

**Questions and Answers From the  
April 8, 2009, Webinar:  
Leveraging Stimulus Funds for  
Lasting Change  
Part 2**

**May 2009**



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## Webinar Questions and Answers, Part 2

Learning Point Associates hosted a webinar on April 8, 2009, titled “Leveraging Stimulus Funds for Lasting Change.” Participants submitted more than 200 questions prior to and during the webinar. Our [Part I document](#) answers the first set of questions related to the guidance and assurances. This document answers questions covering several topics:

- Funds to invest in technology
- Funds to establish a statewide student data/management system
- State and local decision making regarding education stimulus funds
- Afterschool and extended learning
- Renovation and construction
- High schools
- “Race to the Top” funds
- State use of stimulus funds
- What to avoid
- Expanded support of English language learner (ELL) programs
- The role of private schools and community organizations in maximizing and receiving funds
- Investing for the long term
- Supporting student achievement

### Questions About Using Funds to Invest in Technology

Several participants submitted questions about how stimulus dollars may be used to fund technology investments.

The American Recovery and Reinvestment Act (ARRA) authorized continued funding at \$650 million for Title II, Part D, Enhancing Education Through Technology (Ed Tech or EETT) grants. Guidance on the purposes of Ed Tech funds as well as typical local uses can be found at <http://www.ed.gov/programs/edtech/index.html>.

Distribution guidelines allow states to retain up to 5 percent of their allocations for state-level activities. They must distribute half of the remainder by formula to eligible local education agencies (LEAs) and award the other half competitively to eligible local entities. Funds will be made available beginning in fall 2009 and will be conditioned upon receipt of further information that will be outlined in future guidance.

The U.S. Department of Education (ED) recently released guidance on how ARRA funds can be used for school reform and improvement (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>). These guidelines contain several examples of technology spending. In

addition, the policy guidance provided by ED with regard to individual federal programs discusses how funds may be used by states and districts. The guidance for Title I and IDEA funds makes no specific reference to technology uses for these funds, and the State Fiscal Stabilization Fund (SFSF) contains only one reference with respect to institutions for higher education. Information can be found at:

- [State Fiscal Stabilization Fund Guidance](#)
- [Modifications to the Questions in the April 2009 Guidance](#)
- [Title I, Part A, Recovery Funds for Grants to Local Education Agencies Fact Sheets](#)
- [Title I, Part A, Elementary and Secondary Education Act \(ESEA\) Recovery Funds Guidance](#)
- [Individuals with Disabilities Education Act \(IDEA\) Part B, Fact Sheet](#)
- [IDEA, Part B, Guidance](#)
- [IDEA, Part C, Fact Sheet](#)
- [IDEA, Part C, Guidance](#)
- [Impact Aid Section 8007 School Construction Funds](#)

## **Questions About Using Funds to Establish a Statewide Student Data/Management System**

Under ARRA, \$250 million is allocated to the Institute of Education Sciences (IES) Statewide Longitudinal Data Systems (SLDS) Grant Program (see <http://nces.ed.gov/Programs/SLDS/>), \$245 million is allocated for competitive grants for statewide longitudinal data systems, and \$5 million is allocated for state data coordinators and for public or private entities to improve data coordination. The funds will be available beginning in autumn 2009 and will be awarded according to the quality of the applications submitted through a competitive grant process. ED will post guidelines. The grants, originally authorized by Educational Technical Assistance Act (ETTA) of 2002, Title II, Public Law 107-79, Section 208, 20 U.S.C. 9607, are to be awarded to state education agencies (SEAs) to “design, develop, and implement statewide longitudinal data systems to efficiently and accurately manage, analyze, disaggregate, and use individual student data.”

One of the four assurances that guides the distribution of SFSF and other federal funds under ARRA is that states will “establish a longitudinal data system that includes the elements described in section 6401(e)(2)(D) of the America COMPETES [Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science] Act (20 U.S.C. 9871)” (ARRA Section 14005(d)(1)(B)(3)). Learning Point Associates has provided updated information about each of the assurances, with information pertaining to the data collection assurance, at the Education Recovery and Reinvestment Center (ERRC) website (see <http://www.learningpt.org/recovery/DataCollection.php>). Also available at the ERRC site are numerous links to help states that are considering building and implementing comprehensive data systems.

## Questions About State and Local Decision Making Regarding Education Stimulus Funds

Several questions stemming from the webinar relate to the relative decision-making powers of states and districts in distributing and spending federal education stimulus funds.

### State Applications and the Role of the Governor

SFSF dollars and funds for existing programs such as Title I and IDEA are distributed first to states with guidance for use at the state level as well as allocations to districts pursuant to funding formulas or competitive grants. Within states, specific plans for how funds will be applied, particularly SFSF money, are developed through the governor's proposed budget, which must be approved through the state legislative process.

**Existing Programs.** Most of the funds for existing federal programs have been disbursed to states; however, it is taking some time for those funds to reach districts. Many states have application processes in place for Title I and IDEA funds. Because of the reporting and accountability requirements of ARRA, some states are requiring additional assurance from school districts before the funds are released. ED has released estimates for Title I allocations to school districts. Funds for each state and estimated Title I allocations can be easily searched through the Learning Point Associates Fund Finder (see <http://www.learningpt.org/recovery>).

ARRA provides specific deadlines for when funding under the various programs must be provided by federal agencies to the appropriate states (see <http://www.ed.gov/policy/gen/leg/recovery/implementation.html>). The side-by-side document developed by Learning Point Associates incorporates all dates articulated by ED for the programs funded under ARRA (see <http://staging.learningpt.org/recovery/StimulusSide-By-Side.pdf>).

State governors have some discretion regarding the timing of distribution of program funds to districts. On its website in the guidance for Title I funds, ED states that “In accordance with the goals of the ARRA, the Department encourages states to award Title I, Part A ARRA funds to their LEAs as quickly as possible, consistent with prudent management, so that LEAs can begin using the funds” (see <http://www.ed.gov/policy/gen/leg/recovery/factsheet/title-i.html>).

**Stabilization Funds.** In order for a state to receive funds under SFSF, its governor must submit an application to ED. As these applications are approved, they are posted to the ERRC (see <http://www.learningpt.org/recovery/federal.php#SFSFapps>). State applications must provide assurances that the state will take action to address the four reform areas: teacher effectiveness and equitable distribution; collection and use of data; standards and assessments; and support for struggling schools. Visit the ERRC website for additional information about the four assurances (see <http://staging.learningpt.org/recovery/assurances.php>).

In its guidance for SFSF, ED states that “While a Governor should consider the immediate needs of LEAs and public IHEs, the Governor has some flexibility in the timing of the release of the funds ... “ (see <http://www.ed.gov/programs/statestabilization/guidance.pdf>). ED is awarding

funds to states in two phases, and there are separate deadlines by which a governor must subgrant or commit the funds awarded in each phase.

In order to receive all available stabilization funds, states must promise to report on certain metrics in order to show progress in the four assurances. Information about the metrics that will be proposed for notice and commentary can be found in a letter issued by ED to state governors (see <http://www.ed.gov/programs/statestabilization/2009-394-cover.pdf>). For additional information about the four assurances, refer to [Questions and Answers, Part 1](#).

States have begun submitting applications to receive the first installment of stabilization funds (for a list of current applications, see <http://www.ed.gov/programs/statestabilization/resources.html>). Some states already have received approval. Federal approval notices are updated regularly at <http://www.learningpt.org/recovery/>.

### **Information About State Priorities and Plans**

As states begin to release their guidance to districts, information will be posted on the Learning Point Associates State Resources page (see <http://www.learningpt.org/recovery/state.php>). Many states already have provided detailed and useful information, which has been posted. For additional information, refer to state legislature webpages for governors' proposals related to the use of funds.

### **Distribution of Funds to Districts**

ARRA provides that education funds will be disbursed to LEAs either by formula or by competitive grants. The side-by-side document published by Learning Point Associates is a helpful reference for understanding which funds will be distributed to districts by formula and which by competitive grant (see <http://staging.learningpt.org/recovery/StimulusSide-By-Side.pdf>).

In order for LEAs to receive SFSF money, they must submit an application to the governor of their state. In the application, the LEA must assure that it will administer the program in accordance with all applicable statutes and regulations, use fiscal control, and fund accounting procedures that will ensure proper disbursement of and accounting for the funds (see <http://www.ed.gov/programs/statestabilization/guidance.pdf>).

### **Federal Guidance Regarding Use of Funds**

Policy guidance provided by ED with regard to individual federal programs discusses how states and districts may use stimulus funds:

- [Guidance on Using ARRA Funds to Drive School Reform and Improvement](#)
- [State Fiscal Stabilization Fund Guidance](#)
- [Modifications to the Questions in the April 2009 Guidance](#)
- [Title I, Part A, Recovery Funds for Grants to Local Education Agencies Fact Sheets](#)

- [Title I, Part A, Recovery Funds Guidance](#)
- [IDEA, Part B, Fact Sheet](#)
- [IDEA, Part B, Guidance](#)
- [IDEA, Part C, Fact Sheet](#)
- [IDEA, Part C, Guidance](#)
- [Impact Aid Section 8007 School Construction Funds](#)

## Updated Guidance

Learning Point Associates works in partnership with ED through the federal contracts that it administers. The National Comprehensive Center for Teacher Quality (TQ Center), Great Lakes East Comprehensive Center, and Great Lakes West Comprehensive Center are developing resources to help states identify creative and innovative activities that can be funded with ARRA dollars. Announcements will be posted on the ERRC when new resources become available (see <http://www.learningpt.org/recovery>).

## Questions About Afterschool and Extended Learning

Several questions have been posed regarding the use of stimulus funds for afterschool programs. Guidance published by ED for Title I, IDEA, and SFSF programs does not specifically address afterschool programs. However, *Using ARRA Funding to Drive School Reform and Improvement* (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>) specifically references the use of afterschool programs as a strategy to address improving results for all students. The document states that:

In using ARRA funds, districts should also consider other strategies consistent with ARRA's reform goals and the evidence on improving student outcomes. These include:  
 ... extending learning time ... Examples in these areas include efforts to:

Extend learning time for students. Expand after-school and summer learning programs for two years in conjunction with existing community providers to provide more time for learning, including one-on-one and small group instruction, opportunities for service, internships, the arts, and other activities that both enrich the curriculum and address the specific needs of low-performing students. (pp. 6–7)

[\*Beyond the Bell: Start-Up Guide\*](#), developed by Learning Point Associates, provides assistance in developing high-quality afterschool programs that provide additional supports for students.

## Questions About Renovation and Construction

There are many questions about how states and districts may use federal stimulus funds for renovation and construction. Several options are available to states through Impact Aid, Section 8007 and SFSF, as well as through tax credit bonds.

## Impact Aid, Section 8007

Construction grants go to local school districts that educate high percentages of certain federally connected children—i.e., children living on Indian lands and children whose parents are members of the uniformed services. These grants help pay for the construction and repair of school buildings. Section 8007(a) provides formula grants to local school districts based on the number of eligible federally connected children they educate. Section 8007(b) provides competitive grants for emergency repairs and modernization. ED issued comprehensive guidance regarding the use of these funds (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/impactaid.pdf>) and awarded the formula funds in April 2009 (see <http://www.ed.gov/programs/8007a/arra-8007a-awards.pdf>).

## State Fiscal Stabilization Funds

ED will award governors approximately \$48.6 billion by formula. The SFSF program may help support the modernization, renovation, and repair of school and college facilities. In addition, ARRA provides governors with significant resources to support education (including school modernization, renovation, and repair), public safety, and other government services. To the extent that LEAs use funds for modernization, renovation, or repair, they should consider the use of facilities for early childhood education and for the community and should create “green” buildings. States must use 18.2 percent of the SFSF dollars for education, public safety, and other government services. This may include assistance for early learning, elementary and secondary education, and IHEs (see <http://www.ed.gov/programs/statestabilization/guidance.pdf>).

## Tax Credit Bonds

- *Qualified School Construction Bonds* are for the construction, rehabilitation, or repair of a public school facility, or for the acquisition of land on which such a facility is to be constructed. Guidance from the Internal Revenue Services (IRS) is available at <http://www.irs.gov/pub/irs-drop/n-09-35.pdf>.
- *Qualified Zone Academy Bonds* are for the construction, rehabilitation, and repair of schools funded by the Bureau of Indian Affairs. \$200 million is available in 2009, and \$200 million also will be available in 2010. Guidance from the IRS is available at <http://www.irs.gov/pub/irs-drop/n-09-35.pdf>.

The National Clearinghouse for Education Facilities has created a comprehensive document that identifies federal programs funded by ARRA and administered by multiple agencies that can be tapped to support renovation and construction projects (see <http://www.ncef.org/school-modernization/chart.pdf> for information).

## Questions About High Schools

In a recent national study of the use of federal funds, ED found that 10 percent of Title I funds are allocated to high schools (see *State and Local Implementation of the No Child Left Behind Act, Volume VI—Targeting and Uses of Federal Education Funds* at <http://www.ed.gov/rschstat/>

[eval/disadv/nclb-targeting/nclb-targeting-highlights.pdf](#)). Increased funding through existing Title I formulas will benefit those high schools that receive Title I funds, but many states and districts are searching for information about what other provisions with ARRA will help fund high school improvement and reform efforts.

ARRA provides specific funding streams, other than Title I allocations, that states and districts can utilize to support their improvement and reform efforts:

- IDEA Parts B and C: <http://idea.ed.gov/>
- SFSF: <http://www.ed.gov/programs/statestabilization/guidance.pdf>
- Impact Aid: <http://www.ed.gov/about/offices/list/oese/impactaid/whatisia.html>
- Educational Technology State Grants (Ed Tech): <http://www.ed.gov/programs/edtech/index.html>
- Homeless Children and Youth Education (McKinney-Vento Homeless Assistance Act): <http://www.ed.gov/policy/elsec/leg/esea02/pg116.html>
- Teacher Incentive Fund: <http://www.ed.gov/programs/teacherincentive/index.html>
- Teacher Quality Enhancement Grants: <http://www.ed.gov/programs/heatqp/index.html>

### **Ideas for How States and Districts Can Use IDEA Funds for High School Improvement and Reform**

Recent guidance from ED provides additional information about the use of IDEA Part B Funds. Of particular interest to states and districts looking for funding to implement high school improvement initiatives is the guidance in Question D-2, which allows districts to use up to 15 percent of the total regular and ARRA IDEA funds for coordinated early intervening services (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/idea-b.pdf>). This funding can be used to implement and support early intervention services and response to intervention (RTI) initiatives.

### **Ideas for How States and Districts Can Use SFSF for High School Improvement and Reform**

ED recently released additional guidance on the use of ARRA funds to support high schools (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>) as directed in the four SFSF assurance areas. The following information provides a few additional ideas about how states and districts can use SFSF allocations for initiatives specific to high schools.

**Rigorous Standards and High-Quality Assessment.** In developing and sustaining rigorous standards, high-quality assessments, and strong curricular instruction, SFSF allocations can be utilized to:

- Increase student participation in rigorous advanced courses by supporting districts in developing or strengthening programs such as:
  - Advanced Placement (see <http://professionals.collegeboard.com/k-12/assessment/ap>)
  - International Baccalaureate (see <http://www.ibo.org/>)

- Dual Credit and Dual Enrollment Options
- Purchase or adapt a high-quality curriculum aligned with standards with embedded assessments, including instructional materials for ELLs and students with disabilities (SWDs).
- Intensively train all teachers in effectively using the curriculum with their students for the two years of ARRA funding.

**Data Collection and Use.** Data collection, analysis, and decision making is vital for educators and parents to know how best to support the learning needs of all students. To support data use and collection, SFSF allocations can be utilized to develop or enhance existing data systems, track students who graduate high school and go on to college, and link data systems.

***Develop or Enhance Existing Data Systems.*** ED notes that ARRA funds may be used to:

Develop or enhance existing data systems to provide teachers access to (1) student data in such areas as attendance, grades, course schedules, and disability or English language learner status, and (2) data that show academic performance and growth, how those compare to statewide averages for similar students and schools, and whether students are on track to meet standards and graduate from high school (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>, p. 3).

The National High School Center, funded by ED, has developed a number of early warning system resources to support high schools in using indicator data to identify potential dropouts:

- *Developing Early Warning Systems to Identify Potential High School Dropouts* (see [http://www.betterhighschools.org/docs/IssueBrief\\_EarlyWarningSystemsGuide\\_081408.pdf](http://www.betterhighschools.org/docs/IssueBrief_EarlyWarningSystemsGuide_081408.pdf))
- *Early Warning System Tool* (see <http://www.betterhighschools.org/docs/EWStool.xls>)

***Track Students Who Graduate High School.*** ED notes that SFSF allocations may be used to:

Track the number and percentage of students by school who graduate high school and go on to complete at least one year's worth of college credit. Use the information to strengthen high school programs and increase the percentage of students going on to college (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>, p. 4).

Postsecondary data collection systems can support states and districts as they:

- Track postsecondary enrollment.
- Assess alignment of district curriculum to college readiness standards.

For states using the ACT for federal accountability, [college feedback reports are available from ACT](#) to track how first-time freshmen perform during their first year in college.

***Link Data Systems.*** According to ED, SFSF allocations may be used to:

Link districts' multiple data systems (including student, financial, and personnel) and use resulting information for analyses and reports that enable community, district, and school

leaders to better understand the educational and cost effectiveness of district programs and strategies and allocate resources accordingly (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>, p. 4).

**Support for Struggling Schools.** In many states, supports for low-performing schools are funded largely through Title I funding. As discussed, 10 percent of Title I funds reach high schools. According to ED, SFSF allocations can be utilized to:

Create 9th grade academies staffed with highly effective teachers to help students transition successfully to high school, and create summer programs that prepare struggling students to be successful in gateway courses, such as algebra, and in college-preparatory Advanced Placement classes (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>, p. 6).

The National High School Center, funded by ED, has developed a number of resources to support high schools in developing research-based transition initiatives:

- *Easing the Transition to High School: Research and Best Practices Designed to Support High School Learning* (see [http://www.betterhighschools.org/docs/NHSC\\_TransitionsReport.pdf](http://www.betterhighschools.org/docs/NHSC_TransitionsReport.pdf))
- *State and District-Level Support for Successful Transitions into High School* (see [http://www.betterhighschools.org/docs/NHSC\\_PolicyBrief\\_TransitionsIntoHighSchool.pdf](http://www.betterhighschools.org/docs/NHSC_PolicyBrief_TransitionsIntoHighSchool.pdf))
- *Preparing High School Students for Successful Transitions to Postsecondary Education and Employment* (see [http://www.betterhighschools.org/docs/PreparingHSSStudentsforTransition\\_073108.pdf](http://www.betterhighschools.org/docs/PreparingHSSStudentsforTransition_073108.pdf))

ED notes that, “In using ARRA funds, districts should also consider other strategies consistent with ARRA’s reform goals and the evidence on improving student outcomes” (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>, p. 6). Among ARRA’s goals to improve student outcomes is to extend learning time for students, which would allow for schools to:

Expand after-school and summer learning programs for two years in conjunction with existing community providers to provide more time for learning, including one-on-one and small group instruction, opportunities for service, internships, the arts, and other activities that both enrich the curriculum and address the specific needs of low-performing students (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>, p. 7).

*Beyond the Bell: Start-Up Guide*, developed by Learning Point Associates, provides assistance in developing high-quality afterschool programs that provide additional supports for students.

## Questions About “Race to the Top” Funds

ED has published little information about “Race to the Top” funds. The most specific information places emphasis on evaluating a state’s use of SFSF and Title I funds. As soon as additional information is available, it will be posted on the ERRC (see <http://www.learningpt.org/recovery>). According to ED:

Under the \$5 billion in SFSF reserved for the Secretary of Education to make competitive grants, ED will conduct a national competition among states for a \$4.35 billion state incentive “Race to the Top” fund to improve education quality and results statewide. The Race to the Top fund will help states drive substantial gains in student achievement by supporting states making dramatic progress on the four reform goals described above and effectively using other ARRA funds. \$650 million of the \$5 billion will be set aside in the “Invest in What Works and Innovation” fund and be available through a competition to districts and non-profit groups with a strong track record of results. Guidelines and applications for the competitive funds will be posted expeditiously. Race to the Top grants will be made in two rounds—fall 2009 and spring 2010) (see <http://www.ed.gov/policy/gen/leg/recovery/implementation.html>).

ED also states that:

\$5 billion in competitive grants, the “Race to the Top” fund, will be awarded to states that are most aggressively pursuing reforms. In order to ensure that Recovery Act funds are driving classroom improvements, states competing for Race to the Top funds will be judged on how well they are using the first round of stabilization and Title I funds to advance education reforms (see <http://www.ed.gov/news/pressreleases/2009/04/04012009.html>).

## **Questions About State Use of Stimulus Funds**

Many state education leaders and stakeholders have questions about the implementation of stimulus-funded programs in their states. The ERRC features a number of useful resources with state-specific information. For example, the Fund Finder helps users quickly find a state’s recently released allocations for ESEA Title I Grants to LEAs, IDEA Parts B and C, Rehabilitation Act State Grants, Independent Living State Grants, and Services for Older Individuals Who Are Blind, as well as school district allocations for Title I, Part A, under ARRA (see <http://www.learningpt.org/recovery/fundFinder.php>).

In addition, the State Resources page contains links to each state’s recovery website, state departments of education, practical materials, and press articles. This page is updated regularly and provides users with timely information. These resources can help stakeholders easily identify information about their state’s activities or learn from the work of their colleagues in other states (see <http://www.learningpt.org/recovery/state.php>).

ED has begun approving state applications for the SFSF. As these applications are approved, they will be posted to the ERRC (see <http://www.learningpt.org/recovery/federal.php#SFSFapps>).

## **Questions About What to Avoid**

Many states have questions about specific areas to pay attention to and mistakes to avoid. ED guidance places tremendous emphasis on transparency and making progress in the key reform areas. As states and districts consider how to spend the stimulus funds, it is important to pay attention to the priorities identified below and monitor the guidance issued by ED. The ERRC contains information about these key issues (see <http://www.learningpt.org/recovery>):

- Increasing teacher effectiveness and equitable distribution of effective teachers
- Adopting rigorous college- and career-ready standards and high-quality assessments
- Establishing data systems and using data for improvement
- Turning around the lowest-performing schools
- Improving results for all students:
  - Early childhood learning
  - Extended learning time
  - Use of technology
  - Preparation for college
  - School modernization
- Meeting accountability and reporting requirements

## Questions About Expanded Support for ELL Programs

Explicitly and implicitly, ARRA addresses ELLs. Explicitly, under SFSF (see, for example, Allocations—Section 14001(b) Administration and Oversight), dollars are earmarked for making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including ELLs and SWDs.

Governors submitting state applications must provide several assurances, including that their states will enhance academic assessments; that they will comply with requirements related to the inclusion of children with disabilities and limited English proficient students, the development of assessments for those students, and accommodations that enable their participation in state assessments; and that they will take steps to improve academic content standards and student academic achievement standards (see Section 14005: State Applications).

In a letter to governors, Secretary of Education Arne Duncan noted that proposed metrics to measure the use and impact of ARRA funds include “whether the state has developed and implemented valid and reliable assessment for English language learners and the percent of English language learners tested on state mathematics and ELA assessments” (see <http://www.ed.gov/programs/statestabilization/2009-394-cover.doc>).

Implicitly, recovery funds for grants to LEAs can be used under Title I, Part A to advance ARRA’s principles. Among the options described are (see <http://educationstimulus09.com/pdfs/titleI.pdf>, p. 4):

- “Establishing intensive, year-long teacher training for all teachers and the principal in a Title I elementary school in corrective action or restructuring status in order to train teachers to use a new reading curriculum that aggressively works on improving students’ oral language skills and vocabulary or, in some other way, builds teachers’ capacity to address academic achievement problems.”

- “Strengthen and expand early childhood education by providing resources to align a district-wide Title I pre–K program with state early learning standards and state content standards for grades K–3 ... .”
- “Providing new opportunities for Title I schoolwide programs for secondary school students to use high-quality, online courseware as supplemental learning materials for meeting mathematics and science requirements.”
- “Establishing or expanding fiscally sustainable extended learning opportunities for Title I-eligible students in targeted assistance programs, including activities provided before school, after school, during the summer, or over an extended school year.”

ED will award \$5 billion for competitive “Race to the Top” and “Investing in What Works and Innovation” programs to improve education quality and results statewide. Section 14005: State Applications (see <http://www.ed.gov/policy/gen/leg/recovery/statutory/stabilization-fund.doc>, p. 4) states that governors submitting applications for these funds will, among other things, need to:

- Describe the state’s progress “in each of the areas specified in subsection (d), and the strategies the State is employing to help ensure that students in the subgroups ... who have not met the State’s proficiency targets continue making progress toward meeting the State’s student academic achievement standards.”
- “Describe how the State would use its grant funding to improve student academic achievement in the State, including how it will allocate the funds to give priority to high-need local educational agencies.”
- “Include a plan for evaluating the State’s progress in closing achievement gaps.”

Applications under subsection (b) must include assurances in the following areas (see <http://www.ed.gov/policy/gen/leg/recovery/statutory/stabilization-fund.doc>, p. 5):

- Maintenance of effort
- Achieving equity in teacher distribution
- Improving collection and use of data
- Standards and assessments
- Supporting struggling schools

## **Questions About the Role of Private Schools and Community Organizations in Maximizing and Receiving Funds**

In the Department of Education Appropriations Act of 2008, under “Innovation and Improvement,” \$99 million is protected:

for competitive grants to local educational agencies, including charter schools that are local educational agencies, or States, or partnerships of: (1) a local educational agency, a State, or both; and (2) at least one non-profit organization to develop and implement performance-based teacher and principal compensation systems in high-need schools.

The funds will be made available beginning in fall 2009. Guidelines for these funds will be released by ED and posted at the ERRC.

In addition, up to 5 percent of Innovation and Improvement funds for competitive grants must be made available for technical assistance, training, peer review of applications, program outreach, and evaluation activities.

An additional \$5 million of the \$250 million under IES Statewide Data Systems is set aside for state data coordinators and for public or private entities to improve data coordination.

Under Section 14007: Innovation Fund, \$650 million is protected for the “Invest in What Works and Innovation” fund. These dollars will be awarded through competitive awards to districts and nonprofit groups with strong track records of results. Specifically, an eligible entity is an LEA or a partnership between a nonprofit organization and one or more LEAs or a consortium of schools. Among the eligibility criteria, competing entities must “demonstrate that they have established partnerships with the private sector” (see <http://www.ed.gov/policy/gen/leg/recovery/statutory/stabilization-fund.doc>, p. 7).

ARRA gives particular attention to SWDs. Under SFSF (see, for example, Allocations—Section 14001(b): Administration and Oversight), dollars are earmarked for making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including ELLs and SWDs. Governors submitting state applications must provide several assurances, including that their states will enhance academic assessments and that they will comply with requirements related to the inclusion of children with disabilities and limited English proficient students.

ARRA stipulates that LEAs that receive stabilization funds may use them for activities under ESEA, IDEA, the Adult Education and Family Literacy Act, and the Carl D. Perkins Career and Technical Education Act of 2006, as well as “for modernization, renovation, or repair of public school facilities, including modernization, renovation, and repairs that are consistent with a recognized green building rating system” see <http://www.ed.gov/policy/gen/leg/recovery/statutory/stabilization-fund.doc>, p. 3).

## **Questions About Investing for the Long Term**

The SFSF program is a one-time appropriation made available in two phases (see <http://www.ed.gov/policy/gen/leg/recovery/factsheet/stabilization-fund.html>). Within two weeks of an approvable SFSF application, a state will receive 67 percent of its SFSF allocation. ED will release guidance on Phase 2 requirements shortly. Funding is expected to begin on a rolling basis July 1, 2009. The majority of funds under ARRA will end in the 2011–12 fiscal year (see [http://www.rockinst.org/newsroom/news\\_releases/2009/2009-02-19-When\\_the\\_Stimulus\\_Money\\_Runs\\_Out.aspx](http://www.rockinst.org/newsroom/news_releases/2009/2009-02-19-When_the_Stimulus_Money_Runs_Out.aspx)).

ED notes that LEAs are expected to use Title I, Part A AARA funds “to implement evidence-based strategies that will help build sustainable capacity for improving teaching and learning in Title I schools ... “ (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/title-i.doc>, p. 9).

According to ED (see <http://www.ed.gov/policy/gen/leg/recovery/factsheet/title-i.html>), this might include enduring investments in:

- “Establishing a system for identifying and training highly effective teachers to serve as instructional leaders ... “
- “Strengthening and expanding early childhood education ... “
- “Using longitudinal data systems to drive continuous improvement efforts ...”
- “Providing professional development to teachers in Title I targeted assistance programs on the use of data to inform and improve instruction for Title I-eligible students.”
- “Using reading or mathematics coaches to provide professional development to teachers in Title I targeted assistance programs.”
- “Establishing or expanding fiscally sustainable extended learning opportunities for Title I-eligible students in targeted assistance programs ... “

ED provides additional guidance on how to invest in long-term sustainability in its publication [\*American Recovery and Reinvestment Act of 2009: Using ARRA Funds to Drive School Reform and Improvement\*](#), which provides guidance on how to use Title I, IDEA, and SFSF for lasting improvements in education.

#### [SFSF Fact Sheet](#)

<http://www.ed.gov/policy/gen/leg/recovery/factsheet/stabilization-fund.html>

The Rockefeller Institute’s 2009 report [\*What Will Happen to State Budgets When the Money Runs Out?\*](#) provides additional insight. Author Donald J. Boyd writes that:

States should use the breathing room provided by the stimulus package to mute and spread out baseline spending cuts and/or tax increases they will need to make, to restructure programs, and to allow for orderly decisionmaking. But they cannot count on it to substitute for these difficult decisions. (p. 1)

Finally, the National Governors Association provides an additional resource on states’ long-term investment opportunities: *State Implementation of the American Recovery and Reinvestment Act* (see <http://www.nga.org/Files/pdf/ARRASTATEIMPLEMENTATION.PDF>).

## Questions About Supporting Student Achievement

ED notes that LEAs are expected to use their Title I, Part A AARA funds “to implement evidence-based strategies that will help build sustainable capacity for improving teaching and learning in Title I schools ... “ (see <http://www.ed.gov/policy/gen/leg/recovery/guidance/title-i.doc>, p. 9). This includes, but is not limited to (see <http://www.ed.gov/policy/gen/leg/recovery/factsheet/title-i.html>):

- “Establishing intensive, year-long teacher training for all teachers and the principal in a Title I elementary school in corrective action or restructuring status in order to train teachers to use a new reading curriculum that aggressively works on improving students’

oral language skills and vocabulary or, in some other way, builds teachers' capacity to address academic achievement problems.”

- “Using longitudinal data systems to drive continuous improvement efforts focused on improving achievement in Title I schools.”
- “Providing professional development to teachers in Title I targeted assistance programs on the use of data to inform and improve instruction for Title I-eligible students.”
- “Using reading or mathematics coaches to provide professional development to teachers in Title I targeted assistance programs.”
- “Establishing or expanding fiscally sustainable extended learning opportunities for Title I-eligible students in targeted assistance programs, including activities provided before school, after school, during the summer, or over an extended school year.”

The intent of SFSF is to close the achievement gap, help all students achieve high standards, and address four specific areas under ARRA:

1. Make progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including ELLs and SWDs.
2. Establish PK-to-college and career data systems that track progress and foster continuous improvement.
3. Make improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need.
4. Provide intensive support and effective interventions for the lowest-performing schools.

Additional resources can be found at:

- *American Recovery and Reinvestment Act of 2009: [Using ARRA Funds to Drive School Reform and Improvement](#)*
- *The American Recovery and Reinvestment Act: Saving and Creating Jobs and Reforming Education*
- *[Ideas from the Field on Using ARRA Funds to Advance Education Improvement and Reform](#)*