

**ADDENDUM TO GUIDANCE**  
**ON**  
**FISCAL YEAR 2010 SCHOOL IMPROVEMENT GRANTS**  
**UNDER SECTION 1003(g) OF THE ELEMENTARY AND SECONDARY EDUCATION**  
**ACT OF 1965**



U.S. Department of Education  
Office of Elementary and Secondary Education

February 16, 2011

## **PURPOSE OF THIS ADDENDUM**

This document revises questions F-5 and H-21 in the November 1, 2010 guidance [available at: <http://www2.ed.gov/programs/sif/sigguidance11012010.pdf>]. It also includes the following new questions: F-5a, H-21b, I-31, and J-1a. The Department will incorporate the revised and new questions into the complete guidance document.

### **F-5. What happens if an LEA receives SIG funds to implement one of the four models in a particular school but subsequently is unable to implement the model in that school?**

An LEA that receives SIG funds to implement an intervention model in a particular school may subsequently determine that it is unable to implement the model in that school, for example, because it is unable to hire a principal to implement the turnaround model or is unable to contract with a CMO or an EMO to implement the restart model. If that happens, the LEA must notify its SEA immediately that it is unable to implement the model for which it applied and was awarded funds and must cease obligating SIG funds in that school. An LEA that does not want to implement a different SIG model in the school need not take any further action. The SEA should then rescind the relevant portion of the LEA's SIG grant. Any portion of the LEA's grant that is rescinded should be carried over and combined with the funds available for the following year's SIG competition.

For an LEA that does want to implement one of the other SIG models, the SEA has discretion to determine whether it will terminate the LEA's SIG grant with respect to the funds allocated for that school or to invite the LEA to submit a new or amended application for SIG funds. If the SEA permits the LEA to submit a new or amended application, the SEA must then determine whether, consistent with the SEA's criteria for awarding SIG funds, the LEA is able to implement another model fully and effectively during the year for which SIG funds were awarded. In making this determination, the SEA should give very careful consideration to the LEA's ability to meet all the requirements of another model during the school year for which SIG funds were awarded and whether permitting the LEA to change its model after the award of SIG funds would undermine the integrity of the SEA's competitive process. If the SEA determines that the LEA is able to implement another model and approves the new or amended application, the SEA must post the new or amended application on the SEA's website (see I-6). If, on the other hand, the SEA determines either that the LEA is unable to implement another model fully and effectively or that permitting the LEA to do so would adversely affect the SEA's competitive process for the SIG program, the SEA should deny the new or amended application and rescind the relevant portion of the LEA's SIG grant. As noted above, any portion of the LEA's grant that is rescinded should be carried over and combined with the funds available for the following year's SIG competition. (Revised February 16, 2011)

### **F-5a. What happens if an LEA decides to close a Tier I or Tier II school after the LEA has received SIG funds to implement an intervention model other than school closure in the school?**

Given the rigorous LEA application and SEA review process required to receive a SIG grant, it should be exceedingly rare that an LEA receiving funds to implement a turnaround, restart, or

transformation model in a school subsequently decides to close the school instead. However, the Department recognizes that under certain rare circumstances that could not have been foreseen at the time an LEA developed its original application, an LEA might decide that closing such a school is the best course of action.

As discussed in F-5, an SEA has the discretion to terminate and rescind, in relevant part, the grant of an LEA that will not fully implement the school intervention model it was originally approved to implement, including an LEA that decides to close a school that was originally approved to implement another model. If, however, the SEA is willing to accept a new or an amended application from such an LEA, as part of its amended application, the LEA must submit, among other required information, a revised plan for implementation and a revised budget, each of which should reflect the anticipated school closure. In considering both of these aspects of the new or amended application, the LEA should bear in mind that, given the anticipated closure, continuing the implementation of the originally selected model as the LEA had originally planned and continuing to spend all the funds previously anticipated as necessary for the first year of implementation might not be prudent. For example, if an LEA is still working with teachers and principals to develop a rigorous evaluation system for the school, it might not be worth continuing to invest the time and resources necessary to complete that evaluation system, given that it would not be in place for long enough to benefit students or teachers in the school. On the other hand, if implementing certain model components, even if only for one year, would help increase students' academic achievement, it might be worth the continued costs, particularly if the up-front costs have already been paid and the work necessary to begin full implementation has already been completed. For example, if an LEA has already invested in the up-front costs of providing increased learning time (*e.g.*, already notified parents and students of the increased time, revised bus routes as necessary, arranged for additional teacher and bus driver time, and planned for how the increased time will be used), the benefit to students of continuing to provide that increased learning time while the school remains operational would likely be worth the costs incurred.

In creating the new or amended budget, the LEA should consider that, because it is often significantly less costly to close a school than to implement any of the other models, the LEA might not need any additional SIG funds in order to carry out the school closure beyond what it originally received for the first year of implementation. Moreover, if the closure is to be supported with SIG funds, the closure must comply with the SIG requirements for the school closure model. In particular, students who attended the closed school must be enrolled in other schools in the LEA that are higher achieving. An LEA that is contemplating closing a school after the school has begun to implement one of the other school intervention models should give careful consideration to all of these issues, and should consult with its SEA as needed.

An SEA that is presented with this issue should carefully review the LEA's new or amended application. In particular, the SEA should closely scrutinize the LEA's revised plan and budget and, in so doing, should consider which elements of the model the LEA was originally funded to implement have already been implemented and which the LEA has not begun to implement. Particularly if elements of the model have not yet been implemented, the SEA should consider rescinding the funds that were originally awarded for those activities. In addition, the SEA should review the circumstances that led to the LEA's decision to change to the school closure model and may take those circumstances into account in determining whether the LEA should receive any continued funding. The SEA should also be sure not to renew the LEA's original grant for any additional years except to the extent necessary and proper to support the closure. If an LEA has

been awarded SIG funds that it will not use as a result of switching to the school closure model, the SEA should rescind the relevant portion of the LEA's SIG grant and carry over and combine those funds with the funds available for the following year's SIG competition. (Added February 16, 2011)

**H-21. What is the cap on the number of schools in which an LEA may implement the transformation model and to which LEAs does it apply?**

An LEA with nine or more Tier I and Tier II schools, including both schools that are being served with FY 2009 SIG funds and schools that are eligible to receive FY 2010 SIG funds, may not implement the transformation model in more than 50 percent of those schools. See section II.A.2(b) of the final requirements. Given that the cap only applies to an LEA with nine or more Tier I and Tier II schools, an LEA with, for example, four Tier I schools and four Tier II schools, for a total of eight Tier I and Tier II schools, would not be covered by the cap. However, an LEA with, for example, seven Tier I schools and two Tier II schools, for a total of nine Tier I and Tier II schools, would be covered by the cap. Thus, continuing the prior example, the LEA with seven Tier I schools and two Tier II schools would be able to implement the transformation model in no more than four of those schools. This limitation applies irrespective of whether the Tier I or Tier II schools in a given LEA are among the State's persistently lowest-achieving schools or whether they are newly eligible schools identified as Tier I or Tier II schools at the State's option.

Note that, for purposes of the FY 2010 SIG competition, the number of Tier I and Tier II schools an LEA has is based on the number of Tier I and Tier II schools the LEA served through the FY 2009 competition and the number of additional Tier I and Tier II schools in the LEA that are identified as such on the State's FY 2010 Tier I and Tier II lists. For example, for FY 2009, LEA 1 had seven Tier I schools and two Tier II schools, so it was covered by the cap. Using FY 2009 SIG funds, it implemented the transformation model in four of those schools. For FY 2010, one of the schools in LEA 1 that had been identified as a Tier II school for FY 2009 is not identified as either a Tier I or Tier II school for FY 2010, but the SEA has identified two additional Tier I schools and two additional Tier II schools in LEA 1, so the LEA now has a total of 12 Tier I and Tier II schools (the four schools currently being served + the four schools that were identified in FY 2009 and that remain on the FY 2010 list + the four additional schools identified for FY 2010), which means it may implement the transformation model in a total of six schools, or two schools in addition to those that are being served with FY 2009 funds. (Modified for FY 2010 Guidance; Revised February 16, 2011)

**H-21b. Is the nine-school cap for implementing the transformation model based on the number of Tier I and Tier II schools an LEA *has* or the number of Tier I and Tier II schools an LEA *serves*?**

The nine-school cap is based on the number of Tier I and Tier II schools an LEA *has*, not the number of Tier I and Tier II schools the LEA serves through the SIG program. Thus, the cap applies to any LEA that has nine or more Tier I and Tier II schools, even if the LEA applies to serve, and is approved to serve, only a portion of those schools. For example, the cap would apply to an LEA that has 10 Tier I and Tier II schools, even if the LEA applies to serve, and is approved to serve, only six of those schools. In this example, the LEA would be able to implement the transformation model in no more than 50 percent, or five, of its 10 Tier I and Tier II schools; the LEA would have to implement one of the other models in any additional school that it serves. (Added February 16, 2011)

**I-31. Which year’s SIG funds are available for an SEA to award to an LEA for each year the LEA’s schools implement a school intervention model?**

In providing three-year grants for a school implementing a SIG intervention model, an SEA must renew the second and third years of funding automatically if the school is meeting the LEA’s annual student achievement goals and making progress on the leading indicators. For the FY 2009 competition, an SEA was required to apportion SIG funds over the three-year period of availability (*i.e.*, the period of availability for FY 2009 SIG funds for all States through the waiver every SEA received); in practical terms this means that the SEA should have reserved sufficient FY 2009 funds to cover all three years of each SIG award for a school implementing a school intervention model. In other words, such funds are essentially “dedicated” to grant recipients in the FY 2009 SIG competition, and may be used for other LEAs or schools only if an SEA does not renew an LEA’s FY 2009 award.

Schools served as a result of the FY 2010 competition may receive either FY 2009 carryover funds or FY 2010 SIG funds, and an SEA will likely allocate those funds differently, depending on the appropriation year. As noted in I-20a, an SEA that receives a waiver to extend the period of availability of its FY 2009 carryover funds but does not receive a waiver to extend the period of availability of its FY 2010 funds will use different funds to renew an LEA’s grant, depending on whether the LEA’s grant is funded with FY 2009 carryover funds or FY 2010 funds. For LEAs that are funded with FY 2009 carryover funds, the SEA must apportion those SIG funds in a way that will enable it to renew each LEA’s grant for additional one-year periods for the entire period of availability of the funds—*e.g.*, three years. On the other hand, for LEAs that are funded with FY 2010 funds, the SEA would fund the renewal of each LEA’s grant through a continuation grant using subsequently appropriated SIG funds. These scenarios are depicted in the table below.

<b>Which year’s SIG funds are available to support implementation of a school intervention model?</b>				
	<b>2010–2011</b>	<b>2011–2012</b>	<b>2012–2013</b>	<b>2013–2014</b>
<b>School awarded funds through FY 2009 competition</b>	FY 2009 funds, ARRA or regular	FY 2009 funds, ARRA or regular <i>(funds reserved by the SEA for this purpose at the time of initial FY 2009 awards)</i>	FY 2009 funds, ARRA or regular <i>(funds reserved by the SEA for this purpose at the time of initial FY 2009 awards)</i>	None <i>(school has already completed three years of implementation)</i>
<b>School awarded FY 2009 carryover funds through FY 2010 competition</b>		FY 2009 carryover funds, ARRA or regular*	FY 2009 carryover funds, ARRA or regular <i>(funds reserved by the SEA for this purpose at the time of initial awards)</i>	FY 2009 carryover funds, ARRA or regular <i>(funds reserved by the SEA for this purpose at the time of initial awards)</i>
<b>School awarded FY 2010 funds</b>		FY 2010 funds*	FY 2011 funds <i>(i.e., implementation)</i>	FY 2012 funds <i>(i.e., implementation)</i>

<b>through FY 2010 competition</b>			<i>funded through continuation grant)</i>	<i>funded through continuation grant)</i>
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\* FY 2009 carryover funds or FY 2010 funds awarded for full implementation beginning in the 2011–2012 school year may also be used for pre-implementation activities in the 2010–2011 school year, consistent with this Guidance.

Note that this table contemplates that an SEA will use FY 2010 funds to support only the first year of implementation of a school intervention model, and that an SEA will request a waiver to extend the period of availability of FY 2009 carryover funds until September 30, 2014, as the Department anticipates will be the case in most States. (Added February 16, 2010)

**J-1a. What criteria should an SEA use in evaluating an LEA’s proposed uses of SIG funds for pre-implementation?**

In evaluating an LEA’s proposed uses of SIG funds for pre-implementation, an SEA should apply the same criteria that it uses to evaluate all other proposed uses of SIG funds, including activities proposed to be carried out during full implementation. In particular, and as discussed more fully in I-30, an SEA should consider whether the activities proposed to be carried out during pre-implementation:

- Are directly related to the selected model;
- Are reasonable and necessary for the full and effective implementation of the selected model;
- Are designed to address a specific need or needs identified through the LEA’s needs assessment;
- Represent a meaningful change that could help improve student achievement from prior years;
- Are research-based; and
- Represent a significant reform that goes beyond the basic educational program.

In J-2, the Department has provided a number of examples of SIG-related activities that may be carried out during the pre-implementation period. Note that, given the foregoing considerations, not all of these activities are necessarily appropriate for all LEAs or schools. Rather, they represent activities that might be appropriate if the activities are aligned with the criteria set forth above. An SEA is not exempt from considering the above criteria simply because an LEA proposes activities to be carried out during pre-implementation that are consistent with the examples in J-2. (Added February 16, 2011)