, please direct your questions to the Choice program/SNSP auditors at dpichoiceauditreports@dpi.wi.gov.

Thank you,

School Finance Auditors