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Montana Association of School Business Officials | Montana Federation of Public Employees | Montana Quality Education Coalition | Montana Rural Education Association | Montana School Boards Association | School Administrators of Montana

**To:** Public School Leaders  
**From:** Montana Public Education Center Partner Organizations (MASBO, MFPE, MQEC, MREA, MTSBA SAM)  
**Date:** July 25, 2020  
**Re:** Interpretations and Recommendations on Allowable Expenses of Coronavirus Relief Funds for Schools

The above referenced organizations partnering in the Montana Public Education Center have reviewed the list of allowable expenses from Governor Bullock’s announcement and the Office of Public Instruction’s [guidance document](#) on same. We offer the following recommendations to help Montana’s public schools make the most appropriate and efficient use of these funds.

1. **Step 1:** Establish a coordinated process for tracking revenues and expenditures now so that you can build your required final report of expenditures as you go.
  - a. Grant revenue and expenditures should be tracked to the miscellaneous programs fund 15
  - b. Use Revenue Source 7700
  - c. Use Expenditure Program 770
  - d. Create a unique project reporter code for revenues and expenditures
2. **Step 2:** Analyze and document expenditures previously incurred on or after March 1 that qualify for use of Coronavirus Relief Funds.
  - a. Make journal entries to change the source of the expenditure from where it was originally expended to expenditure program 770. Contact Denise Williams, MASBO, for assistance.
3. **Step 3:** Going forward, heed and follow Governor Bullock’s recommendation “that schools use the CRF funds prior to any other funding.” The deadline for expending these funds ends December 30, 2020, earlier than other federal stimulus funds, so unless you run completely out of the Coronavirus Relief Funds, you should avoid spending any other federal stimulus or other state or local funds on the expenses qualifying for Coronavirus Relief Funds.
4. **Step 4:** Strategically discuss and document the full extent of the financial impacts and other harms of COVID-19 since it first disrupted learning in March 2020. The authority to determine and document what qualifies rests with each school district.
  - a. As you incorporate various expenditures into your plans, document the relation to COVID-19 as you go.

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- b. If you determine that the use of Coronavirus Relief Funds created savings in other funds that would have otherwise been used to cover qualifying expenses, watch out for and avoid exceeding reserve limits in such funds.
  - i. Consider creating a new or using an existing multidistrict agreement to transfer funds that would otherwise be lost to fund balance reappropriation into the interlocal agreement fund and use for future expenses within the purpose of your multidistrict agreement.
- 5. **Step 5:** Spend the funds. Illustrative examples of expenditures that qualify for use of Coronavirus Relief Funds include, but are not limited to:
  - a. Personal protection equipment and supplies (e.g. masks, gloves, etc.)
  - b. Disinfection supplies;
  - c. Disinfection equipment;
  - d. Offsite instruction Costs;
    - i. Equipment (laptops, tablets and other mobile devices; software licenses and internet access charges used in remote learning)
  - e. Staffing: Additional teachers, paraprofessionals, school nurses, janitors, bus aides, and other staff with duties related to adjusting, adapting and providing accommodations due to the needs generated by COVID 19:
    - i. Incorporate the costs of additional staff as well as existing staff who, but for access to Coronavirus Relief Funds, would have had to be terminated for financial reasons.
    - ii. Use the flexibilities afforded by current law funds transfer to develop employment agreements that can employ the needed staff through the duration of the school year to meet the student's needs. Contact MT-PEC leaders for assistance.
  - f. Professional Development for staff on COVID-19 related issues;
  - g. The costs of providing paid leave for staff pursuant to the Families First Coronavirus Relief Act;
  - h. The costs of any additional expenses associated with changes in a collective bargaining agreement as a result of negotiating changes in working conditions arising from COVID-19 (e.g. hazard pay, extended leave, cashout of vacation, etc.)
  - i. Upgrades to HVAC systems, ingress and egress points, class configurations, furniture, cubicle spaces, etc., to reduce the likelihood of COVID-19 exposure.
  - j. Purchase of NHTSA 5 star rated vehicles qualifying as buses to allow for improved physical distancing and scalability in the provision of transportation to students.

Relevant Links:

1. [Governor Bullock's News Release Regarding the Planned Distribution of Funds](#)
2. [Coronavirus Relief Fund Application](#)
3. [OPI Guidance Document](#)