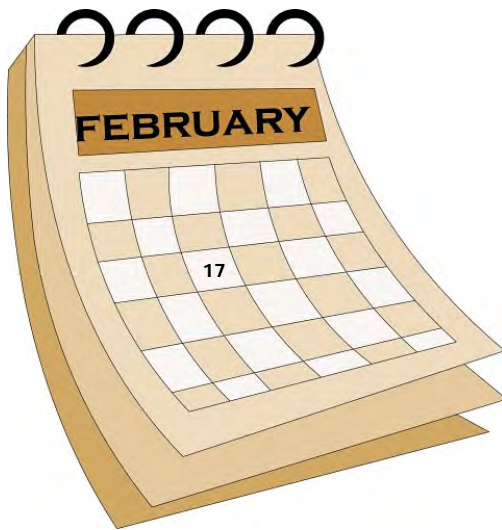


Understanding the American Recovery and Reinvestment Act of 2009



Signed into law on
February 17, 2009

Goals

Overall Goals of the American Recovery and Reinvestment Act (ARRA)

Stimulate the economy in the short term.

Invest in education and other essential public services to ensure the long-term economic health of our nation.

Overarching Principles

Four principles guide the distribution and use of ARRA funds:

Spend funds quickly to save and create jobs.

Improve student achievement through school improvement and reform.

Ensure transparency, reporting, and accountability.

Invest one-time ARRA funds thoughtfully to minimize the "funding cliff."

Funding Streams

This presentation focuses on those programs administered by the U.S. Department of Education.



New and expanded funding for tax credit bonds for school construction

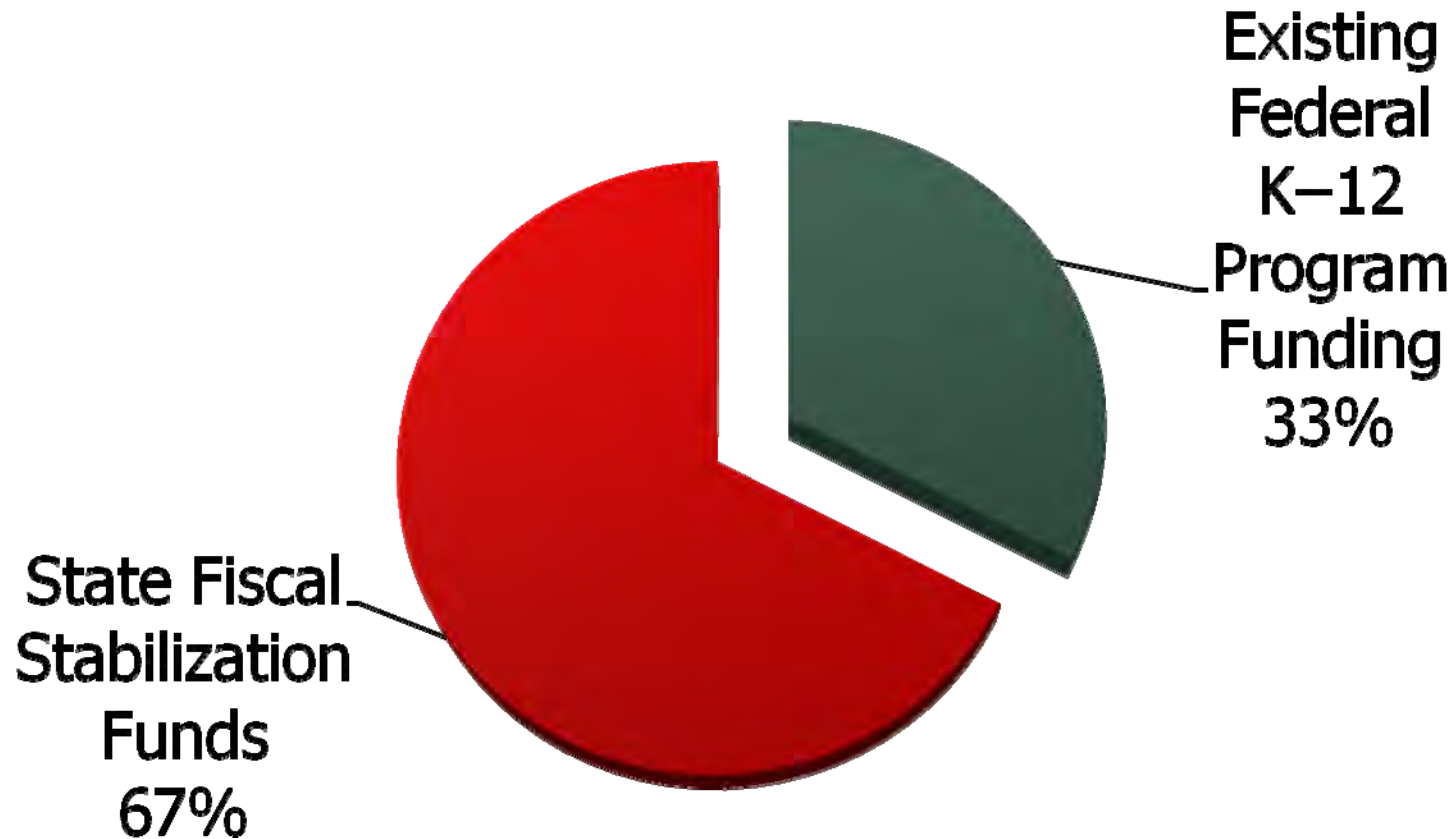


New programs through the State Fiscal Stabilization Fund

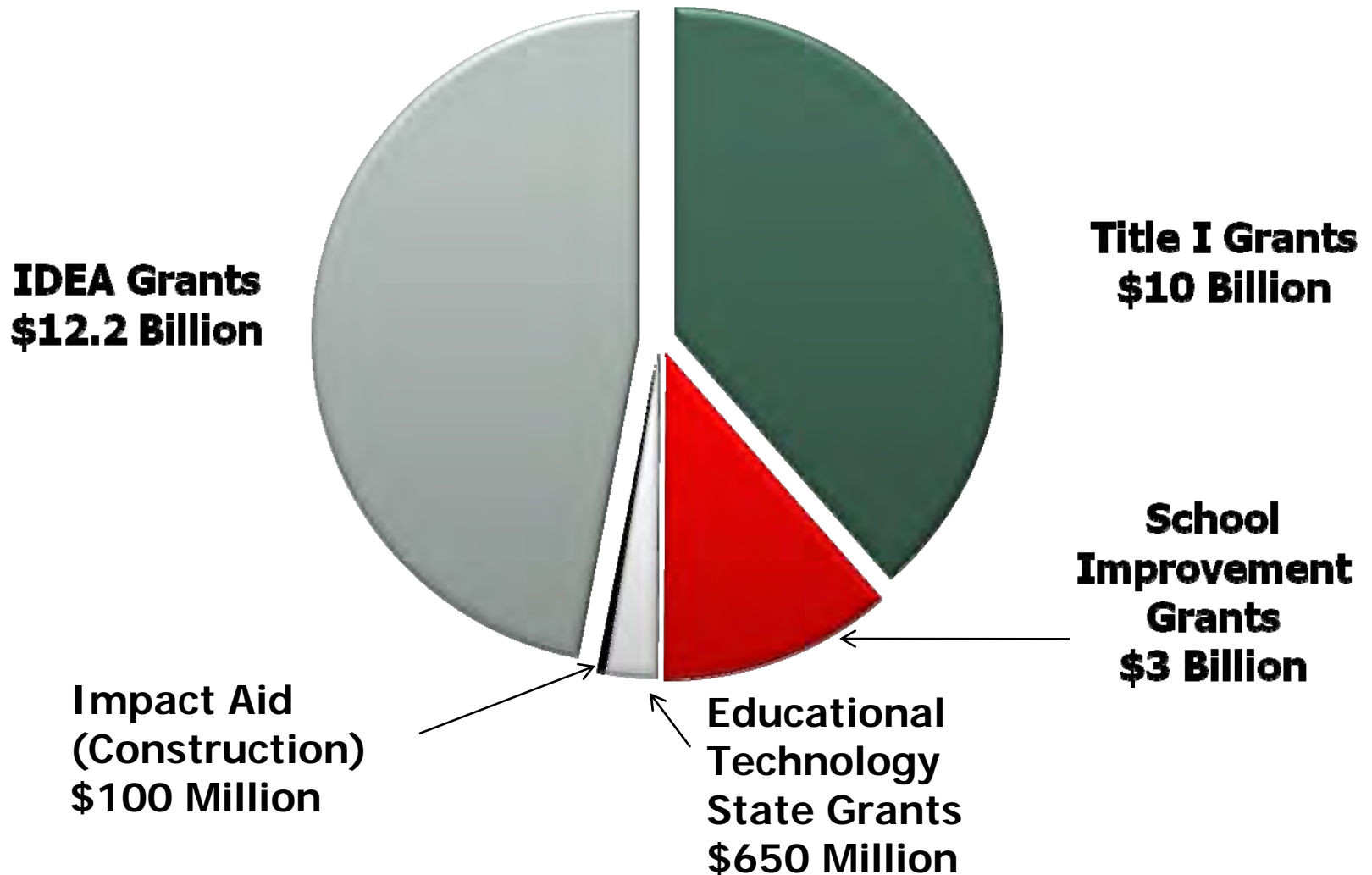


Existing federal programs

Department of Education Funding



Existing Federal K-12 Programs



Title I

Targeted and Incentive Grants

- The U.S. Department of Education will distribute funds to state education agencies who, in turn, distribute those funds to local school districts.
- Of the Title I, Part A funds, 50 percent will be distributed to states by the end of March 2009 under each state's Consolidated State Application.

No specific deadline has been established for states to distribute funds to school districts.

Instead, the U.S. Department of Education **"encourages states to award Title I, Part A recovery funds to their LEAs as quickly as possible."**



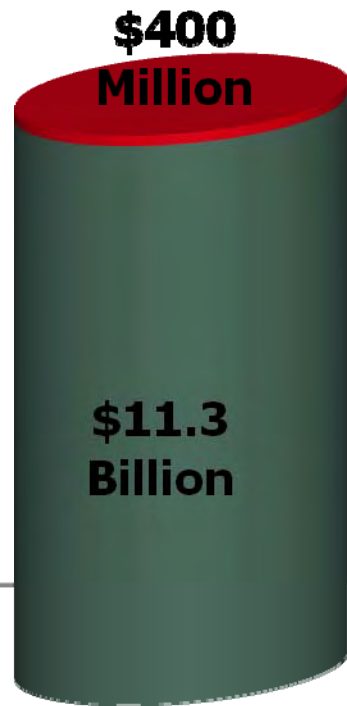
Title I

Targeted and Incentive Grants

- For the remaining 50 percent of funds, a state must submit “an amendment to its Consolidated Application that addresses how it will meet the recordkeeping and reporting requirements of the ARRA.”
- The guidance published by the U.S. Department can be accessed at www.ed.gov/policy/gen/leg/recovery/factsheet/title-i.html
- Questions regarding the distribution of Title I funds should be directed to the U.S. Department of Education at oese@ed.gov.

IDEA Part B Funding

- IDEA Part B State Grants
- IDEA Part B Preschool Grants



Of IDEA Part B funds, 50 percent will be distributed to SEAs by the end of **March 2009**.

Available to each state based on the state's eligibility established for FY 2008 Part B funds.

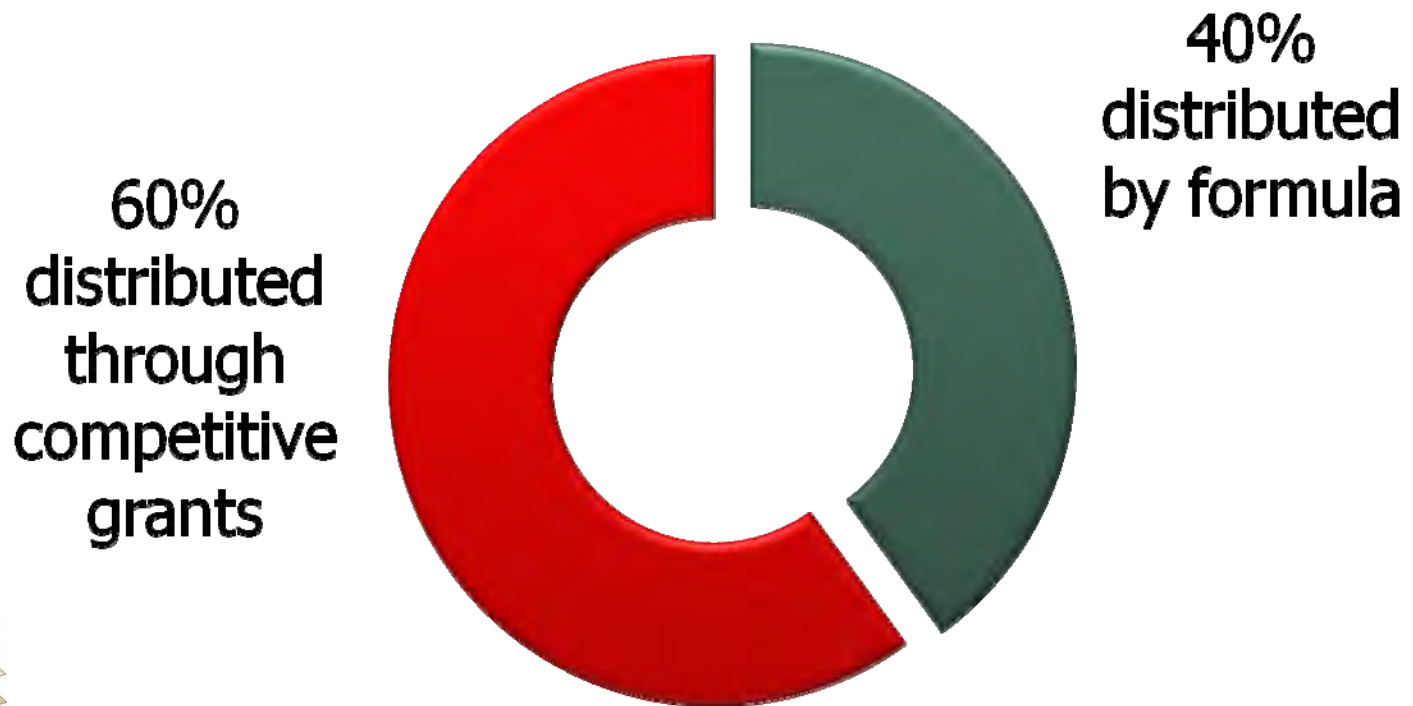


The other 50 percent will be awarded by **October 1, 2009**.

In order to receive the remaining 50 percent of IDEA, Part B recovery funds, a state must submit, for review and approval by the U.S. Department of Education, an amendment to its FY 2009 application to address the recordkeeping and reporting requirements under the ARRA.

Impact Aid

\$100 Million in Impact Aid will all be available by the end of March:



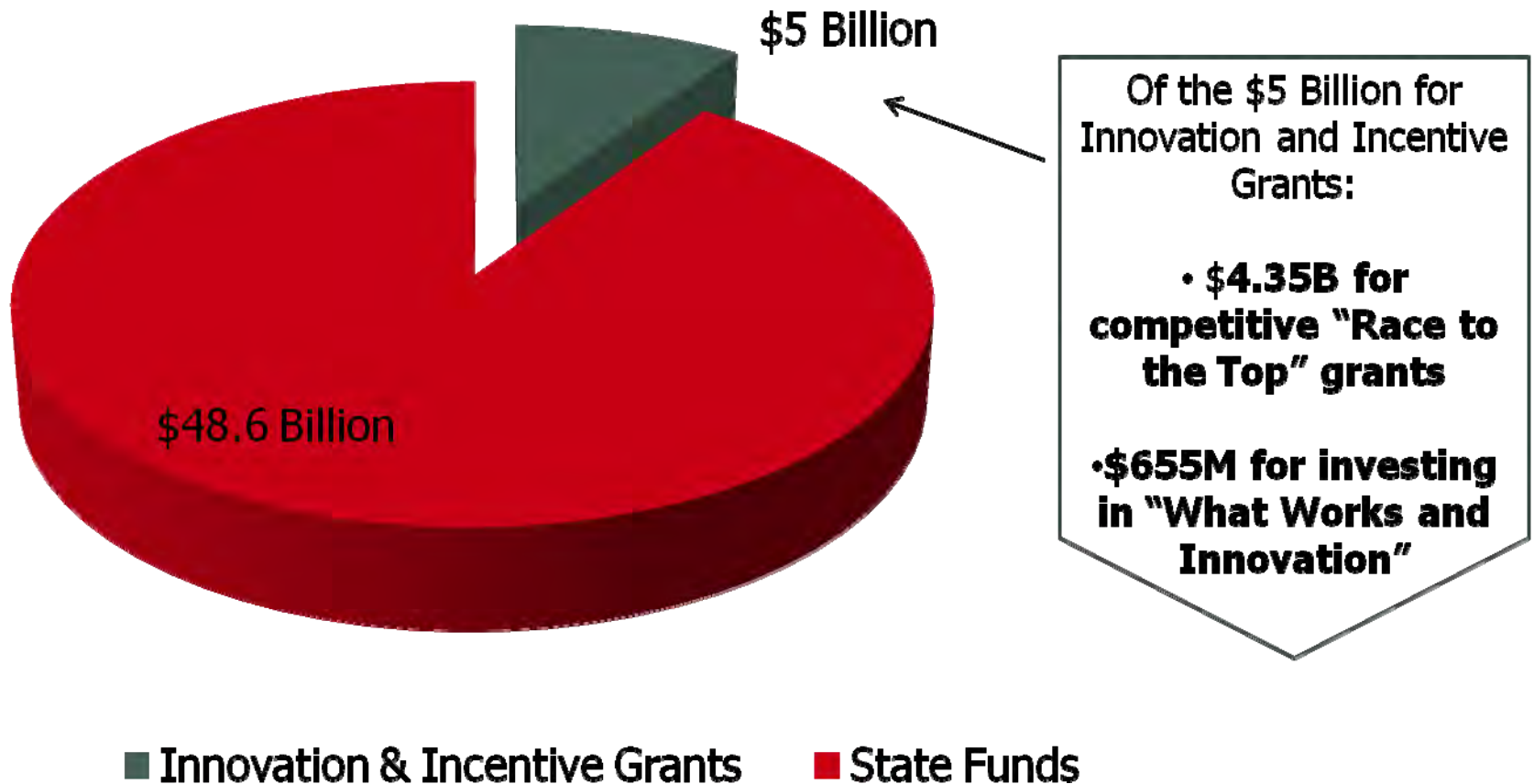
Additional Funding

- Funds scheduled for distribution in the fall of 2009:
 - \$3 billion in Title I School Improvement Grants
 - \$650 million in Educational Technology State Grants



Funding New Programs

➤ State Fiscal Stabilization Fund = \$53.6 billion



State Fiscal Stabilization Fund

- The U.S. Department of Education will award governors **approximately \$48.6 billion** by formula under the SFSF program in exchange for a commitment to advance essential education reforms to benefit students from early learning through postsecondary education.

States must use **81.8 percent** of their State Fiscal Stabilization Fund for the support of the following:

- Public elementary
- Secondary
- Higher education

And, as applicable, early childhood education programs and services.

States must use **18.2 percent** of their State Fiscal Stabilization Fund for education, public safety, and other government services, including the following:

- Assistance for early learning
- Elementary and secondary education
- IHEs

In addition, states may use these funds for modernization, renovation, or repair of public school and public or private college facilities.

State Fiscal Stabilization Fund

- Within two weeks of receipt of an approvable application, the U.S. Department of Education will provide a state with 67 percent of its allocation.
- The applications for the State Grants under the State Fiscal Stabilization Fund are available from the U.S. Department of Education

State Fiscal Stabilization Fund

- Requires states to provide assurances that they will address these four academic areas:
 - Making progress toward rigorous **college- and career-ready standards** and **high-quality assessments** that are valid and reliable **for all students**, including English language learners and students with disabilities.
 - Establishing **PK to college and career data systems** that track progress and foster continuous improvement.
 - Making improvements in **teacher effectiveness** and in the **equitable distribution of qualified teachers** for all students, particularly students who are most in need.
 - Providing intensive support and **effective interventions** for the **lowest-performing schools**.

State Fiscal Stabilization Fund

Race to the Top Competitive Grant

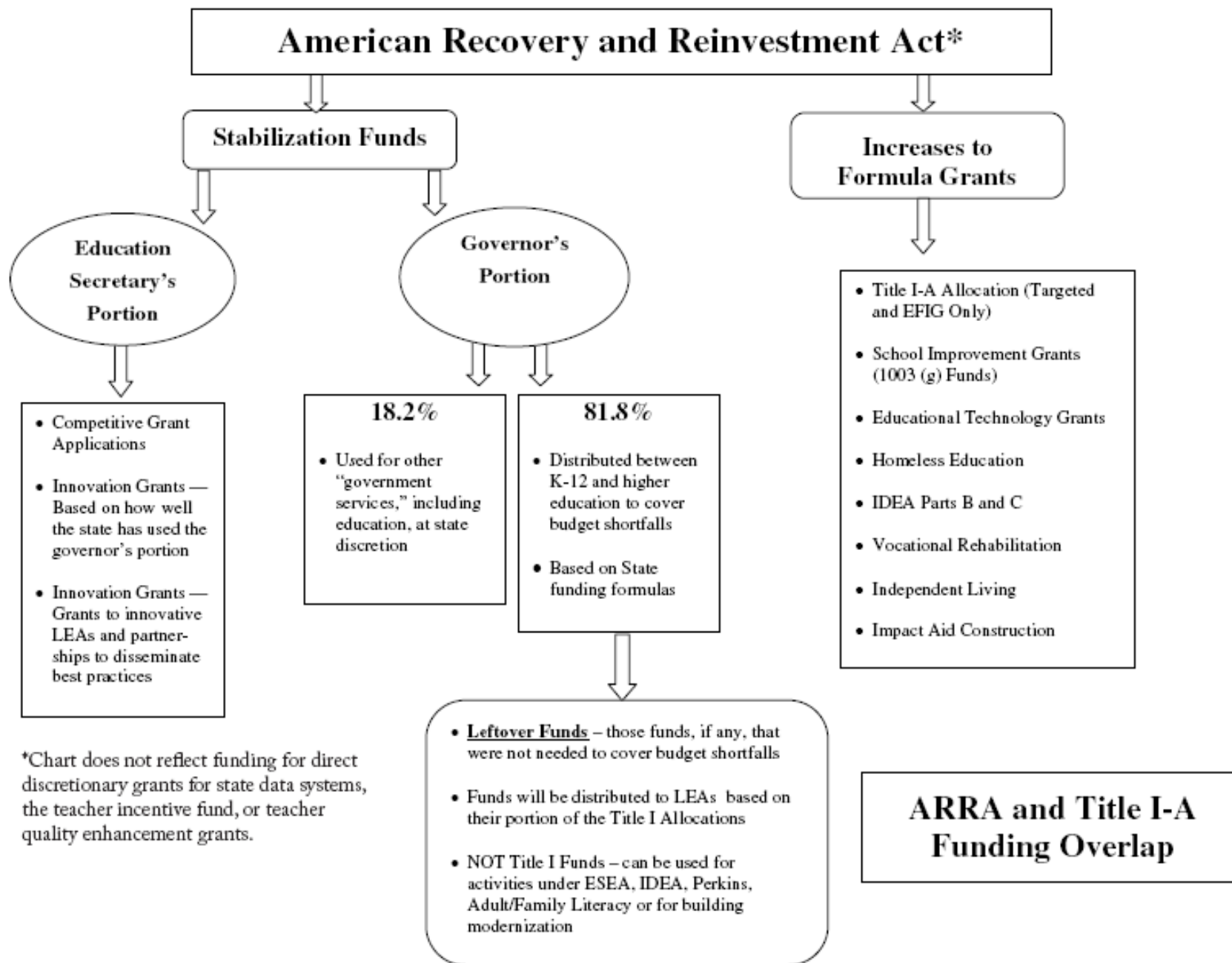
- A national competition among states for a **\$4.35 billion state incentive fund** to improve education quality and results statewide.
- The Race to the Top fund will help states drive substantial gains in student achievement by supporting states making dramatic progress on the four reform goals described and effectively using other ARRA funds.

**Race to the Top grants will be made in two rounds:
fall 2009 and spring 2010.**

State Fiscal Stabilization Fund Competitive Grants

➤ Investing in What Works and Innovation

- Available through a competition to districts and nonprofit groups with a strong track record of results. Guidelines and applications for the competitive funds will be posted soon.



*Chart does not reflect funding for direct discretionary grants for state data systems, the teacher incentive fund, or teacher quality enhancement grants.

U.S. Department of Education Contact Information

- If you have any questions or concerns about the State Fiscal Stabilization Fund, **e-mail them to State.Fiscal.Fund@ed.gov**.
- If you have any questions or concerns about Title I, Part A Recovery Funds for Grants to Local Education Agencies, **e-mail them to oese@ed.gov**.
- If you have any questions or concerns about Individuals with Disabilities Education Act Recovery Funds for Services to Infants, Toddlers, Children, and Youth with Disabilities, **e-mail them to IDEARecoveryComments@ed.gov**.

***Note:* If you are requesting information regarding the American Recovery and Reinvestment Act (ARRA), please write ARRA in the subject line of the e-mail.**

Learning Point Associates ARRA Support

- Learning Point Associates Education Recovery and Reinvestment Center

www.learningpt.org/recovery

- For more information about the ARRA assurances, visit

www.learningpt.org/recovery/assurances.php



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