

2009 American Recovery and Reinvestment Act Title I, Part A, Improving the Academic Achievement of the Disadvantaged

USES OF FUNDS

All uses of funds must be in conformity with EDGAR (34 CFR Parts 74-86), and Requirements of NCLB Act of 2001, Sec 1120A: Maintenance of Effort, Comparability of Services, and Supplement-Not-Supplant. Title I, Part A includes use of funds for ARRA, Title I, Part A.

ARRA Summary

On February 17, 2009 President Obama signed into law the American Recovery and Reinvestment Act (ARRA) which appropriates new funding for programs under Title I, Part A and Title I-Part A (Basic Program). The ARRA provides the Illinois State Board of Education with allocations for the following programs: Title I Part A - \$420,148, 642. These ARRA Title I, Part A, funds are ***in addition*** to the FY10 regular appropriations for Title I, Part A.

ARRA Title I Fund Awards

Illinois was awarded 50% of the ARRA funds on April 1, 2009. ISBE has now received the initial grant award. The USDE guidance indicates that ARRA Title I, Part A, funds should be made available to LEAs in May of 2009, and will remain available for obligation at the state and local levels through September 30, 2011.

Preliminary ARRA Title I, Part A, grant allocations have been projected. These allocations are also posted on the ISBE website at http://www.isbe.net/funding/pdf/title_I_arra_prelim_fy10.pdf . The allocations that are listed include the entire projected amount that each entity will receive for the ARRA, Title I, Part A, grant award program.

Grant applications have been developed by ISBE staff and are now being made available to LEAs. Those wishing to use funds in FY09 may apply through a paper application which must be submitted to ISBE as quickly as possible but no later than May 31, 2009. FY09 applications must be expended or obligated by June 30, 2009. If funds are not requested for use in FY09, there will be no penalty or reduction of funds; the entire ARRA allocation will be available for application in FY10. For the period beginning July 1, 2009 ARRA, Title I, Part A, grant applications will be available through the eGMS system. All funds budgeted for the ARRA program must be expended or obligated by September 30, 2011.

Investing ARRA Title I Funds Wisely

All ARRA, Title I, Part A, funds must be used consistently with the current Title I, Part A statutory and regulatory requirements applicable in the General Education Provisions Act (GEPA) and the Education Department General Administrative Regulations (EDGAR). An LEA must use ARRA, Title I, Part A, funds as outlined in the *eGMS NCLB Application Instructions* found on the “Overview Page” of the electronic application.

Allowable expenditures under the “regular” Title I, Part A grants are those that are reasonably necessary for providing appropriate programs and meeting the requirements of the law. Funds may be used to support staff salaries and benefits for teachers, aides, administrative staff and related services personnel, to support training, specialized consultants, and to purchase supplies, materials and equipment. Title I, Part A, funds are intended to support the overarching goal for every child to meet state academic achievement standards.

The guiding principles of the 2009 ARRA hold that the funds should be invested thoughtfully in ways that do not result in unsustainable continuing commitments after the funding expires. ARRA funds are described as one-time increases in federal funding and schools are advised to consider expenditures that have a specific and time-limited scope. Because these funds will not be available after the existing appropriations are exhausted, schools should focus on one-time expenditures that can be spent in the next two years and that do not need to be sustained in the future.

Some framing questions which may help grant applicants determine how to spend ARRA funds are referenced in a USDE document at <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc>
LEAs may consider whether they can answer “yes” to these five questions:

Will the proposed use of ARRA funds . . .

- 1. Drive results for students?**
- 2. Increase capacity?**
- 3. Accelerate reform?**
- 4. Avoid the funding cliff and improve productivity?**
- 5. Foster continuous improvement?**

LEAs play a critical role in determining not only how to spend the ARRA funds in a wise and “auditable” manner, but also to thoughtfully consider how their use of funds will improve student achievement and reduce the achievement gap. With the ARRA Title I, Part A funds, LEAs need to consider their areas of academic need and determine the most appropriate way to increase student achievement. LEAs should consider the timeframe of the funds and consider adopting a professional development plan that supports the training of teachers through the use of coaching models. Additionally, LEAs should consider the addition of

professional development funds and trainings that support the need to increase the capacity of highly qualified teachers. The ARRA priorities may help grant applicants to consider which expenditures would be the most likely to help them address local needs in serving students. The following suggested uses of ARRA, Title I, Part A, funds are organized into the ARRA priority areas which are:

ARRA Priorities

- **Adopting rigorous college- and career-ready standards and high-quality assessments**
- **Establishing data systems and using data for improvement**
- **Increasing teacher effectiveness and equitable distribution of effective teachers**
- **Turning around the lowest-performing schools; and**
- **Improving results for all students, including early learning, extended learning time, use of technology, preparation for college, and school modernization**

Allowable Schoolwide Uses of Funds

The law provides many flexibilities and opportunities for LEAs and schools to meet the purpose of Title I-Part A. In Schoolwide Program schools, Part A funds may be used for research based activities that are part of the building's Schoolwide Program plan. It is also recommended that funds be targeted to the Title I program goal that all students will be proficient in reading and mathematics by SY 2013-14.

The limits listed under Allowable Targeted Uses of Funds for administration, supplies and equipment also apply to the Schoolwide Budget.

Allowable Targeted Uses of Funds

In Targeted Assistance schools, Part A funds can be used to meet the needs of only Title I served children and must be listed in the LEA's Consolidated Application.

Some allowable targeted costs are included below. This is not an exhaustive list. See the Education Department General Administrative Regulations (EDGAR), 34 CFR Parts 74-86, for the complete list.

- Employee salaries and benefits – that are for time devoted to the performance of the Part A program, as described in the approved Consolidated Plan Application. LEAs must maintain appropriate time distribution records of any employee who works on Part A duties but also has other duties. The recommended limit for administrative salaries/benefits and other administrative expenses is what are reasonable and necessary for the proper and efficient performance and administration of the program. Illinois suggests that no more than 5% of the allocation be used for administrative purposes.

- Professional development – if specifically related to the Part A program, designed to meet the specific educational needs of Part A participants, and supplements rather than supplants, state and local training. Teachers whose professional development is paid by Title I, Targeted Assistance, must have Part A participants in their classroom. The professional development plan should support the need to increase high quality teachers.
- Supplies and educational materials – if reasonable and acquired/consumed specifically for the purpose of the Title I-Part A program. The LEA must document the details and location of the supplies and the reason for the purchases.
- Equipment – if 1) necessary to effectively operate Title I-Part A programs, 2) existing equipment will not be sufficient and 3) the costs are reasonable. The LEA must document the details and location of the equipment and the reason for the purchases.
- Travel and conference costs – if specifically related to the Title I-Part A program and not to general needs of the LEA or school and are reasonable and necessary.
- Maintenance/operation costs – (such as janitorial and utility costs) to the extent that costs are not otherwise included in rent or other charges for space, are reasonable and necessary for the success of the Title I-Part A program, and are distributed on an equitable basis.
- Rental/lease of buildings – if the space is necessary for the operation of the program and space in publicly owned buildings is not available.
- Interest on lease purchase agreements – if in accordance with cost principles of OMB Circular A-87.
- Indirect costs – rate is provided annually by Illinois State Board of Education Funding and Disbursements Division
<http://www.isbe.net/funding/default.htm>
- Financial incentives and rewards to teachers who serve students in the Title I schools identified for improvement, corrective action and restructuring for the purpose of attracting and retaining qualified and effective teachers. In making this reservation, the LEA cannot reserve more than 5% of the Title I-A allocation.
- To support ongoing training and professional development, as defined in Title IX (ESEA General Provisions). Equitable amounts must also be provided for participating private school parents and teachers.

Allowable Use of Title I for School Improvement Choice-Related Transportation and Supplemental Educational Services (SES)

School Improvement (Sec. 1116) costs may be paid from the Schoolwide or Targeted Assistance budgets up to a total of 20% of the district's Title I funds (the district's "20% obligation"). Alternatively, the district may choose to meet some or all of the 20% obligation with local funds rather than Title I. In either case, the district must use at least

- An amount equal to 5% of LEA Title I allocation (25% of the 20% obligation) for choice-related transportation unless a smaller amount will meet the demand for services.
- An amount equal to 5% of LEA Title I allocation (25% of the 20% obligation) for SES unless a smaller amount will meet the demand for services.

The district will use an amount equal to the remaining 10 percent of the LEA Title I allocation (50% of the 20% obligation) for choice-related transportation, SES, or both, at the district's discretion. Note that

- An LEA may count in this amount its costs for parent outreach and assistance up to 0.2% of the LEA's Title I-A allocation (1% of the 20% obligation).
- Any portion of the 20% obligation remaining unspent after choice-related transportation and parent outreach expenses are paid becomes SES funds.
- The district per-pupil allocation (PPA) for SES is not the same as the PPA used for Title I building allocations. The district PPA for SES is based on formula child counts, while the PPA for building allocations is based on free and reduced price meal applications. The amount spent per child per year for SES by the district must be the lesser of either 1) the SES PPA amount calculated by the Illinois State Board of Education or 2) actual costs of Supplemental Educational Services received by the student.
- The total amount the district spends must be equal to 20 percent of the district's Title I allocation, unless a lesser amount is required to meet demand.

Required Set Asides for Uses of Regular Title I-A and ARRA Title I-A Funds:

Professional Development for **Schools** in School Improvement Status (NCLB Section 1116) 10% of the school in need of improvement's Title I building allocation must be spent on professional development to address the academic achievement problems that caused the school to be identified for School Improvement.

Professional Development for **Districts** in Improvement Status (NCLB Section 1116(c)(7)(A)(iii)) 10% of the LEA's Title I allocation must be spent on professional development for districts identified by the Illinois State Board of Education as being in Improvement status. This may include funds already reserved for building-level professional development for schools in improvement status, but may not include funds reserved for professional development to

achieve highly qualified teachers as defined in NCLB, Section 9109(23). Title I-A funds set-aside by an LEA that has been identified for improvement should be used for professional development that addresses the area(s) that caused the LEA to be identified. This professional development may include all staff in the LEA, not just those in Title I-A schools. If the LEA does not spend the full 10% in a given year, it must carry over the unspent funds and spend them for that specific purpose in the following year. If the LEA is again identified for improvement in the following year, the LEA must also reserve 10% for that year's allocation for professional development activities.

Parental Involvement (NCLB Section 1118)

1% of the LEA's Title I allocation (if the LEA allocation is over \$500,000) must be used for parental involvement. 95% of the 1% must be made available to the individual Title I buildings for their use.

Private School Services (NCLB Section 1120)

The minimum amount of the Title I-A funds a building must use for private school services is the number of low-income nonpublic school students residing in the Title I-funded attendance area and in the grade levels of the Title I-funded school multiplied by the corresponding Title I-served building's PPA. If the LEA also does a set-aside for salary differential, professional development, or parental involvement, the LEA must calculate the corresponding PPA of that set aside that should be used for private school service. LEA-hired teachers who instruct private school students should be included in the LEA's Schoolwide programs, and Title I-funded professional development activities.

Building Allocations (NCLB Section 1113)

An LEA must use Title I-A funds only in eligible school/attendance areas and according to the ranking order required by law. The following points summarize the requirements of Section 1113 of the Title I statute and §§200.77 and 200.78 of the Title I regulations for identifying eligible school attendance areas and selecting those eligible areas that will participate in Title I, Part A, and allocating Part A funds to participating areas:

- An LEA must rank all of its school attendance areas (the geographic area from which a public school draws its children) according to their percentage (not the number) of low-income children counted. An LEA must use the same measure of poverty for:
 - o Identifying eligible school attendance areas.
 - o Determining the ranking of each area.
 - o Determining the allocation for each area.
- The LEA must select a poverty measure from the following options:
 - o Children ages 5-17 in poverty as counted in the most recent census data approved by the Secretary.
 - o Children eligible for free and reduced-priced lunches under the National School Lunch Program.

- Children in families receiving assistance under the State program funded under Title IV, Part A of the Social Security Act (Temporary Assistance for Needy Families).
 - Children eligible to receive medical assistance under the Medicaid program.
 - A composite of any of the above measures.
- LEA's must provide Title I-A services to all schools over 75% poverty before serving any school at or below 75% poverty. If funds remain, the LEA may continue to serve schools in descending rank order of poverty, or may serve eligible schools in descending order according to their grade span groupings.
 - LEA's may skip an eligible school if it can be demonstrated that the school is receiving supplemental funds from other state or local sources that are also spent according to the requirements of Title I-A. In order to "skip" an otherwise eligible school attendance area, the LEA must meet the three fiscal requirements found in Section 1113 (b)(1)(D).
 1. The school meets comparability requirements under 1120A(c).
 2. Is receiving supplemental funds from other state or local sources that are also spent according to the requirements of section 1114 (Schoolwide Programs) or 1115 (Targeted Assistance Programs).
 - Under §200.79 of the Title I regulations, a supplemental State or local program meets the requirements of Section 1114 if the program-
 - Is implemented in a school that meets the minimum 40 percent poverty threshold required to operate a schoolwide program;
 - Is designed to promote schoolwide reform and upgrade the entire educational operation of the school to support students in their achievement toward meeting the State's challenging academic achievement standards that all students are expected to meet;
 - Is designed to meet the educational needs of all children in the school, particularly the needs of children who are failing, or most at risk of failing, to meet the State's challenging student academic achievement standards; and
 - Uses the State's assessment system described in §200.2 of the Title I regulations to review the effectiveness of the program.
 - A supplemental State or local program meets the requirements of Section 1115 if the program-

- Serves only children who are failing, or most at risk of failing, to meet the State's challenging student academic achievement standards;
 - Provides supplementary services designed to meet the special educational needs of the children who are participating in the program to support their achievement toward meeting the State's student academic achievement standards; and
3. Uses the State's assessment system described in §200.2 of the Title I regulations to review the effectiveness of the program.
- LEA's with fewer than 1,000 students or with only one school per grade span are exempt from ranking.
 - If an LEA is serving any school with poverty under 35%, each served school's allocation must be at least 125% of the school's minimum allocation. (The minimum allocation is the total LEA Title I-A allocation divided by the number of low-income children as determined using the poverty measure selected, and multiplied by 125%.) If an LEA is serving only schools at or above 35%, bear in mind the purpose of the funding is to enable children who are most at risk of not meeting the State's academic achievement standards and the allocation must be large enough to provide a reasonable assurance that a school can operate a Title I program of sufficient quality to achieve that purpose. Illinois recommends that these schools be served at the minimum allocation.
 - PPAs may vary by school, as long as higher PPAs are provided to schools with higher percentages of children in poverty (either across the LEA or by grade span groupings), and do not exceed the amount allocated to any area or school above 75% poverty.
 - If remaining funds are not sufficient to fully fund the next lower ranked eligible school, the LEA may serve the school if it can be demonstrated that the amount allocated is sufficient to enable children to make adequate progress toward meeting the State's performance standards.
 - For all schools identified for school improvement, 10% of the amount of the school's Title I-A allocation must be used for professional development.
 - When allocating funds to individual schools, an LEA may not reduce allocations by more than 15% from the prior year allocation for schools in corrective action or restructuring.

Other considerations for Schools identified as a Title I Schoolwide Program

Items to be considered when thinking of Early Childhood Programs and Family support:

- Provide funding to expand services for family resource coordinators to provide parent education and outreach. Hire consultants or temporary staff to provide parent education and support to connect families with existing early childhood resources in the community, including school- and community-based programs for children birth to five and Head Start.
- Support programs in their efforts to serve hard-to-reach children by providing funds to expand offerings to qualified summer hourly staff who would visit families in order to build relationships and encourage families to enroll in center-based or school-based preschool programs in the fall. In addition to staff salaries, funding could be used for home-based curriculum and staff travel reimbursements.
- Especially in areas where programs have difficulty engaging parents in early learning programs, or in immigrant communities, expand consultants to build a program's capacity to respond to parents who may need assistance negotiating the transition between infant toddler programs and programs for three- and four-year-olds.
- Use funds to translate early childhood enrollment and program materials into the various languages represented in individual school districts for schools receiving Title I funds.
- Implement parent engagement programs that support parents to support literacy and developmental core achievements.

Items to be considered for qualifying Title I students who are also English Language Learners:

- Districts can use ARRA Title I allocations to identify and develop appropriate curricula and instructional methods that meet the content learning and English language development needs of Title I qualified ELLs, and provide focused professional development for subject area teachers to become effective in developing subject-area knowledge and academic language proficiency in their students. Professional development can also be provided to enhance teacher capacity to assess the content and language needs of Title I qualified ELLs.
- Use ARRA Title I allocations to extend learning time for all students including Title I qualified ELLs.
- Extended learning time might include extended-day or after-school programs, extended week (Saturday school), and extended year (summer school and intercession).
- Districts can use ARRA Title I funds to identify, develop/adapt, and purchase supplemental instructional materials that will help qualified Title I ELL students meet challenging grade-appropriate state standards and address their language development needs. Instructional supplemental software should be among the materials considered.

- Use ARRA Title I funds to increase the number of adults providing instruction to eligible Title I ELL students and supports for teachers, including tutors and resource teachers.
- Schoolwide funds could be used to evaluate family literacy programs and to design and implement enhancements that focus on the development of English literacy, English language, and parent-child reading activities for ELL students qualifying for services.

Items to be considered for After School Programming Needs for School Wide Title I Programs:

In addition, LEA's are urged to consider using a portion of their Title I, Part A recovery funds for creating and expanding summer programs this summer and before- and after-school programs in the coming school year. The Title I guidance released by the U.S. Department of Education on March 6, 2009, makes these programs a priority for Title I funding, "*Examples of potential uses of Title I, Part A recovery funds that are allowable under Title I and consistent with ARRA principles...Establishing or expanding fiscally sustainable extended learning opportunities for Title I-eligible students in targeted assistance programs, including activities provided before school, after school, during the summer or over an extended school year.*"

Planning for use of School Improvement Funds through Title I should involve community partners, such as after-school programs, which can leverage additional resources and expertise to collectively support student learning and positive development.

Items to consider when planning after school and/or summer programming:

- Establish and/or expand fiscally sustainable activities provided before school, after school, during the summer or over an extended school year, offered in partnership with community after-school programs.
- Enrich Supplemental Education Services by providing funding to after-school programs or existing SES providers to offer additional academic enrichment activities in core content areas along with tutoring services that engage students and provide opportunities for applied, core content area experiential learning to reinforce what is covered in tutoring sessions.
- Enhance or expand summer school and other summer programs.
- Ensure access to technology resources for after-school programs and implement cross training on learning technologies for teachers and after-school program staff.

- Expand professional development opportunities to include after-school program staff, so that teachers and program staff can share expertise, develop common knowledge, strengthen teaching partnerships to best support student learning goals. The Title I funds used have to apply the rules of schoolwide staff and targeted assistance staff. HQT rules for certified and paraprofessionals apply to appropriate uses.
- Create community learning teams of educators, after-school staff and other stakeholders (community, business, civic and municipal leaders, and parents) and support team facilitators to help teams reach their goals which can include:
 - ensuring that programs activities and goals align well with learning standards expected in the schools and to identify strategies that after-school programs can utilize to support particular areas of need.
- Support partnerships and collaborative strategies with after-school programs that serve to increase parent and family involvement in their children's education and learning.

Transparency, Accountability, and Reporting

ARRA requires that recipients of funds made available under that Act separately account for, and report on, how those funds are spent. Grant recipients will need to maintain accurate documentation of all ARRA expenditures to ensure that the data reported is accurate, complete, and reliable. States will be expected to monitor LEA grants to help ensure data quality and the proper expenditure of ARRA funds.

All ARRA funds must be spent with an unprecedented level of transparency and accountability. As reporting requirements are released to the states by USDE, the information will be made available to all grant recipients.

Proposed Timelines for the ARRA Title I-A Grants

DATE	ACTION
February 17, 2009	ARRA was signed into law by President Obama
April 1, 2009	USDE release of ARRA Title I-A Fund allocations to states
May 2009	ISBE provides guidance and allocations for ARRA Title I-A funds which may be applied for through a paper application process for a May/June grant cycle. Paper grant applications are mailed to LEAs which submitted a Letter of Intent to apply for ARRA Title I-A funds in FY09. Half of the total allocation may be applied for by July and the other half will be available in October.
May 2009	Review and approval of paper applications for May/June 2009 ARRA Title I-A funds
June 15, 2009	Tentative target date for posting of eGMS ARRA Title I-A applications for FY2010 for projected allocations provided in allocation letters.
June 30, 2009	Completion of brief May/June ARRA Title I-A funds grant cycle
September-October, 2009	Amendments begin for final NCLB FY 10 allocations for all title programs.
June 1, 2010	Target date for release of eGMS applications for FY 2011
September 30, 2011	End date for all ARRA Recovery funds expenditures and obligations

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