

TO: Education CEO
FROM: James J. Apperson
Director, Governor's Office of Economic Recovery
RE: ARRA Education Funding
DATE: June 26, 2009

The purpose of this memorandum is to inform you of the process for applying to the State of Arizona for federal funds, which may be available for qualified Institutes of Higher Education (IHEs).

Title XIV of the American Recovery and Reinvestment Act of 2009 (ARRA) provides more than \$48 billion for states to stabilize their budgets. Arizona's allocation of the State Fiscal Stabilization Fund is \$1.017 billion for which Governor Brewer submitted an application to the U.S. Department of Education in May. On Wednesday, June 10, 2009, the Governor was pleased to announce that U.S. DOE had approved Arizona's application.

The State of Arizona is now able to receive two-thirds of the award amount or \$681 million. A significant portion of the funds will be used to assist Arizona to restore support for education.

Attached is the application, which must be received by Friday, July 3 in order to receive funds for Fiscal Year 2009. The application is also available online at www.azrecovery.gov. An original and two copies of the application must be submitted to the following address:

Application for LEA Funding
Office of Economic Recovery
Suite 300
1700 West Washington
Phoenix, Arizona 85007

An electronic copy shall also be submitted to japperson@az.gov.

Please note that a separate application will be required for additional funds for Fiscal Year 2010 which we anticipate will have more detailed reporting requirements.

A list of IHEs eligible to receive funds and the amount they are eligible to receive may also be found on www.azrecovery.gov.

Please note that the President or Chief Executive Officer of each IHE must provide certain assurances to the Governor consistent with the requirements of ARRA. Further, each recipient will be required to account for ARRA funds separate from all other funding sources including state and other federal funds. Reporting requirements will be established for describing uses of the funds in a manner that promotes transparency and accountability. Reporting templates will be provided to you as soon as they are available.

Please contact Patrick Makin at pmakin@az.gov if you have questions about completing the application form.

American Recovery and Reinvestment Act
Title XIV
State of Arizona Initial Application for Funds

For more information regarding the State Fiscal Stabilization Fund, please visit the U.S. Department of Education website below:
<http://www.ed.gov/policy/gen/leg/recovery/index.html>

Legal Name of Applicant (IHE):	Applicant's Mailing Address:
Contact Name:	
Position and Office:	
Email Address:	
Telephone:	
Fax:	

To the best of my knowledge and belief, all of the information and data in this application are true and correct.

Name of Chief Executive Officer or Authorized Representative (Printed Name):	Telephone:
Signature of Chief Executive Officer or Authorized Representative:	Date:

Part 1: Assurances

The authorized representative assures the following:

1. The institution will comply with the requirements of the American Recovery and Reinvestment Act (ARRA) Title XIV, Sec. 14004 relating to allowable uses of funds listed below.
 - (a) IN GENERAL. A public institution of higher education that receives funds under this title shall use the funds for education and general expenditures, and in such a way as to mitigate the need to raise tuition and fees for in-State students, or for modernization, renovation, or repair of institution of higher education facilities that are primarily used for instruction, research, or student housing, including modernization, renovation, and repairs that are consistent with a recognized green building rating system.
 - (b) PROHIBITION. An institution of higher education may not use funds received under this title for the following purposes or activities:
 - to increase its endowment;
 - the maintenance of systems, equipment, or facilities;
 - modernization, renovation, or repair of stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public; or
 - modernization, renovation, or repair of facilities—
 - i. used for sectarian instruction or religious worship; or
 - ii. in which a substantial portion of the functions of the facilities are subsumed in a religious mission.
2. The institution will comply with the requirements of ARRA Title XV relating to accountability and transparency.
3. The institution will comply with the requirements of ARRA Title XVI, relating to general provisions of the Act.
4. The institution will comply with all federal law and regulations relating to nondiscrimination and equal employment opportunity.
5. The institution will obligate funds by or on September 30, 2011.

The institution will accept funds in accordance with all applicable Federal and State statutes, regulations, program plans, and applications, and administer the programs in compliance with all provisions of such statutes, regulations, applications, policies and amendments thereto.

The IHE will use internal controls and reporting systems to comply with the accountability, transparency, and reporting requirements of ARRA. The IHE will work with the Auditor General, the Department of Administration, and the Governor's Office as necessary to accomplish these objectives.

Printed Name, Title:

Signature:

Date:

Part 2: Recipient Reports

No later than the last day of each calendar quarter, the IHE shall submit a report to the Governor that contains the information listed below. Upon finalization by the Federal Department of Education, a final reporting format will be determined.

1. The total amount of recovery funds received
2. The amount of recovery funds received that were expended or obligated to projects or activities
3. A detailed list of all projects or activities for which recovery funds were expended or obligated, including:
 - a. The name of the project or activity
 - b. A description of the project or activity
 - c. An evaluation of the completion status of the project or activity
 - d. An estimate of the number of jobs created and/or saved by the project or activity
 - e. For renovation, repair, or modernization investments made, the purpose, total cost, and rationale and project manager or equivalent name and contact information
4. Detailed information on any subcontracts or subgrants awarded to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (P.L. 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals as prescribed by the Director of the Office of Management and Budget.
5. How expenditures of recovery funds were used to mitigate the need for increases in tuition and fees paid by in-state students.

Each IHE agrees to make records relating to the receipt and expenditure of Stabilization Fund monies, as determined by the Office of the Governor, available at any time for inspection by authorized representatives of the Governor.

Printed Name, Title: _____	
Signature: _____	Date: _____