

# **American Recovery and Reinvestment Act of 2009 (ARRA)**

Title 1, Part A  
Recovery Funds for  
Grants to Local  
Education Agencies



# ARRA Background

- Provides \$10 billion in additional FY 2009 funds to LEAs for schools with high concentrations of impoverished students;
- Creates an unprecedented opportunity to strengthen teaching, close achievement gaps, and stimulate the economy; and
- Enables LEAs to serve more than the 18 million students Title I funds currently serve.

# Four Principles That Guide Distribution and Use of ARRA Funds

- A. Spend funds quickly to save and create jobs;
- B. Improve student achievement through school improvement and reform;
- C. Ensure transparency, reporting, and accountability; and
- D. Invest one-time ARRA funds thoughtfully to minimize the “funding cliff.”

## A. Spend Funds to Save and Create Jobs

- Department distributes funds quickly;
- States and LEAs rapidly develop plans to use funds, consistent with statutory reporting and accountability requirements; and
- States and LEAs promptly begin spending funds to help drive nation's economic recovery.

## **B. Improve Student Achievement through School Improvement and Reform**

- Make progress toward rigorous college- and career-ready standards and high-quality assessments for all students;
- Make improvements in teacher effectiveness and the equitable distribution of teachers; and
- Provide intensive support and effective interventions for the lowest-performing schools.

## C. Ensure Transparency, Reporting, and Accountability

Prevent fraud and abuse, support most effective use of funds, and accurately measure and track results by:

- Requiring recipients to publicly report how they use funds, and
- Subjecting funds to additional and more rigorous reporting requirements than normal.

## **D. Invest One-Time ARRA Funds Thoughtfully to Minimize the “Funding Cliff”**

Recipients must be mindful that ARRA funds . . .

- Represent historic yet temporary infusion of dollars;
- Will be available for obligation until September 30, 2011; and
- Should be invested in ways that will be sustainable after funding expires.

# 2009 Title I Formula and ARRA Grants

**ARRA**

**2009 Title I**

**State Chiefs**

\$13,070,000,000 Billion

**State Chiefs**

\$15,066,000,000 Billion

Title I,  
Part A

School  
Improvement  
Funds

McKinney-Vento  
Homeless  
Education Grants

(1) Title I, Part A - \$14.5B  
(2) School Improvement  
Funds - \$545M  
(3) McKinney-Vento  
Homeless Ed - \$66M

\$13,000,000,000  
Funded in two rounds

\$70,000,000

# 2009 Title I Entitlement and ARRA Grant Funds

	2008	2009	ARRA 2009	Total 2009
Basic Grants	6.528	6.528		6.528
Concentration	1.351	1.351		1.351
Targeted grant	2.938	3.561	5.000	8.561
Ed Incen grant	2.938	3.561	5.000	8.561
<b>TOTAL</b>	<b>13.89</b>	<b>15.00</b>	<b>10.000</b>	<b>25,000,000</b>

- Amounts in billions

# A State's Total FY 2009 Title I, Part A Allocation

- Total FY 2009 Title I, Part A allocation = Title I, Part A recovery funds + Title I, Part A regular funds
- Two phases of Title I, Part A recovery funds
  - Phase I (50%) by 03/31/2009
  - Phase 2 (50%) by TBA
- Two phases of Title I, Part A regular funds
  - Phase I on 07/01/2009
  - Phase 2 on 10/01/2009

# Awarding Title I, Part A Recovery Funds

- 50% of each state's Title I, Part A recovery funds awarded by 03/31/2009 under existing, approved *ESEA* Consolidated State Application
- To receive remaining 50%, states must amend existing, approved applications to address ARRA recordkeeping and reporting requirements

# Awarding Title I, Part A Recovery Funds continued

## Key Notes:

- States can award ARRA funds to LEAs based on existing, approved LEA applications.
- Absent a waiver, an LEA must obligate at least 85% of its total FY 2009 Title I, Part A funds by 09/30/10; remaining funds can be obligated through 09/30/11.

# LEA Eligibility for Title I, Part A Recovery Funds

An LEA is eligible to receive Title I, Part A ARRA funds if it is eligible under the statutory eligibility criteria established in sections 1125(a)(1) and 1125A(c) of the *ESEA* for the Targeted and Education Finance Incentive Grant formulas of Title I, Part A.

# Reservation of Title I, Part A Recovery Funds

- States must reserve 4% of Title I, Part A ARRA funds for school improvement (1003(a)), as per *ESEA*. Of this 4%, at least 95% must be allocated directly to LEAs for school improvement.

# Uses of Title I, Part A Recovery Funds

- LEAs must use ARRA funds consistent with Title I statutory and regulatory requirements (including as relates to private school students).
- LEAs should
  - align uses of funds with core ARRA goals of saving and creating jobs and advancing reforms.
  - focus on short-term investments with potential for long-term benefits.
- Information forthcoming on use of funds to support early childhood educational services.

# Examples of Uses for ARRA Funds: Professional Development Activities

- Train highly effective teachers to be instructional leaders;
- Modify school schedules to establish time for instructional staff to collaborate;
- Establish intensive, year-long training for all school staff to build capacity to target student academic needs; and
- Train teachers to use data to inform instruction for Title I-eligible students

# Examples of Uses for ARRA Funds Continued

- Align Title I pre–K programs with state early learning and K–3 content standards;
- Expand high-quality pre–K programs;
- Provide 9–12 students with high-quality supplemental online learning materials in mathematics and science; and
- Use reading and mathematics coaches to provide professional development to teachers

# Invitation for Waivers

- Of one or more of the “set aside” requirements in Title 1, Part A;
- To calculate per-pupil amount for supplemental education services based on an LEA’s FY 2009 funds without regard to some or all ARRA funds;
- To allow a state to grant its LEAs a waiver of the carryover limit more than once within three years; and
- Of the maintenance-of-effort requirement.

# Fiscal Issues

- Maintenance of effort: With Department approval, a state or LEA may count expenditures of SFSF used for elementary or secondary education as non-federal funds to determine whether the state or LEA meets this requirement.
- The Department may not waive
  - Supplement not supplant (though under certain circumstances may establish compliance with this requirement); and
  - Comparability requirements.

# Accountability Principles

- Each state and LEA must ensure use of ARRA funds prudently and in accordance with the law.
- Each LEA receiving ARRA funds must report per-pupil expenditures by school from state and local sources.
- Each state and LEA must report on how ARRA funds were spent at [www.recovery.gov](http://www.recovery.gov) (more information forthcoming).

# Additional Information

- Regular informational updates will be forthcoming.
- Information on government-wide data collection and reporting requirements for ARRA will be forthcoming.
- Please send questions or concerns to [oeese@ed.gov](mailto:oeese@ed.gov).
- Preliminary 2009 ARRA school district estimates:

<http://www.ed.gov/about/overview/budget/news.html#ARRA>.

# 2009 Entitlement and ARRA Funds

	2008	2009	ARRA 2009	Total 2009
School improvement	491,265	545,633	3,000,000	3,545,633
MV Homeless	64,067	66,787	70,000	136,787