

American Recovery and Reinvestment Act

School Finance Officials

April 16, 2009



American Recovery and Reinvestment Act

Overview



Overall Goals of the ARRA

- **To stimulate the economy in the short term**
- **To invest in education and other essential public services to ensure the long-term economic health of our nation**



Overarching Principles

- **Four principles guide the distribution and use of ARRA education funds:**
 - Spend quickly to save and create jobs
 - Ensure transparency and accountability
 - Invest one-time ARRA funds thoughtfully to minimize the "funding cliff"
 - Improve student achievement by advancing effective reforms



Spend Quickly to Save and Create Jobs

- ❑ *ARRA* funds will be distributed quickly to states, LEAs and other entities in order to avert layoffs and create jobs.
- ❑ States and LEAs in turn are urged to move rapidly to develop plans for using funds, consistent with the law's reporting and accountability requirements, and to promptly begin spending funds to help drive the nation's economic recovery.



Ensure Transparency and Accountability

- ❑ Recipients must publicly report on how funds are used.
- ❑ ARRA funds are subject to additional and more rigorous reporting requirements than normally apply to grant recipients.
- ❑ Proposed metrics will be published in the Federal Register shortly (See page 3 of the “Dear Governor” letter).



Minimize the “Funding Cliff”

- ❑ ARRA represents a historic infusion of funds that is expected to be temporary.
- ❑ Depending on the program, these funds are available for only two to three years.
- ❑ These funds should be invested in ways that do not result in unsustainable continuing commitments after the funding expires.



Improve Student Achievement

- ❑ ARRA funds should be used to improve student achievement, and help close the achievement gap.
- ❑ In addition, the SFSF requires progress on four reforms previously authorized under the Elementary and Secondary Education Act and the America Competes Act of 2007.



Four Essential Areas of Reform

- ❑ **Teacher effectiveness and equitable distribution of highly qualified teachers**
- ❑ **College and career-ready standards and high quality, valid and reliable assessments for all students including ELLs and SWDs**
- ❑ **Pre-K to higher education data systems that meet the principles in the America Competes Act**
- ❑ **Intensive support and effective interventions for lowest-performing schools**



Programs Funded

- How much and what types of funding are available now?
- How much and what types of funding will be available going forward?



Available in April 2009

- Available April 1:
 - State Fiscal Stabilization Fund (67% based on approvable application)
 - Title I, Part A (50%)
 - IDEA, Part B, Section 611 (50%)
 - IDEA, Part B, Section 619 (Preschool) (50%)
 - IDEA, Part C (50%)
 - School Lunch Equipment (USDA) (100%)
- Available April 10
 - Homeless Youth (100%)



Available Fall 2009

- ❑ State Fiscal Stabilization Fund (remaining 33%)
- ❑ Title I, Part A (remaining 50%)
- ❑ Title I School Improvement (100%)
- ❑ IDEA, Part B, Section 611 (remaining 50%)
- ❑ IDEA, Part B, Section 619 (Preschool) (remaining 50%)
- ❑ IDEA, Part C (remaining 50%)
- ❑ Enhancing Education through Technology (100%)
- ❑ Statewide Data Systems (100%)
- ❑ Teacher Incentive Fund (100%)



Available Fall/Winter 2009

- ❑ **Competitive Incentive Grants - “Race to the Top” Funds (30%)**
- ❑ **Competitive Innovation Grants - “Invest in What Works” Funds (30%)**



Available Spring/Summer 2010

- ❑ **Competitive Incentive Grants - “Race to the Top” Funds (remaining 70%)**
- ❑ **Competitive Innovation Grants - “Invest in What Works” Funds (remaining 70%)**

