

# American Recovery and Reinvestment Act (ARRA)

Budget Advisory Committee  
04/23/2009

## ARRA

- Intentions of the ARRA
  - Stimulate short term growth
  - Promote education as well as other public services
  - Provide time/one-time resources to react/plan/absorb the current and future market volatility to ensure long-term economic health

## ARRA

- **Funding Conditions-** funds come with the condition(s) to advance economic reform with four key focal points:
  - 1. Develop and enhance college/career ready standards, and improving the quality, validity and reliability of state assessments
  - 2. Establishing prekindergarten-16 longitudinal data systems
  - 3. Improving teacher effectiveness, equitable distribution of highly qualified teachers, and ensuring that low income and minority students are not taught by inexperienced teachers at higher rates than other children
  - 4. Provide better interventions and support to low performing schools

## ARRA Programs

- Education & Human Recourse Directorate, National Science Foundation
- Child Nutrition Equipment
- Child Care and Developmental Block Grants
- Head Start/Early Head Start
- Elementary & Secondary Education
  - Title 1

## ARRA Programs

- Elementary & Secondary Education
  - School Improvement Grants
  - Impact Aid Construction
  - Enhancing Education Through Technology
  - Education for Homeless Children and Youth
  - Statewide Data Systems
  - Teacher Incentive Fund
  - Teacher Quality Enhancement, State Grants

## ARRA Programs

- Individuals with Disabilities Education Act
- State Fiscal Stabilization Fund (SFSF)
- Qualified Zone Academy Bond Program
- Qualified School Construction Bonds

## ARRA Funding Estimates

Program	Final ARRA	California Total
Title I	\$10,000,000,000	\$1,128,226,000
School Improvement Grant	3,000,000,000	383,259,000
Ed Tech (EETT)	650,000,000	70,806,000
IDEA (Part B)	11,700,000,000	1,267,972,000
McKinney Vento Homeless	70,000,000	18,138,000
Fiscal Stabilization Fund (Pot1)	53,600,000,000	4,875,499,000
State Longitudinal Data Systems	250,000,000	<b>Competitive Grant</b>
Teacher Incentive Grants	200,000,000	<b>Competitive Grant</b>
Child Nutrition Program	100,000,000	12,865,000
Subtotal:	\$79,570,000,000	\$7,756,765,000
Child Development Block Grant	2,000,000,000	220,274,000
<b>Total:</b>	<b>\$81,570,000,000</b>	<b>\$7,977,039,000</b>

## ARRA Timelines

- Mid-April: SFSF funds distributed to state
- April 21: Funding application submitted by district (SPUSD)
- May 3-Federal allocations will be reported
- May 20: Federal agencies will report their competitive grants and contracts

## ARRA Timelines

- **July 1 through October 1:**
  - Remaining 33% of SFSF available
  - Remaining 50% of Title 1, Part A funds available
  - Remaining 50% of IDEA, Part B funds available
- **July 15:** Schools begin reporting on use of federal funds

## ARRA Timelines

- **Fall 2009:**
  - State Incentive Grants and Local Innovation Grants will be competitively awarded in two rounds (fall '09 and spring '10)
  - State Data System funding competitively awarded
  - Title I School Improvement Grants available
  - Teacher Incentive Fund and Teacher Quality Enhancement funding competitively awarded
  - Education Technology State Grants available

## AARA-SFSF

- State Fiscal Stabilization Fund
  - California will receive an estimated \$5.96 billion. K-16 estimate is \$4.87 billion)
  - Help stabilize state and local government budgets in order to minimize reductions in education and other essential public services
  - Support school modernization, renovation and repair, public safety, and other services

## SFSF Purpose and Use

- 81.8 percent of a state's allocation year must be used to restore support to education in FY 2009, FY 2010 and FY 2011 to the greater of FY 2008 or FY 2009. These funds must go towards filling shortfalls in elementary, secondary, and higher education, and as applicable, early childhood education programs.
  - Funds to restore elementary and secondary education are to be run through State's primary funding formulae
  - Any excess must go to Local Education Agencies (LEAs) based on Title 1 share, but not subject tot Title 1 requirements

## SPFS Provisions

- Obtaining funds requires state commitment to advance education reforms including:
  - Turning around the lowest-performing schools
  - Development and use of pre-K through post-secondary and career data systems
  - Increasing teacher effectiveness and ensuring an equitable distribution of qualified teachers
  - Developing college & career state standards with high-quality, valid and reliable assessments for all students

## SFSF Provisions

- Fund will be awarded to governors in two phases:
  - 67% of the funds will be available after an initial application and assurances
  - Ed will award up to 90% initially if state demonstrates 67% insufficient to avoid layoff of school personnel
  - Remaining funds will be contingent upon state plans (which demonstrate strategies to address education reform objectives described in the assurances)

## SFSF uses by LEAs

- LEAs may use the funds for “any activity authorized” by the:
  - ESEA-Elementary and Secondary Education Act
  - IDEA
  - The Adult and Family Literacy Act
  - The Carl D. Perkins Career and Technical Education Act, or
  - M/R/R of public school facilities, including those that are consistent with a recognized green building rating system
  - March 6 Guidance: LEAs may use SFSF to pay salaries to avoid having to lay off teachers and other school employees.

## SFSF Incentive Grant

- \$4.35 billion for competitive grants to states, awarded by U.S. Secretary of Education. Criteria: grants to states that have made significant progress in meeting the assurances identified in the state application and other criteria as determined by Secretary:
  - Making improvements in teacher effectiveness and in the equitable distribution of qualified teachers
  - Establishing “pre-K through college and career” data systems
  - Making progress toward rigorous college and career ready standards
  - Providing intensive support and effective interventions for the lowest performing schools

## Title I

- SPUSD estimated funds total \$161,000
  - No application required
  - LEA must submit a site level per pupil expenditure report to the CDE
  - Funds are restricted and targeted

## Title I

- Examples of fun uses:
  - Establish a system to identify and train highly effective teachers in school wide programs
  - Provide year long training to all teachers and principal in Title 1 school in corrective action or restructuring status
  - Strengthen and expand early childhood programs by providing resources to align district-wide Title 1 pre-K program with state early learning standards and state K-3 content standards
  - Provide opportunities for Title I school wide programs for high school students to use high-quality online courseware as supplemental learning materials in science and math

## Title I

- Examples of fund uses (continued):
  - Use longitudinal data to drive continuous improvement efforts focused on improving student achievement in Title I schools
  - Provide professional development (PD) to teachers in Title I targeted assistance schools on use of data to assist Title I eligible targeted assistance students