Message From State Superintendent Christopher A. Koch

Many of you have raised concerns about federal reporting with regard to American Recovery and Reinvestment Act (ARRA) State Fiscal Stabilization Funds (SFSF). Illinois chose to use these funds to stabilize the budget, utilizing approximately $1 billion in each Fiscal Years 09 and 10 for General State Aid (GSA) payments. The U.S. Department of Education requires accountability measures of how these funds are used and this accountability is required prior to the release of SFSF Phase II funds.

I have received many thoughtful messages raising valid concerns about what you are being asked to report. I, and members of my staff, had lengthy conversations with the Department about how to report outcomes from the use of these federal funds, particularly with respect to the number of jobs created and retained. Many of you are concerned with the most recent communication on this issue and how the number of jobs to be reported as retained due to the receipt of ARRA GSA SFSF monies. We are committed to collecting and reporting quality data to the federal government that accurately reflects the jobs impact at the local level. In our conversations with the Department, it was made clear by the Department that a job simply funded with ARRA GSA SFSF dollars should not be considered a job retained, unless the job was one that might be eliminated. As a reminder, the definition of a job retained is “an existing position that would not have been continued in the absence of ARRA funding.”

I am aware of the reduction in force timelines and that contractual obligations are such that in the absence of ARRA GSA SFSF funds, some districts may have found other means to cover the shortfall such as borrowing or using reserves to make it through the remainder of the school year. Thus, the retention of positions is not always directly related to the receipt of these federal funds.

The most recent communication was our attempt to clarify questions posed to us as to how jobs retained should be reported. The initial data reporting from districts showed a great deal of inconsistency in how this was done, producing aggregate data that was neither acceptable nor even useful. Please consider if your district would have been able to cover the shortfall without receiving the last five FY 2009 GSA payments in April through June that were funded through ARRA SFSF dollars. If you had no job reductions and no reduction in force notices were sent, and would have been able to cover salaries even with the final five FY 09 GSA payments cut, then it would be appropriate to have reported zero positions in your initial report and no further action is necessary. However, if in the absence of the ARRA GSA SFSF funds in FY 09 you would have made reductions in non-bargaining unit staff or time and effort for existing staff that can be reflected as full-time equivalent, we are asking that you revise your ARRA GSA SFSF expenditure report accordingly. Additionally, a job may be counted regardless of whether or not the employee filling the position is paid for with Recovery Act funds as long as the job would not have been created or retained in the absence of the Recovery Act funding. The first official federal report is due on Oct. 10, so we are asking all districts to transmit their FY 2009 and FY 2010 ARRA GSA SFSF reports on or before Oct. 5.

The dilemma is how to report the impact of the use of these federal funds without adding a huge paperwork burden to local districts. We must also be able to achieve a level of consistency across our 870 school districts that the
Department would find acceptable. We must all be held accountable for use of these funds. No one wants to misrepresent the impact of these funds and there is an expectation that we make every attempt to properly report this information in a manner that is both verifiable and reasonably consistent across all the school districts.

The SFSF Phase II application is not available for us to complete at this time, which means that we have not issued any further ARRA GSA SFSF funds in FY 2010 other than the first payment on Aug. 10. We receive regular inquiries from the Comptroller's office asking when these may be forthcoming. As you can imagine, they are concerned about being able to continue to make these payments timely in FY 10. We remain committed to seeing this done, and I appreciate your desire to accurately report the impact of ARRA dollars on your districts.

Chris

Upcoming Dates and Deadlines

- FY 2011 Budget Hearing in Mount Vernon – Sept. 24
- Bright Green Dream Challenge entry deadline – Sept. 25
- National Public Lands Day – Sept. 26
- FY 2011 Budget Hearing in DeKalb – Oct. 1
- State Farm’s Youth Advisory Board service-learning grants deadline – Oct. 2
- ARRA FY 2009 and FY 2010 expenditure reports – Oct. 5
- U.S. Senate Youth Program and Hearst Scholarship application deadline – Oct. 7
- Illinois Youth Dropout Prevention Summit – Oct. 12
- Deadline for submitting the 2009 Reduction in Force Survey – Oct. 15
- FY 2011 Budget Hearing in Peoria County – Oct. 19
- FY 2011 Budget Hearing in Chicago – Oct. 21
- Part 100 (Requirements for Accounting, Budgeting, Financial Reporting and Auditing): Public comment period ends Oct. 26
- Annual Superintendents’ Conference in Springfield – Oct. 27-28
- FY 2011 Budget Hearing in Springfield – Oct. 28
- School District’s Adopted Budget due at ISBE – Oct. 30
- Illinois Dropout Prevention Summit – Nov. 4
- FY 2011 Budget Hearing in Wheeling – Nov. 5
- Annual Statewide Transition Conference – Nov. 8-10
- Veterans Day moment of silence – Nov. 11
- Limitation of Administrative Costs Worksheet deadline – Nov. 16
- Annual Financial Report due at ISBE – Nov. 16 (excluding those granted extensions due Dec. 15)
- FY 2011 Budget Hearing in Mundelein – Dec. 9

American Recovery and Reinvestment Act

ARRA FY 2009 and FY 2010 Expenditure Reports Due Oct. 5

Section 1512 of the American Recovery and Reinvestment Act of 2009 (ARRA) requires reports on the use of ARRA funding by each agency that awards ARRA funds (e.g. ISBE) no later than the 10th day after the end of each calendar quarter beginning with the quarter ending Sept.30, 2009. Due to the short timeline, sub-recipients that have received and expended ARRA funds must transmit expenditures and other required ARRA data through the Electronic Expenditure Reporting system in IWAS within five calendar days from the end of each quarter so that the 10 day submission requirement is met.

All local education agencies (LEAs) have already received ARRA funds through the State Fiscal Stabilization Fund for General State Aid (Revenue Codes 4850 in FY 2009 and 4870 in FY 2010), and some LEAs have received ARRA Title I (Revenue Codes 4851, 4852 and 4853), Child Nutrition Equipment Assistance (Revenue Code 4863), IDEA Part B Flow Through (Revenue Code 4857), IDEA Part B Preschool (Revenue...
Code 4856) and McKinney Homeless (Revenue Code 4862) funds.

All data contained in each quarterly LEA expenditure report will be cumulative in order to encompass the total amount of funds expended to date. Each LEA must report ARRA information by fiscal year. The State Board will combine the data for all fiscal years and submit a total cumulative report to the federal government each quarter. This means that LEAs that received ARRA funds in FY 2009 will report expenditures and required ARRA data from the beginning of the ARRA grant through the period ending June 30, 2009. LEAs that received funds in FY 2010 will report cumulative expenditures and required ARRA data from July 1 or the project start date thereafter of each ARRA grant through the periods ending Sept. 30, 2009; Dec. 31, 2009; March 31, 2010; and June 30, 2010, respectively. The State Board will combine all ARRA data for FY 2009 and FY 2010 for each LEA when reports are submitted by the Board to the federalreporting.gov site.

ARRA reports are aimed at providing transparency into the use of these funds and must include the following detailed information:

- D-U-N-S Number. IMPORTANT: All LEAs must secure a D-U-N-S number or they will not be able to transmit expenditures and required ARRA data.

Dun and Bradstreet (D&B) maintains a business database of information worldwide. D&B provides a D-U-N-S number, which is a unique 9-digit identification number for each location of a business organization. For school districts and other LEAs this would be the physical location of the central administrative office. D-U-N-S number assignment is free. Many school districts already have a D-U-N-S number. Please check with your business office to determine if your LEA has a D-U-N-S number assigned, and if you do not, please register immediately at http://www.dnb.com. Once entered and verified on the initial report, ISBE will pre-populate the D-U-N-S number in subsequent quarterly reports.

- Total amount of funds expended on approved ARRA projects and activities.

- The number of jobs created or retained reflected as full-time equivalent.

- Details on sub-awards and other payments made to vendors over and under $25,000.

Detailed instructions for reporting ARRA data are at http://www.isbe.net/arra/pdf/arra_reporting_inst.pdf. For questions regarding the ARRA quarterly reporting requirements, contact the Division of Funding and Disbursement Services at 217-782-5256.

ARRA Reporting Webinar Friday

The Illinois State Board of Education will host a Webinar starting at 1:30 p.m. Sept. 25 that will cover the reporting requirements for the American Recovery and Reinvestment Act of 2009 (ARRA). The Webinar will walk through the modified electronic expenditure reporting application in IWAS and cover important ARRA data variables such as reporting timelines, the importance of the D-U-N-S number, how to correctly report jobs created and retained as well as sub-award information over and under $25,000. A question and answer session will follow. To register, visit https://www1.gotomeeting.com/register/314312393.

H1N1 Influenza

Districts Needed to Report Information

As noted in our message on Aug. 18, the U.S. Department of Education and the U.S. Centers for Disease Control and Prevention (CDC), in collaboration with state and local health education agencies, are implementing a Web-based school dismissal monitoring system for the 2009-10 school year. This monitoring system will generate daily data on the number of school dismissals in Illinois and other states. School dismissals are defined as any instance of a public or private school with any of grades K-12 that dismissed all students for one or more days and any instance when an entire school building with any of grades K-12 was completely closed to all students and staff in response to confirmed or suspected H1N1 influenza cases.

We asked that each district assign an individual at the district level who will be responsible for promptly entering information about the occurrence of school dismissal into the Web-based monitoring system at www.cdc.gov/FluSchoolDismissal and report that person’s name and contact information by Aug. 31 to Jeff Aranowski by e-mail at jaranows@isbe.net or by fax to at 312-814-8190. To date, we have not received responses from many districts throughout the state. This is an extremely important matter that should be attended
to as soon as possible. If your district or nonpublic school has not yet submitted this information, please do so immediately, but no later the Sept. 29.

**Public Health Promotes Resources**

The Illinois Department of Public Health has issued resources to help collaboration between schools and local health departments in dealing with the H1N1 influenza virus.

The information can be accessed at [http://www.isbe.state.il.us/htmls/H1N1.htm](http://www.isbe.state.il.us/htmls/H1N1.htm) (Under School Guidance Documents. The document includes guidance in a question-and-answer format on tracking influenza-like illness and absenteeism in schools, and a form that can be used for ongoing monitoring of absenteeism and dismissals. Also included is information on H1N1 that can be distributed to parents and guardians.

More information on influenza surveillance in Illinois is available at [http://www.idph.state.il.us/flu/fluupdate08-09.htm](http://www.idph.state.il.us/flu/fluupdate08-09.htm) and [http://www.ready.illinois.gov/.](http://www.ready.illinois.gov/)

**Finance and Audit Committee**

**ISBE Schedules FY 2011 Budget Hearings**

The Illinois State Board of Education’s Finance and Audit Committee is holding a series of hearings on the FY 2011 Budget over the next several months. The public is invited to attend.

- Those wishing to participate in these hearings may sign-in upon arrival at each location.
- Please provide 15 copies of written testimony.
- Please provide cost estimates (including a detailed budget) for programs being discussed.
- Please address how proposed programs relate to the Board’s Strategic Plan Goals.
  - **Goal 1:** Every student will demonstrate academic achievement and be prepared for success after high school.
  - **Goal 2:** Every student will be supported by highly prepared and effective teachers and school leaders.
  - **Goal 3:** Every school will offer a safe and healthy learning environment for all students.

The Finance and Audit Committee FY 2011 Budget Hearings will be accessible to persons with disabilities. Persons planning to attend who need special accommodations should contact the Board office no later than the day before the meeting they wish to attend.

Contact the Superintendent's office at the State Board of Education, Phone: 217-782-2221; TTY/TDD: 217-782-1900; Fax: 217-785-3972.

Please check back to the ISBE Web site, [http://isbe.net/calendar/default.htm](http://isbe.net/calendar/default.htm), for updates to the following schedule of hearings:

- **Mount Vernon:** 4-6 p.m. Sept. 24 at the Jefferson County Regional Office of Education, 1714 Broadway St.
- **DeKalb:** 4-6 p.m. Oct. 1 at the DeKalb Regional Office of Education, 2500 N. Annie Glidden Road.
- **Peoria County:** 4-6 p.m., Monday, Oct. 19, at the Two Rivers Professional Development Center, 10112 W. Dubois Road in Edwards.
- **Chicago:** 3-5 p.m. Oct. 21, James R. Thompson Center.
- **Springfield:** 1-3 p.m. Oct. 28 at the Crowne Plaza, 3000 S. Dirksen Parkway.
- **Wheeling:** 6-8 p.m. Nov. 5 in the Board Room, CCSD #21, 999 W. Dundee Road.
- **Mundelein:** 6-8 p.m. Dec. 9 at the Lincoln School Multipurpose Room, 200 W. Maple.

**Legal**

**2009 Annual Notice of FERPA and PPRA**

Below are the links to the annual notice to state educational agencies of their responsibilities under the Family Educational Rights and Privacy Act (FERPA) and the Protection of Pupil Rights Amendment (PPRA).


Also included are links to the letter and enclosures addressed to local superintendents.


We hope that you will find this information helpful in protecting parents’ and students’ privacy rights under FERPA and PPRA.
New Law Requires Administrators Salary Compensation Report

Gov. Patrick Quinn recently signed Public Act 96-0434 (effective Aug. 13, 2009), which requires all Illinois school districts, including special charter districts, to create a salary compensation report for employees in the district holding an administrative certificate and working in that capacity, including the district superintendent.

The new law requires the report to be completed annually by Oct. 1 and posted on the district’s Web site. The report must be presented at a regular school board meeting and submitted to the regional superintendent.

The new law also has an immediate requirement that school districts post all collective bargaining agreements online.

To read the text of the Act, go to the following link: http://ilga.gov/legislation/publicacts/fulltext.asp?Name=096-0434. Questions about implementation should be directed to your Regional Office of Education, school district attorney or appropriate professional association.

The governor also signed Public Act 96-0266 (effective Jan. 1, 2010). This new law requires, in part, school boards to “report to the State Board of Education …the base salary and benefits” of school district employees to ISBE no later then July 1, 2010. To read the text of the Act, go to the following link: http://ilga.gov/legislation/publicacts/fulltext.asp?Name=096-0266. ISBE will be providing information to assist school districts in this data collection, including information about how to submit the required data electronically to ISBE.

Safety Notice

Product Alert Issued on Light Poles

The Capital Development Board (CDB) has brought to the State Board’s attention an alert issued by the Consumer Product Safety Commission (CPSC) regarding light poles manufactured by Whitco Co. LP of Fort Worth, Texas, which have cracked and fallen over. Here is a link to the alert: http://www.cpsc.gov/CPSCPUB/PREREL/prhtml09/09321.html. Given the serious risks to injury and death associated with this public alert, CDB is suggesting, as described by the CPSC, any facility within your school district that may have high mast/stadium light poles be inspected by a qualified professional to determine your exposure to this alert.

If it is determined you have any high mast/stadium light poles covered under this product alert, you should move to remediate the life safety situation as soon as possible. Initially, you should consult your procurement files to determine whether any warranties covering repairs are available, or if you have other rights that may enable you to obtain repairs or recover the costs of repairs. You may wish to consult counsel about your recovery rights. Also, CDB would ask that you inform them as to the number of the defective high mast/stadium light poles discovered in your review, whether warranties may cover repairs and, if repairs appear to be necessary, are they being performed. This data may help in any possible legal action through the Attorney General. CDB also suggest you consult with your attorney about your specific rights. To report any defective high mast/stadium light poles or if you have any questions, please give CDB a call at 217-782-2864 in Springfield or 312-814-6000 in Chicago.

Funding and Disbursement Services

FY09 Expenditure Reports and First Quarter FY10 Expenditure Reports for Title I (4300) and Their Impact on Carryover

Title I, Part A, regulations limit local education agencies (LEAs) to carry over no more than 15 percent of the current year allocation for those grants of $50,000 or more.

The total of both FY09 Title I expenditures and FY10 Title I expenditures through Sept. 30 are compared to the total funds available in FY09 to determine if a district will exceed the 15 percent carryover limit. Any funds in excess of 15 percent are deducted from the district’s FY10 Title I allotment. This applies to both Regular Title I and American Recovery and Reinvestment Act of 2009 (ARRA) Title I. It is important to monitor budgeted amounts and expenditures during FY10 to ensure at least 85 percent is expended during the current year program plus the first quarter of the subsequent year’s (FY11) program so your district does not lose Title I allotment.

Please be timely in submitting your FY09 and FY10 expenditure reports. Remember that expenditure reporting for ARRA funds must be completed within seven days of the end of each period, where other expenditure reports are due 30 after the end of the period.
If you have questions regarding this issue, please contact Sally Cray or Kim Lewis in the Division of Funding and Disbursement Services at 217-782-5256.

**Excess Cash on Hand for Federal Programs and Imputed Interest**

Federal regulations prescribe basic standards and methods under which federal payments are distributed from the Illinois State Board of Education to local education agencies (LEAs). Although reimbursement is the preferred method, federal regulations allow for LEAs to be paid in advance as long as the time elapsed between the receipt of the federal funds and actual expenditures at the LEA is minimized. It is imperative that all LEAs examine the monthly payment schedules on their federal grant programs to ensure that the receipt of federal funds correspond as closely as possible to anticipated expenditures. While this standard applies to all federal programs, it is especially important as funds are received for programs under the American Recovery and Reinvestment Act of 2009.

Salaries and fringe benefits are normally expended in equal intervals and should be projected in this manner. When teachers are paid on a 12-month salary basis and the project period is for nine months, the three months' salaries and related fringe benefits paid after the project ends (and after the service has been rendered/activity has occurred) should be included in the last project payment. Equipment, supplies, contracted services and in-service activities should have the payment requested in the month for which the expenditure is anticipated.

The information above is from Page 10 of the State and Federal Grant Administration Policy and Fiscal Requirements and Procedures, which can be accessed at http://www.isbe.net/funding/pdf/fiscal_procedure_handbook.pdf. The Grant Administration Policy describes the proper procedures for completing the payment schedule when a salary is being requested on a 12-month basis and the project period ends on June 30.

Expenditure reports are required to be submitted for each federal program on a quarterly basis. Excess cash is determined when expenditures plus outstanding obligations are less than the funds received through each quarter. Any positive balance will be frozen from the payments scheduled for the LEA until a subsequent expenditure report is submitted with a zero or negative balance.

In addition, Federal regulations address requirements when interest is earned on Federal cash advances. Specifically, the regulation states: [G]rantees and subgrantees shall promptly, but at least quarterly, remit interest earned on advances to the Federal agency. The grantee or subgrantee may keep interest amounts up to $100 per year for administrative expenses.

Imputed interest is calculable on any excess cash balance regardless of whether the LEA deposits federal funds in a non-interest bearing account.

Checks for interest earned on federal funds should be made payable to the federal agency issuing the grant (e.g. U.S. Department of Education, U.S. Department of Labor) and sent to the Illinois State Board of Education.

If you have questions regarding this issue, please contact Kim Lewis or Sally Cray in the Division of Funding and Disbursement Services at 217-782-5256.

---

**Special Education and Support Services**

**Timely and Meaningful Consultation With Private Schools**

It is the time of year when your district should be planning to complete its annual timely and meaningful consultation (TMC) with private schools and families of home-schoolers with disabilities. Please remember that this is a requirement for any district that has known home-school students and private school students with disabilities regardless of whether your district has funds to expend on these students. Please note the requirement to provide families in your district with a public notice of the TMC requirement even if you do not have any private schools in your district. The specific steps for conducting TMC can be found in our guidance memo located at http://www.isbe.net/spec-ed/pdfs/guidance_06-2.pdf.

Sample letters and invitations can be found at http://www.isbe.net/spec-ed/pdfs/guidance_06-2.pdf.

The written affirmation form is available online at http://www.isbe.net/spec-ed/pdfs/pvtschAppA.pdf.

Please plan on completing your TMC no later than **Oct. 15**. Documentation is to be submitted to the Illinois State Board of Education, Special Education Services, ATTN: Judi Stoppelwerth, 100 N. First Street, Springfield, IL 62777 no later than **Nov. 1**. Contact Special Education Services at 217-782-5589 if you have any questions.
Third Annual Nonpublic Special Education Conference and Programs Showcase

Registration is now open for the third annual Conference on Best Practices for Nonpublic Special Education Programs to be held Nov. 16 and 17 at the Hilton in Oak Lawn. While this conference is intended for administrators of nonpublic special education programs approved under Section 14-7.02 of the School Code, public school Special Education Directors and others who might be interested are welcome to attend.

In addition, many nonpublic programs will have exhibit tables creating a networking opportunity between public schools and private special education programs. During this special “exhibit” session, attendees will be able to speak directly with private school officials and dialogue about services and programs provided by the nonpublic sector.

Proposals for conference sessions are being accepted through Oct. 2. Session presenters will address innovative programming and procedures that their schools utilize while working with students with severe disabilities. Presenters will receive discounted registration but no other reimbursement.


For questions, please contact Paul Nijensohn or Sarah Sebert at 312-814-5560 or via e-mail at pnijenso@isbe.net or ssebert@isbe.net.

Student Opportunities

Contest Honors Top Volunteers

Applications are available for the 15th annual Prudential Spirit of Community Awards, which honor outstanding community service by young people in fifth through 12th grades.

Local honorees selected by participating schools and organizations will compete at the state level, where the top two students will be selected to represent their state in Washington, D.C. State-level winners receive an all-expenses-paid trip to D.C., $1,000 and a silver medallion. National winners receive $5,000, gold medallions, a trophy for their school and a $5,000 grant to the charity of their choice.

Last year’s state winners were Tayler McGillis of Toluca and Madelyn McGlynn of Belleville.

Visit http://spirit.prudential.com or www.principals.org/prudential to apply or for more information. A paper version of the application form is available by call 877-525-8491 (toll free). Deadline to apply is Nov. 2.

C-SPAN Offers Documentary Contest

C-SPAN is kicking off its sixth annual StudentCam video documentary competition, which invites middle and high school students to compete for cash prizes totaling $50,000.

This year’s national competition asks students to examine “One of the country’s greatest strengths” or “A challenge the country is facing” with a five to eight minute video. The deadline for entries is Jan. 20 with winners being announced in March.

For details and an entry form, visit http://www.studentcam.org.

Students Urged to Compete in Annual Illinois History Expo

The Illinois Historic Preservation Agency invites junior high and high school students to compete with their history-related projects. The Illinois History Expo is an...
Students can enter projects in the categories of research papers, exhibits, media and performances. See http://www.state.il.us/HPA/2008%20Expo%20Flyer.pdf to see a breakdown of regions and information to participate.

Winners advance to a statewide Illinois Expo set for May 6 in Springfield. Projects will then be selected to represent Illinois at the National History Day competition, slated for June in Maryland.

For more information, call the Illinois Historic Preservation Agency Office of Education Services at 217-782-2981 or e-mail pete.harbison@illinois.gov.

U.S. Justice Department Organizes Poster Contest for Fifth-Graders

Fifth-grade students across Illinois are eligible to participate in the U.S. Department of Justice’s annual National Missing Children’s Day Poster Contest. The agency’s Office of Juvenile Justice and Delinquency Prevention is asking teachers to incorporate the contest in their lesson plans.

Winning entries from each state will advance to national judging to compete for a trip to Washington, D.C., to participate in the National Missing Children’s Day ceremony on May 25.

Applications and additional information are available at http://www.ojjdp.ncjrs.gov/programs/postercontest. For questions, call Nadia Tunstall at 888-347-5610 or 202-347-5610 or e-mail mc.day.2010@fvyte.edu.

Employment Opportunities

ISBE External Vacancy List

An External Vacancy List for the Illinois State Board of Education is available at http://www.isbe.net/hr/Default.htm.

In the News

Weekly News Clips


School Opportunities

Library Grant Application Available

The FY2010 School District Library Grant Program (commonly referred to as the School Library Per Capita Grant) application is available online at http://www.cyberdriveillinois.com/departments/library/what_we_do/schoolpercapgrant.html. The deadline is Nov. 20.

The purpose of this grant is to enhance the school districts’ library programs. It is noncompetitive and was established with legislation. The school district’s attendance centers (buildings) must meet specific

eligibility requirements, detailed in the grant application, to be considered eligible for funding.

For questions call the Illinois State Library, Library Development Group, at 800-665-5576, ext. 1, or e-mail Ron Winner at rwinner@ilsos.net.