

ARRA Boost Education Funding in Illinois!

The federal stimulus package, known as the American Recovery and Reinvestment Act of 2009 (ARRA), could provide up to \$3 billion in education funding for Illinois. Within that \$3 billion, preliminary numbers show the stimulus package will provide nearly \$1 billion in new funding for several existing programs, including Title I, Part A grants for educating economically disadvantaged youth and IDEA funds for educating students with disabilities.

The intended purpose of all of the ARRA funds is to save and create jobs, as well as improve education through four key education reform areas:

- Making progress toward rigorous college- and career-ready *standards and high quality assessments* that are valid and reliable for all students, including English Language learners and students with disabilities;
- Establishing Pre-K to college and career *data systems* that track progress and foster continuous improvement;
- Making *improvements in teacher effectiveness* and in the *equitable distribution of qualified teachers* for all students, particularly students who are most in need; and
- Providing *intensive support and effective interventions for the lowest-performing schools*.

Within that \$3 billion, Illinois is also eligible to receive over \$2 billion from another portion of ARRA, called the State Fiscal Stabilization Fund (SFSF), which is intended to prevent reductions in critical education funds for elementary and secondary education as well as public institutions of higher education. These funds will flow through the state's primary and secondary education funding formulae, such as General State Aid. No funds are now targeted for school modernization or repairs from SFSF.

Funds for Title I and IDEA will be available to states from early April. The application for federal SFSF funds was available as of April 1, 2009. Half of the funds are to be released in the spring, with the other half to be released in October. Some of the specific funds do not flow until July, such as Title II, D for education technology or Title I funds for school improvement.

Known funding levels from ARRA are as follows for Illinois. More information for FY2010 will be forthcoming, e.g., for Title II, D funds for education technology.

Source	ARRA Funds
Title I Grants to Local Educational Agencies	\$420,148,642
IDEA Part B Grants to States	\$506,479,753
IDEA Part B Preschool Grants	\$18,311,491
McKinney-Vento Homeless Grants	\$2,202,000
Title II, D --Educational Technology (in July)	\$26,515,878
NSLP School Lunch Equipment (in June)	\$3,657,300
State Fiscal Stabilization Fund (education and general) for elementary, secondary, and public institutions of higher education	\$2,055,171,987

These funds must be spent expeditiously but sensibly. Planning for their use in 2008-09, 2009-10, and 2010-2011 is critical. We anticipate that the majority of the funds will be budgeted and used in 2009-10, with a small portion to be obligated in 2010-2011. A single allocation will be available for the formula funds (such as IDEA Preschool) and must be expended by September 30, 2011.

There will also be competitive funds available after July 1st, called the *Race to the Top* funds. Promising approaches are being requested in the four education reform areas stated above, with about \$4.3 billion going out to all states and another \$650 million going to districts nationwide.

Prepared by Gail Lieberman for the Illinois State Board of Education April 1, 2009