



# Illinois State Board of Education

100 North First Street • Springfield, Illinois 62777-0001  
www.isbe.net

Jesse H. Ruiz  
Chairman

Christopher A. Koch, Ed.D.  
State Superintendent of Education

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## **URGENT: RETURN ON OR BEFORE APRIL 17, 2009**

Dear District Superintendent or Regional Superintendent:

The American Recovery and Reinvestment Act of 2009 (ARRA) provides over \$2 billion to Illinois under the State Fiscal Stabilization Fund (SFSF) program. The Governor has committed the SFSF funds to the General State Aid (GSA) program in FY09 and FY10 to minimize the possible impact of the State's current fiscal deficit upon payments of GSA to Illinois school districts.

The U.S. Department of Education requires that each local educational agency (LEA) have on file with the State an application that contains assurances for the proper use of the SFSF funding. The Governor's Office has delegated to ISBE responsibility for the application process. In order to receive SFSF funds, each district or regional superintendent must return the attached SFSF application and assurance statement to ISBE by **April 17, 2009**. The application and assurance statement may be returned through any one of the following ways:

- a) Fax a signed application and assurance statement to the Division of Funding and Disbursement Services to 217-782-3910, or 217-782-3097
- b) Scan and email a signed statement to Jim Mathes at [jmathes@isbe.net](mailto:jmathes@isbe.net), or
- c) Mail a signed statement to the Illinois State Board of Education, Funding and Disbursement Services Division (E-320), 100 North First Street, Springfield, IL 62777, Attn: Mr. Jim Mathes.

SFSF funds are federal funds, and must be used for educational purposes consistent with State and local requirements. SFSF funds are subject to the requirements and restrictions in ARRA, which are summarized in paragraphs (11) through (14) of the attached application and assurance statement. Please also review the guidance on the use of SFSF funds by LEAs that can be found on pages 18-25 of the following document:

<http://www.ed.gov/programs/statestabilization/guidance.pdf>

Agency staff have been in contact with staff at the Teachers Retirement System (TRS) and TRS has determined that because the SFSF will be appropriated by the General Assembly from the General Revenue Fund and distributed to TRS employers through State vouchers, **TRS members paid with SFSF funds will be subject only to the regular TRS contribution rate and not the federal contribution rate.**

We are awaiting guidance from the U.S. Department of Education on additional compliance, record-keeping, and reporting requirements associated with SFSF funding. **Although details are forthcoming, LEAs will be required to maintain records that separately track and account for SFSF funds and report on the specific uses of those funds.** LEAs will also be required to report on the estimated number of jobs saved or created by SFSF funds. We will provide you with detailed guidance on all compliance, record-keeping, and reporting requirements applicable to SFSF funding at the earliest opportunity.

ISBE has established a dedicated website page for guidance on the American Recovery and Reinvestment Act: <http://www.isbe.net/arra/default.htm>. We will also post on this page all federal requirements referenced in the attached application and assurance statement.

If you have any questions about the application and assurance statement, please contact Jim Mathes at (217) 782-5256, or [jmathes@isbe.net](mailto:jmathes@isbe.net).

## STATE FISCAL STABILIZATION FUND - APPLICATION AND ASSURANCES

I hereby certify, on behalf of the local educational agency (LEA) identified below, all of the following with respect to amounts received by the LEA under the State Fiscal Stabilization Fund (SFSF) program:

(1) The LEA will administer and use SFSF program funds in accordance with all applicable statutes, regulations, and applications;

(2) The control of SFSF program funds provided to the LEA and title to property acquired with those funds, will be in a public agency and that a public agency will administer those funds and property;

(3) The LEA will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to that agency under the SFSF program. The LEA's administration and expenditure of SFSF program funds shall be in accordance with all applicable requirements of the Education Department General Administrative Regulations (EDGAR), the cost principles contained in 2 CFR 225 (OMB Circular A-87), OMB Circular A-102, and OMB Circular A-133;

(4) The LEA will make reports to ISBE and to the Secretary as may reasonably be necessary to enable ISBE and the Secretary to perform their duties and meet federal reporting requirements, and the LEA will maintain such records, including the records required under Section 1232f of Title 20-Education, and provide access to those records, as ISBE or the Secretary deem necessary to perform their duties;

(5) The LEA will provide reasonable opportunities for the participation by teachers, parents, and other interested agencies, organizations, and individuals in the planning for and operation of each program funded through the SFSF;

(6) Any application, evaluation, periodic program plan or report relating to each program funded through the SFSF will be made readily available to parents and other members of the general public;

(7) In the case of any project involving construction funded through the SFSF: (A) the project will comply with State requirements for the construction of school facilities; and (B) in developing plans for construction, due consideration will be given to excellence of architecture and design and to compliance with standards prescribed by the Secretary under section 794 of Title 29 in order to ensure that facilities constructed with the use of Federal funds are accessible to and usable by individuals with disabilities;

(8) The LEA has adopted effective procedures for acquiring and disseminating to teachers and administrators participating in each program funded through the SFSF significant information from educational research, demonstrations, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects;

(9) None of the funds received through the SFSF will be used to acquire equipment (including computer software) in any instance in which such acquisition results in a direct financial benefit to any organization representing the interests of the purchasing entity or its employees or any affiliate of such an organization;

(10) The LEA will take steps to ensure equitable access to, and equitable participation in, the projects and activities to be conducted with assistance through the SFSF, by addressing the special needs of students, teachers, and other program beneficiaries in order to overcome barriers to equitable participation, including barriers based on gender, race, color, national origin, disability, and age;

(11) The LEA shall only use SFSF program funds for activities authorized by the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) ("ESEA"), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) ("IDEA"), the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.), or the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.) ("the Perkins Act") or for modernization, renovation, or repair of public school facilities, including modernization, renovation, and repairs that are consistent with a recognized green building rating system. Further guidance as to the allowable uses of the SFSF can be found on pages 18-25 of the U.S. Department of Education's guidance: <http://www.ed.gov/programs/statestabilization/guidance.pdf>;

(12) The LEA will not use SFSF program funds for: (i) payment of maintenance costs; (ii) stadiums or other facilities used for athletic contests or exhibitions or other events for which admission is charged to the general public; (iii) purchase or upgrade of vehicles; (iv) improvement of stand-alone facilities whose purpose is not the education of children, including central office administration or operations or logistical support facilities; (v) any aquarium, zoo, golf course, or swimming pool; or (vi) the provision of financial assistance to students to attend private elementary or secondary schools, unless the funds are used to provide special education and related services to children with disabilities as authorized by the Individuals with Disabilities Education Act;

(13) For any project funded through the SFSF, the LEA will comply with Section 1605 of the American Recovery and Reinvestment Act of 2009 (requiring the use of American iron, steel, and manufactured goods) and Section 1606 of the American Recovery and Reinvestment Act of 2009 (requiring compliance with federal prevailing wage requirements);

(14) The LEA will obligate all SFSF monies by no later than September 30, 2011; and

(15) The LEA will promptly refer to an appropriate inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act (31 U.S.C. § 3729 - 3733) or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving SFSF funds.

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Region, County, District, Type Number

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District Name

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Name (Printed) of District/Regional Superintendent

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Signature of District/Regional Superintendent

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Date