

State Fiscal Stabilization Funds

Frequently Asked Questions

Q1: Can I draw down funding in one month and deliver payroll twice during the same month?

A: Yes. State Fiscal Stabilization Funds are to be used to fulfill a school's immediate need. If an LEA has an immediate need to use funding for multiple payrolls within the month of draw down, it is then acceptable to draw down all funding to fulfill this need. The Grants Management System at ADE only allows one monthly draw down so using funds in this manner follows cash management guidelines.

Q2: Can I use funding for maintenance expenditures?

A: Conditional. Annual maintenance supply costs are not allowable, however, major renovation and repair costs are allowable as long as they are not annual (every 1-3 years) expenses. For example, replacing door handles every year is not allowable, but replacing your HVAC unit is allowable as this is done perhaps once every ten years. For information on maintenance contracts please see Q4.

Q3: Can I use funding for support staff or administrative staff?

A: Yes. Funding can be used for any type of school personnel whether they are instructional, support or administrative staff.

Q4: Can I use funding to pay for contracted services?

A: Yes. Funding can be used for contracted services, especially those related to education enhancement such as educational consultants. Additionally, janitorial or maintenance contracts may also be funded through SFSF as this is the equivalent to an organization funding a janitorial or maintenance staff position.

Q5: Can I use funding to cover utility costs for the school?

A: Yes. Utilities (for example: water, sewer and electricity) for buildings in which the primary function of the facility is instructional are acceptable costs.

Q6: Can I use funding to pay for construction projects related to renovation or modernization?

A: Yes. Funding can be used to pay for renovation or modernization projects. However, be aware that all ARRA construction projects are upheld to standards,

which include but are not limited to the National Environmental Policy Act (NEPA), the Davis-Bacon Act and the Buy American Act. For more information please visit our website at www.azrecovery.gov.

Q7: Can I apply for more funding than was allocated to the LEA per School Finance?

A: No. LEA allocations are determined using regular state aid equalization funding formulas from the ADE, School Finance Department. LEAs cannot apply for more funding than what is defined in the notice. Should this occur, the application will be rejected. All applications are approved by staff, which leaves room for human error. If an LEA applied for an amount greater than its allocation and the application was approved, ADE will contact the LEA and instruct it to amend its approved application with the correct allocation amount.

Q8: What happens if the LEA receives more money than was allocated per School Finance?

A: The Office of Economic Recovery (OER) will attempt to mitigate any chance of an LEA receiving more than its total allocation. If an overage payment is made, the LEA will be contacted via phone, email or letter and asked to complete a Return of Monies form and reimburse ADE the difference. The overage will then be placed back into the grant fund.

Q9: What happens if the LEA receives less money than was allocated per School Finance?

A: Again, OER and ADE work very hard to mitigate any chance of an LEA receiving less than its total allocation. If an LEA does not apply for its full amount, the LEA will be contacted by either ADE or OER staff and asked if the mistake was made in error. If it is the result of error and the application has not been approved, then the application is rejected and the LEA is asked to resubmit for approval. If the LEA decides not to take its full allocation, the staff member will then instruct the LEA to submit notice of the rejection in writing via email.

Q10: What if the LEA decides not to take any SFSF monies?

A: If an application is not received from the LEA, the LEA will be contacted by ADE or OER staff and asked if non-submission was in error. If it was in error and still within the project timeframe, the LEA will then be given the opportunity to submit its application and receive payment based on a timeframe determined appropriate by ADE and OER. If there was not an error and an LEA is rejecting funding, the LEA must then submit notice of rejection of their funding in writing via email. A formal letter will then be disbursed by OER recognizing the rejection of funds.