Funding for K-12 Education via existing programs

The American Recovery and Reinvestment Act of 2009 (ARRA) provides funding to Wyoming school districts through a number of existing federal programs. The largest sums will flow through Title I-A (Grants to local districts for disadvantaged students) and through IDEA (grants for students with disabilities). Funds in these categories are flow through, with no provision for state administrative funds, or state discretion.

Most programs appear to have two year funding duration. State maintenance of effort (MOE) is required on all programs, at 2008-2009 levels. The U.S. Department of Education has indicated that it intends to proceed quickly with administering the funds once the guidance and policies are established. Title I, IDEA and State Fiscal Stabilization Funds were the first funds that were distributed by the U.S. Department of Education.

State Fiscal Stabilization Fund

National Fund Total - \$48.6 Billion

Wyoming estimate - \$82,665,277 Education State Grants (81.8%) - \$67,620,197 Government Services (18.2%) - \$15,045,080

The Stabilization program is a new, one-time appropriation of approximately \$48.6 billion that the U.S. Department of Education (Department) will award to Governors to help stabilize State and local budgets in order to minimize and avoid reductions in education and other essential services, in exchange for a State's commitment to advance essential education reform in four areas: (1) making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need; (2) establishing pre-K-to-college-and-career data systems that track progress and foster continuous improvement; (3) making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including limited English proficient students and students with disabilities; and (4) providing targeted, intensive support and effective interventions for the lowest-performing schools.

The two components of the Stabilization program are the Education Stabilization Fund (CFDA No. 84.394) and the Government Services Fund (CFDA No. 84.397). By statute, the Department will award 81.8 percent of a State's total Stabilization allocation under the Education Stabilization Fund and the remaining 18.2 percent of its allocation under the Government Services Fund.

States must use the Education Stabilization Fund to restore State support for elementary and secondary education, public higher education, and, as applicable, early childhood education programs and services. States must use the Government Services Fund for public safety and other government services, which may include assistance for elementary and secondary education and public institutions of higher education (IHEs), and for modernization, renovation, or repair of public school facilities and IHE facilities.

Application required at the state level? Yes. The first phase distributed will be 67 percent of the funding allocation. A State will receive the remaining 33 percent of its total Stabilization allocation in phase two, after the Department approves the State's comprehensive plan for making progress in the four education reform areas for which it provided assurances in phase one. In the near future, the Department will provide further information on the Department's proposal for the phase two application process.

Implementation and application requirements – The funds will be used to help stabilize State and local budgets in order to minimize and avoid reductions in education and other essential services, in exchange for a State's commitment to advance essential education reform in four areas: (1) making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need; (2) establishing pre-K-to-college-and-career data systems that track progress and foster continuous improvement; (3) making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including limited English proficient students and students with disabilities; and (4) providing targeted, intensive support and effective interventions for the lowest-performing schools.

Additional information available <u>http://www.ed.gov/programs/statestabilization/guidance.pdf</u>

Title I-A (ESEA)

National Fund Total - \$10 Billion

Wyoming estimate - \$26,191,647

The primary source of federal aid to K-12 program is Title I-A of the law most commonly referred to as No Child Left Behind (NCLB). Title I grants provide supplementary educational and related services to low achieving and other pupils attending pre-kindergarten through grade 12 schools with high concentrations of pupils from low income families. All Wyoming school districts receive Title I funds. ARRA requires funds generated under this formula to be used for the purposes authorized in Title IA of NCLB. The bill also appears to require that a certain percentage is targeted to students not performing at grade level. Possible uses may also be available for kindergarten readiness or preschool programs.

Application required at the state level? For the first 50%, no; for the second 50%, an amendment to the Title I application will have to be made with specific data collections detailing affect of the funds on four assurances contained in the ARRA.

Implementation and application requirements – The funds will be distributed through the existing Title I formula and must be used for Title I activities. However, there are opportunities for waivers on state administration funds, set-aside and maintenance of effort that are being explored by the Wyoming Department of Education.

Additional information available at http://www.ed.gov/policy/gen/leg/recovery/guidance/title-i.pdf

IDEA

National Fund Total - \$11.3 Billion (Part B sec 611), \$400 Million (Part B sec 619), \$500 Million (Part C)

Wyoming estimate - \$29.07 million (Part b sec 611-\$25,786,496) (Part B sec 619 - \$1,125,474) (Part C - \$2,139,843)

IDEA funds are provided to states that "provide a free appropriate public education to each eligible child with a disability." Part B contains provisions relating to the education of school aged children (grants that flow to districts) and a state grant program for serving preschool children with disabilities. Part C authorized state grants for programs serving infants and toddlers with disabilities.

IDEA Part B funds flow in large part directly to school districts. Part C funds flow to the state's DD preschools.

Application required at the state level? For the first 50%, no; For the second 50%, an amendment to the IDEA state application will have to be made with specific data collections detailing affect of the funds on four assurances contained in the ARRA.

Implementation and application requirements – The funds will be distributed through the existing IDEA formula and must be used for IDEA activities. However, there are opportunities for waivers on state administration funds, set-aside and maintenance of effort that are being explored by the Wyoming Department of Education. In addition, there could be some additional flexibility at the district level. The Wyoming Department of Education will be providing additional guidance once available.

Additional information available at http://www.ed.gov/policy/gen/leg/recovery/guidance/idea-c.pdf

McKinney-Vento Homeless Assistance

National Fund Total - \$70 Million

Wyoming estimate - \$175,966

This program provides assistance to states (via grants to local districts) to ensure that all homeless children and youth have access to the same public education provide to other children and youth.

ARRA provides competitive grants made by the state to local districts, which must be used to facilitate enrollment attendance and success in school of homeless children and youth. The additional funds must be expended in accordance with current provisions of federal law.

Application Required at the state level? - No

The award letter has been sent to the Wyoming Department of Education. McKinney-Vento ARRA funds must be used for activities authorized under Title VII-B of the McKinney-Vento Act and are subject to the same statutory and regulatory requirements as McKinney-Vento funds made available through the regular FY 2009 appropriation, except for specific requirements concerning subgrant procedures.

States and LEAs must separately track, account for, and report on the use of McKinney-Vento ARRA funds. Therefore, the U.S. Department of Education (Department) has created a unique Catalog of Federal Domestic Assistance (CFDA) number for these funds (CFDA No. 84.387A).

Additional information is available at http://www.ed.gov/policy/gen/leg/recovery/guidance/homeless.pdf

Fall 2009 Funding

Title I-A School Improvement Grants

National Fund Total - \$3 Billion

Wyoming estimate - \$7,332,614

Funds in this program are generated by a calculation of a state's share of programs directed to migrant education and neglected and delinquent children. Grants must be used by local districts to support school improvement, with priority given to the lowest achieving schools and the "greatest commitment to ensuring such funds are used to provide adequate resources" to meet school improvement goals.

Further information to be provided in the fall of 2009.

Title II-Education Technology

National Fund Total - \$650 Million

Wyoming estimate - \$3,209,375

The purposes of Title II Part D are to 1) improve student academic achievement through the use of technology in elementary and secondary schools; 2) assist every student in crossing the digital divide by ensuring that every student is technologically literate by the end of 8th grade; and 3) encourage the effective integration of technology through teacher training and curriculum development to establish successful research-based instructional methods.

Further information to be provided in the fall of 2009.

Teacher Incentive Fund

Competitive Grant, no additional guidance or definition of program available at this time. Information expected to be provided in the fall of 2009.

Teacher Quality Enhancement Grant

Competitive Grant, no additional guidance or definition of program available at this time. Information expected to be provided in the fall of 2009.

Statewide Data Systems

Competitive Grant, no additional guidance or definition of program available at this time. Information expected to be provided in the fall of 2009.