Connecticut State Department of Education
Bureau of Special Education

American Recovery and Reinvestment Act (ARRA):
Creating Educational Opportunity in
Challenging Economic Times

IDEA Part B-ARRA Funds

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Connecticut State Department of Education
Bureau of Special Education

Part I

IDEA Part B-ARRA Funds

American Recovery and Reinvestment Act (ARRA):
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ARRA Goals and Assurances

In order to apply for ARRA funds, the Governor must provide USDE with written assurances that CT has addressed and will continue to improve upon:

<u>ARRA Goals</u>

1. Academic Standards and Assessments of Student Learning and Achievement
2. Equitable Distribution of Quality Teachers
3. Data Systems to Track Student Performance
4. School Improvement Initiatives for Schools and Districts in Need of Improvement

Sources of ARRA Funds for 2009 - 2011

Three primary sources of ARRA funds are available to states:

Source	CT's Award
• Stabilization Block Grants	$542 million
• Entitlement Grants	$243 million
• Competitive Grants	TBD*
◦ Incentive Grants	
◦ Innovation Grants	

*Distributed at discretion of Secretary of Education

Auditing Process

***ARRA* Accountability Principles**

- States and LEAs should expect to report on how *ARRA* funds were spent and the results of those expenditures.
- States and LEAs are responsible to ensure that the *ARRA* funds are used prudently and in accordance with the law.
- States and LEAs must maintain records that will permit the U.S. Department of Education and other responsible parties to monitor, evaluate, and audit *ARRA* funds effectively.

Auditing Process

Audit and Oversight of *ARRA* Funds

- Federal Oversight Agencies
- New federal whistleblower protection for state and local government employees disclosing waste or fraud relating to stimulus funds.
- State Oversight Agencies
- Local Independent Public Accountants

Auditing Process

Key Grant Compliance Requirements Subject to Audit

- Maintenance of Effort (MOE)
- Supplement, Not Supplant

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Part II
IDEA Part B-ARRA Funds

American Recovery and Reinvestment Act (ARRA):
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McKinney-Vento Title VII (Part B) Homeless Education

Purpose and Use of Funds

- To provide children and youth experiencing homelessness:
  - School stability;
  - School access; and
  - Support for Academic success.
- Recommended ARRA Four Priority Areas:
  - Expanded learning time
  - Professional development/technical assistance
  - Increased capacity
  - Direct services to students and parents
- Early Childhood programs and activities

McKinney-Vento Title VII (Part B) Homeless Education cont.

Process

- No new program elements imposed through ARRA
- Distribution of funds aligned with existing competitive grant process (RFP)
  - ARRA funds used to support additional LEAs and/or increase to awards
- Awarded funds will be budgeted and tracked separately
- LEAs are required to report on use of funds;
  - SDE End of year report , and
  - Additional ARRA reporting is possible.

McKinney-Vento Title VII (Part B) Homeless Education cont.

Timeline

- Request for Proposals published May 2009 (June 2009 closing date)
- SDE review and rating of proposals (evaluation criteria included RFP)
- Announce recipients of grant awards (July 2009)
- All funds distributed to successful applicants within 120 days of ARRA receipt (August 2009)
  - SDE reserves the right to negotiate budget amounts accordingly, and
  - Funding is contingent upon USDE final allocation.

IDEA Part B
Ages 3-21 (611) and Preschool (619)

Purpose and Use of Funds

- Excess cost of providing special education & related services to students with disabilities
- CEIS-coordinated early intervening services)-15% to enable staff to deliver academic and behavioral interventions for non-disabled students who need these additional supports to succeed in general education
- Early Childhood programs and activities
- Recommended four priority categories:
  - Expanded learning time
  - Professional development/technical assistance
  - Increased capacity
  - Direct services to students and parents

IDEA Part B cont.

Process

- Distribution of funds based on same calculation as standard IDEA allocation
- Funds budgeted and tracked separately
- LEAs required to report on use of funds
- Normal statutory and regulatory requirements apply
- IDEA supplement not supplant requirements apply

Application and Award Timeline for IDEA Part B

- Accepting applications beginning April 15, 2009, for 100% of ARRA-IDEA funds
- Awards to LEAs beginning April 30, 2009, for up to 50% of ARRA-IDEA
- Regular IDEA Grant 2009-10 – Accepting applications on or before May 15, 2009
- Awards to LEAs beginning July 1, 2009, for regular IDEA
- Accepting revisions September 18, 2009, for remaining 50% of ARRA-IDEA funds
- All revisions for IDEA regular and ARRA-IDEA due no later than February 1, 2011
- All funds for IDEA regular and ARRA-IDEA <u>must</u> be obligated by June 30, 2011*

*End of state fiscal year requirement

Connecticut State Department of Education
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Part III
IDEA Part B-ARRA Funds

American Recovery and Reinvestment Act (ARRA):
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Parentally Placed Private School Students with Disabilities (ARRA funds)

- As with regular IDEA funds, an LEA must set aside a proportionate share.
- BSE strongly suggests you use 50% of the proportionate share of the ARRA-IDEA funds in 2009-10 and the remaining 50% in 2010-11.
- If you need assistance to calculate your LEA's proportionate share, call Brian Cunnane at (860-713-6919)

- Please refer to the handout, *Appendix B to Part 300 – Proportionate Share Calculation* from *IDEA – Building the Legacy of IDEA 2004.*

LEA excess cost requirement

- Prevents an LEA from using funds provided under IDEA grants to pay for all of the costs directly attributable to the education of a child with a disability.

- The LEA must spend at least the district's average annual per student expenditure on the the education of its children with disabilities.

Supplement not Supplant

- The CSDE will presume an LEA is in violation of the IDEA's supplement not supplant provisions if it uses IDEA funds in one of the following two ways:
  1. to provide services that are otherwise required by Federal, State or local law; or
  2. to provide services that were paid for with other funds in a prior year, including if the IDEA funds are used for CEIS activities coordinated with activities funded under the ESEA, and the IDEA funds are used to provide services that were paid for with ESEA funds in the prior year.

Coordinated Early Intervening Services (CEIS)

- What is allowed?
- Who can receive CEIS?
- What are allowable CEIS activities?
- What are the applicable fiscal requirements and considerations?

CEIS Memo-Introduction, 34 CFR 300.226
2008 OSEP Leadership Conference
Menlove Doutre & Brown-Clark Presentation

What is allowed?

- LEAs, who are not otherwise required, may use up to 15% of IDEA Part B (also the ARRA) funds to develop and provide CEIS for students who are currently not identified as needing special education.

Who can receive CEIS?

- CEIS may be provided to students:

- in kindergarten through grade 12 (with a particular emphasis on students in grades K through 3).
- who are not currently identified as needing special education or related services; and
- who need additional academic and behavioral supports to succeed in a general education environment.

CEIS Memo-Questions 2, 34 CFR 300.226(a)
2008 OSEP Leadership Conference
Menlove Doutre & Brown-Clark Presentation

Who can receive CEIS?

- An LEA determines which students need additional support.
- Other funds must be used to fund school-wide intervention for children with disabilities and students who do not need additional support.
- An LEA may not limit comprehensive CEIS solely to members of the racial or ethnic group for which significant disproportionality was identified.

CEIS Memo-Questions 2, 34 CFR 300.226(a)
2008 OSEP Leadership Conference
Menlove Doutre & Brown-Clark Presentation

What are allowable activities under CEIS?

- Professional development for teachers and other school staff to enable such personnel to deliver scientifically based academic and behavioral interventions

- Educational and behavioral evaluations, services and supports.

CEIS Memo-Questions 3, 34 CFR 300.646(b)(2)
2008 OSEP Leadership Conference
Menlove Doutre & Brown-Clark Presentation

CEIS AND SRBI/RtI

- CEIS funds may be used to support SRBI/RtI as long as the CEIS funds are used for services to nondisabled students in need of additional academic or behavioral support and supplement, not supplant, other funds used to implement SRBI/RtI.

CEIS Memo-Question 10

2008 OSEP Leadership Conference

Menlove Doutre & Brown-Clark Presentation

What must be reported to CSDE?

- Each LEA that implements CEIS must report to the CSDE on:
  - the number of children who received CEIS and
  - the number of those children who subsequently received special education and related services under Part B during the subsequent two-year period (i.e. the two years after receiving CEIS).
  - this is reported on the LEAs IDEA grant application under Section 5

Maintenance of Effort (MOE)

With certain exceptions, Part B funds must not be used by an LEA to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding year

U.S. Department of Education

Office of Special Education Programs

Building the Legacy : Retrieved March 23, 2009 from http://www.ed.gov/results.html?cx=017789009494528204701%3Auzmeqn9qqxo&cof=FORID%3A9&hq=-archived%3A&ie=UTF-8&q=Fiscal+Accountability#884

MOE (cont.)

LEA application standard:

With certain exceptions, an LEA budgets for the education of children with disabilities, at least the same total or per capita amount of either:

- local funds only; or
- State and local funds

as it spent from those same sources in the most recent prior year for which the information is available

U.S. Department of Education
Office of Special Education Programs
Building the Legacy : Retrieved March 23, 2009 from http://www.ed.gov/results.html?cx=017789009494528204701%3Auzmeqn9qqxo&cof=FORID%3A9&hq=-archived%3A&ie=UTF-8&q=Fiscal+Accountability#884

MOE (cont.)

Do not include as state or local funds any federal funds for which the SEA or an LEA is required to account to the federal government

U.S. Department of Education

Office of Special Education Programs

Building the Legacy : Retrieved March 23, 2009 from http://www.ed.gov/results.html?cx=017789009494528204701%3Auzmeqn9qqxo&cof=FORID%3A9&hq=-archived%3A&ie=UTF-8&q=Fiscal+Accountability#884

MOE Adjustments

- For any fiscal year that an LEA's allocation exceeds the amount of its prior year's subgrant, the LEA may reduce its special education expenditures of local or state and local funds by not more than 50% of the increase in federal funds

- The LEA must use an amount of local funds equal to the reduction for activities that could be supported with funds under the ESEA (NCLB)

U.S. Department of Education
Office of Special Education Programs
Building the Legacy : Retrieved March 23, 2009 from
http://www.ed.gov/results.html?cx=017789009494528204701%3Auzmeqn9qqxo&cof=FORID%3A9&hq=-archived%3A&ie=UTF-8&q=Fiscal+Accountability#884

MOE (cont.)

"Generally, under section 613(a)(2)(C), in any fiscal year that an LEA's *IDEA* allocation exceeds the amount the LEA received in the previous year, under certain circumstances, the LEA may reduce the level of state and local expenditures by up to 50 percent of the amount of the increase, as long as the LEA uses those freed-up local funds for activities that could be supported under the ESEA."

American Recovery and Reinvestment Act of 2009: IDEA Recovery funds for children and youth with disabilities. Retrieved on March 23, 2009 from

http://www.ed.gov/policy/gen/leg/recovery/factsheet/idea.html

MOE, cont.

- On March 20, 2009, in a conference call with OSEP, CSDE staff confirmed the USDOE position as stated in the prior slides.

- The SDE anticipates further federal guidance that will specify allowable uses of these funds under the ESEA.

How does the use of funds for CEIS affect MOE?

- If an LEA uses additional local funds, or State and local funds, for special education and related services for children with disabilities in place of the Part B funds that are being used to provide CEIS to children who have not been identified as children with disabilities, the higher level of local, or State and local, expenditures becomes the LEA's new maintenance of effort base for the subsequent year.

CEIS Memo-Question 23, 34 CFR, 300.205 (d) and 300.226(a)
2008 OSEP Leadership Conference
Menlove Doutre & Brown-Clark Presentation

How does the use of funds for CEIS affect MOE?

- Review the examples provided in Appendix D to the Part B regulations, to better understand how CEIS and maintenance of effort calculations might affect one another.

- http://idea.ed.gov/explore/view/p/%2Croot%2Cregs%2Cappendix%2C

Maintenance of Effort Sample Calculation:

Use of 50% of the difference between fiscal year allocations

A	B	C	D	E
IDEA Standard '09	**IDEA Standard '10**	**IDEA ARRA '10**	**IDEA Standard '11**	**IDEA ARRA '11**
$3.0 M	**$3.2 M**	**$4.0M**	**$3.4M**	**-0-**

2010

[(B + C) – A] X 50% = **$2.1 M** Increase $2.1M over 2009

Special Education

Local Operating Budget FY 2010

Total $9.0 M

ESEA **- $2.1M**

Total $6.9M

Meets 2010 MOE requirement of $9.0M

2011

D – (B + C) = -$3.8M ($0) No increase over 2010

Special Education

Local Operating Budget FY 2011
(Level Funded)

Total **$6.9M**

Meets 2011 MOE requirement of $6.9M

If you are going to offset your local budget by 50% of the increase and use the CEIS allowance, check the rules related to the use of CEIS funds.

Ongoing ARRA Information

- All documents from today's presentation will be posted to the Special Education page, at **RFP** link on the CSDE website (www.ct.gov/sde).

- Additional documents from the Commissioner's meeting with the Superintendents on March 17th are posted at **Commissioner's Update** link on the CSDE website (www.ct.gov/sde).

- Additional information and guidance from USDE will be posted to the **Commissioner's Update** link as it arrives.

USDOE Links

- http://www.ed.gov/policy/gen/leg/recovery/factsheet/idea.html

For information on the ARRA-IDEA funds

- http://idea.ed.gov/explore/view/p/%2Croot%2Cregs%2Cappendix%2C

For information on excess cost, MOE, CEIS, proportionate share

(Appendices to IDEA Part B regulations)

Contact Information

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