

ESSER III FUND PREMIUM PAY BONUS

PRC 203

FAQ: as of 12/17/2021

SL 2021-180 Section 7.27.(a)(34) – ESSER III Employee Bonuses (PRC 203)

The ESSER III Employee Bonuses program (PRC 203) is intended to provide a one-time, lump sum bonus of \$1,000 for every qualifying teacher whose salary is supported from State funds and who, as of January 1, 2022, is employed as a teacher in a public school. Under SL 2021-180 Section 7.27.(a)(34)(a.)(2), A qualifying teacher is defined as teachers and instructional support personnel who participate in one or more trainings between March 12, 2020, and January 1, 2022, that address the mitigation of COVID-19 in public schools, learning loss resulting from the COVID-19 pandemic, or virtual instruction needed because of the COVID-19 pandemic. The governing body of each public school must determine whether an individual teacher or instructional support staff is a qualifying teacher for the purposes of receiving the bonuses.

General Information

Public School Units interested in receiving funds for the ESSER III Employee Bonuses must submit a program application for PRC 203 through DPI's CCIP system. All public school units are eligible to apply for PRC 203, as well as the North Carolina School of the Arts, the North Carolina School of Science and Math, schools operated by the North Carolina Department of Health and Human Services, and schools operated by the Department of Public Safety.

Frequently Asked Questions:

1. When does this bonus have to be paid?

Per SL 2021-180 Section 7.27(a)(34), the ESSER III bonuses must be paid to qualifying teachers and instructional support personnel by January 31, 2022. However, because these are Federal grant funds, a PSU must have an application approved by NC DPI prior to paying the bonuses. As such, failure to submit a program application timely and have it approved by NC DPI could result in delaying the date by which a PSU is able to make the bonus payments.

2. May a PSU make the bonus payments to qualifying teachers prior to approval of their PRC 203 application?

Payment of the bonuses prior to approval of the PRC 203 application would qualify as a pre-award cost. Under the Uniform Guidance Section 200.458, pre-award costs are not allowable without prior approval. Due to the short window, no prior approval will be provided.

3. Which personnel qualify as “teachers or instructional support personnel” for the purposes of receiving the ESSER III bonuses?

Teachers and instructional support personnel are those who are required to be paid from the legislative certified teacher salary schedule and are typically eligible to be paid from State PRC 001 and/or State PRC 007 and are working and coded to the school level.

4. *What does it mean to be “employed as of January 1, 2022” for the purposes of receiving the ESSER III employee bonuses?*

If the employee is employed by an eligible employer on 1/1, but their first workday is 1/3, they would be eligible for the bonus. If an employee was not employed until any other day in January other than January 1st, the employee are not eligible under the language in the legislation for the bonus.

5. *If an employee is employed after January 1, 2022, do they receive a pro-rated bonus?*

No.

6. *If an employee has an effective retirement day of January 1, 2022, or earlier, are they eligible?*

No.

7. *Which employees are included as teachers and instructional support*

It is the responsibility of the governing body (eg. the local board of education or the charter board) to determine which employees are included as teachers and instructional support personnel. For the purposes of other legislated bonuses, DPI defines teachers and instructional support personnel as those who are required to be paid from legislated salary schedules and are eligible to be funded from State PRC 001 and/or State PRC 007, and are working and coded to the school level.

The allocation for the ESSER III bonus to public school units is based on personnel funded from State funds and who meet this definition. Funding may not be sufficient to cover an expanded definition.

8. *Must the bonus be pro-rated for qualifying part-time teachers or instructional support personnel?*

No. SL 2021-180 Section 7.27.(a)(34) does not require that PSUs pro-rate bonuses for part-time teachers or instructional support personnel that are otherwise eligible for the bonuses.

9. *What trainings qualify as trainings “that address the mitigation of COVID-19 in public schools, learning loss resulting from the COVID-19 pandemic, or virtual instruction needed because of the COVID-19 pandemic?”*

It is the responsibility of the governing body to determine whether any specific training addresses “the mitigation of COVID-19 in public schools, learning loss resulting from the COVID-19 pandemic, or virtual instruction needed because of the COVID-19 pandemic.” NC

DPI is not able to provide a listing of trainings that meet this requirement or otherwise make a determination as to the suitability or eligibility of any specific training.

10. Will DPI approve a training as a qualifying training for the purposes of determining an individual's eligibility for PRC 203 ESSER III bonus?

No. It is the responsibility of the governing body for each PSU participating in the program to determine which trainings qualify as trainings “that address the mitigation of COVID-19 in public schools, learning loss resulting from the COVID-19 pandemic, or virtual instruction needed because of the COVID-19 pandemic.” NC DPI will not consider requests to determine whether any specific training offered to employees qualifies for the purposes of the ESSER III employee bonuses.

11. Are the PRC 203 ESSER III bonuses subject to retirement?

No. PRC 203 ESSER III employee bonuses are not subject to retirement. However, the bonus is subject to social security and all income tax provisions.

12. Our district was planning to provide a similar bonus for all employees, including teachers and instructional support personnel, from our normal ESSER III funds. Can we use this funding to provide the bonuses for teachers and instructional support staff instead and amend our ESSER III plan to identify an alternative use of those funds?

No. The ESSER III employee bonuses are required to be in addition to any regular compensation or other bonuses that the employee has received or is scheduled to receive. If the decision to award a bonus (regardless of funding source) has already been made by the PSU, eligibility for the PRC 203 ESSER III employee bonuses cannot be used as justification for not paying the other bonus, even if the other bonus is also being funded by ESSER III funds.

13. The bonuses to be paid based on our governing body's determination of qualifying teachers exceeds our PRC 203 allotment. Can we use other ESSER funds to pay the overage?

Unlike the bonuses in PRC 141, the ESSER bonuses are not guaranteed to be fully funded and may only be paid to State funded teachers and instructional support.

However, the Federal Programs Monitoring and Support Division has determined that supplementing PRC 203 funds to make similar bonuses available to other staff or to ensure full funding of the PRC 203 bonuses would be an allowable use of other ESSER funds. To use the ESSER funds for such purposes, PSUs are required to submit a budget and application amendment to be approved by Federal Programs prior to funds being disbursed if the PSU wishes to take this step.

The legislation provides authority to the State Board of Education to utilize funds that are not needed for allotments or contracts required in the legislation to cover shortfalls in the bonus allotment. DPI will not know if there are any additional funds available for this bonus program to meet any shortfalls until after March 15, 2021.

14. Can we use ESSER funds to pay a matching bonus for non-state funded teachers and instructional support for the ESSER 3 - Teacher Bonus funding in PRC 203?

Yes, subject to approval of an amendment to the ESSER plan for the ESSER program from which the intended funds originate. The Federal Programs Monitoring and Support Division has determined that supplementing PRC 203 funds to make similar bonuses available to other staff or to ensure full funding of the PRC 203 bonuses would be an allowable use of other ESSER funds. To use the ESSER funds for such purposes, PSUs are required to submit a budget and application amendment to be approved by Federal Programs prior to funds being disbursed if the PSU wishes to take this step.

15. Can we use ESSER funds to pay a similar bonus as PRC 203 for all other staff in the district?

Yes, subject to approval of an amendment to the ESSER plan for the ESSER program from which the intended funds originate. The Federal Programs Monitoring and Support Division has determined that supplementing PRC 203 funds to make similar bonuses available to other staff or to ensure full funding of the PRC 203 bonuses would be an allowable use of other ESSER funds. To use the ESSER funds for such purposes, PSUs are required to submit a budget and application amendment to be approved by Federal Programs prior to funds being disbursed if the PSU wishes to take this step.

16. Are we required to pay all teachers and instructional support personnel the ESSER III employee bonuses?

No. The governing body for a PSU may determine whether any individual teacher or instructional support employee is eligible for an ESSER III employee bonus based on the criteria in the legislation. However, PRC 203 funds may only be used for providing the \$1,000 bonuses for qualifying teachers and instructional support personnel. Any unused PRC 203 funds will be reverted by DPI and utilized for other purposes at the determination of the State Board of Education.

17. Can we pay qualifying teachers and instructional support personnel bonuses less than \$1,000?

No. Once the governing body for a PSU has determined that a teacher or instructional support employee is eligible for the bonuses, the PSU must pay a one-time, lump sum bonus of \$1,000 to the qualifying employee.