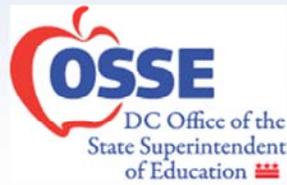


State Fiscal Stabilization Funds

OSSE Training/Info Sessions with LEAs
December 9-10, 2009



Welcome and Introductions

- **Facilitator:**
 - Jeremy Skinner, Director of Teaching and Learning
- **Participants:**
 - Polls for Local Educational Agency Representatives
- **SFSF Points of Contact at the OSSE:**
 - Robin Bessler (for assigned LEAs)
 - Myles Cliff (for assigned LEAs)
 - Natalie Mitchell (for assigned LEAs)
 - Bridgette Royster (for assigned LEAs)

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Poll 1: Which of the following most closely matches your primary role at your local educational agency (LEA)?

Poll 2: How familiar are you with the SFSF application?

Poll 3: Which role/s will you play in the SFSF application process (over the next 11-12 days)?

Essential Question

How will LEAs apply for, receive, use, track, and report on State Fiscal Stabilization Funds?

Application Deadline: 12-21-09 at 5 PM EST

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This is the overarching question that today's webinar will answer. The most currently-significant portion of this webinar will discuss the application requirements.

Objectives

After today's overview, LEAs will be able to:

1. Describe the purposes and guiding principles of State Fiscal Stabilization Funds for LEAs
2. Explain how SFSF allocations were determined and the expected timeline for disbursement
3. Determine whether a proposed use of State Fiscal Stabilization Funds is allowable
4. Thoughtfully and completely provide a narrative and budget for the use of funds by 12-21-09
5. Track and report on (through the ARRA Workbook, version 2.0) the use of Stabilization Funds

1. Describe the purposes and guiding principles of State Fiscal Stabilization Funds for LEAs

The American Recovery and Reinvestment Act of 2009:

The overall goals of the ARRA are to stimulate the economy in the short term and invest in education and other essential public services to ensure the long-term economic health of our nation.

<http://www.ed.gov/print/policy/gen/leg/recovery/factsheet/title-i.html>

1. Describe the purposes and guiding principles of State Fiscal Stabilization Funds for LEAs

State Fiscal Stabilization Funds

- DC will receive \$89 million for use over 3 years
 - Education Stabilization Funds (81.8%) allocated to:
 - Local Educational Agencies
 - University of DC
 - Government Services Funds (18.2%) allocated to:
 - Local Educational Agencies
 - Department of Housing and Community Development
- 67% of Education Stabilization Funds and 100% of Government Services Funds are now available to DC
- OSSE must submit a Phase II application in January 2010 to receive the remaining 33% of ESF.

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The District submitted a Phase I SFSF application to the Department of Education in June 2009. SFSF planning allocations provided to LEAs include the “remaining 33%” we anticipate receiving after the District’s Phase II SFSF application is submitted and approved by the Department of Education. That is, the allocations LEAs received in December 2009 *already* includes these additional expected funds.

1. Describe the purposes and guiding principles of State Fiscal Stabilization Funds for LEAs

State Fiscal Stabilization Funds

- The Department of Education awarded these funds to states to help stabilize local budgets in order to minimize and avoid reductions in education and other essential services.
- Given the purpose, Stabilization Funds are **NOT** additional funds for LEAs, but rather supplement local funding (UPSFF) for LEAs to minimize the effect on LEAs of budget reductions in the District.

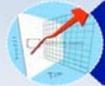
Despite the fact that these are NOT new funds (beyond what LEAs are expecting according to numbers received in September or October of 2009), this webinar and the application are important! As we will discuss, LEAs can NOT receive these funds – and therefore *would* experience a further decrease in UPSFF payments in January and/or April of 2010 – without completing an application, which includes assurances regarding uses of funds and reporting requirements.

1. Describe the purposes and guiding principles of State Fiscal Stabilization Funds for LEAs

ARRA Guiding Principles



Spend Quickly to Save and Create Jobs



Ensure Transparency and Accountability



Thoughtfully Invest One-time Funds



Advance Effective Reforms

<http://www.ed.gov/policy/gen/leg/recovery/presentation/index.html>

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The ARRA has 4 overarching principles. Two of them relate directly: the first and the third. States and LEAs must balance (1) spending quickly to save and create jobs and (2) thoughtfully investing these one-time funds. Along with this balance, our work with ARRA funds will also be guided by the goal of advancing effective reforms and a commitment to unprecedented transparency and accountability.

1. Describe the purposes and guiding principles of State Fiscal Stabilization Funds for LEAs

ARRA Core Reforms

College- and career-ready standards and high quality, valid, and reliable assessments for all students, including ELLs and students with disabilities

Pre-K to higher education data systems that meet the principles in the America COMPETES Act

Teacher effectiveness and equitable distribution of effective teachers

Intensive support and effective interventions for lowest-performing schools

<http://www.ed.gov/policy/gen/leg/recovery/presentation/index.html>

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These are the assurances that the District of Columbia and states had to make in exchange for receiving State Fiscal Stabilization Funds. These four items represent the four “core reforms” that will help the nation meet the goal of dramatically improving student achievement and closing the achievement gap. In more detail, they are:

- (1) making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need Using data to improve;
- (2) establishing pre-K-to-college-and-career data systems that track progress and foster continuous improvement;
- (3) making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including limited English proficient students and students with disabilities; and
- (4) providing targeted, intensive support and effective interventions for the lowest-performing schools.

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2. Explain how SFSF allocations were determined and the expected timeline for disbursement

State Fiscal Stabilization Funds

- State Fiscal Stabilization Funds are available for obligation from 02-17-09 through 09-30-11.
- Unlike for other OSSE grant programs, an LEA can charge costs against their State Fiscal Stabilization Fund allocations even if the obligation occurred prior to the LEA's application. While this does NOT mean no application is necessary to access funds, it DOES mean LEAs can apply Stabilization Funds to costs anytime on or after 02-17-09.

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Given that LEA's Stabilization Funds are providing a portion of already-expected UPSFF payments, OSSE anticipates that most or all LEAs will use these funds during the first half of the 2010 calendar year – during the 2009-2010 school year.

2. Explain how SFSF allocations were determined and the expected timeline for disbursement

LEA Allocations

Federal law requires that all states award Education Stabilization funds to LEAs through the State's primary elementary and secondary education funding formulae. In accordance, the District will determine LEAs' SFSF allocations based on the District's Uniform Per Student Funding Formula (UPSFF). The District's UPSFF is linked to enrollment and is used to determine annual operating funding for the District's LEAs. The formula provides a "foundation level" of funding for each student and then adds "weights" for students at certain grade levels and for students with special needs.

Again, Stabilization Funds will provide a portion of the UPSFF payments to LEAs.

2. Explain how SFSF allocations were determined and the expected timeline for disbursement

LEA Allocations

Planning allocations were released in December 2009 and are included on a tab in the LEA Application for State Fiscal Stabilization Funds.

2. Explain how SFSF allocations were determined and the expected timeline for disbursement

Timeline for Disbursement

A portion of charter LEAs' January 15, 2010 and April 15, 2010 UPSFF payments will be funded with SFSF funds. The January payment will contain Government Services Fund dollars and the April payment will contain Education Stabilization Fund dollars. Please note the SFSF awards are not in addition to a charter LEAs' scheduled UPSFF payment, rather the SFSF funds are merely filling a budget gap caused by local budget cuts in FY09. Charter LEAs are still receiving the same scheduled UPSFF quarterly payment; however, for the January and April disbursements the funding will be a combination of local and federal dollars.

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Note that these funds will NOT be disbursed on a reimbursement basis, even though they are federal funds. See the next slide.

2. Explain how SFSF allocations were determined and the expected timeline for disbursement

Timeline for Disbursement

Charter LEAs will not receive Education Stabilization and Government Services funds via reimbursement.

Instead, charter LEAs will receive two separate SFSF payments via direct deposit /check: one Government Services payment (in January) and one Education Stabilization payment (in April). Charter LEAs will spend the federal funds and then subsequently report the expenditures to OSSE according to the established timeline.

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In contrast, for ARRA Title I, IDEA, and McKinney Vento grants, charter LEAs must spend local dollars and then submit their expenditures to OSSE to receive reimbursement with the appropriate federal funds. The benefit of SFSF funds is that LEAs do not need to spend their local dollars and then wait for reimbursement. This difference is due to the different purpose of SFSF funds, which is to make up for reductions in the amount of local funding available to provide for general education programs.

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3. Determine whether a proposed use of State Fiscal Stabilization Funds is allowable

Allowable Uses of Funds

LEAs have a great deal of flexibility in determining how to best use SFSF funds. LEAs may use the funds for any activity authorized under the Elementary and Secondary Act (ESEA) (including the broad Impact Aid authority – *see Title VIII*), Individuals with Disabilities Act (IDEA), Adult Education and Family Literacy Act (AEFLA), or Perkins Act, consistent with State and local requirements, subject to ARRA and other applicable Federal requirements, including the limited prohibitions referenced on the next slide.

3. Determine whether a proposed use of State Fiscal Stabilization Funds is allowable

Allowable Uses of Funds

- LEAs may assign LOCALLY-funded obligations made as early as February 17, 2009 (the first date of obligation for SFSF funds) in their LEA Application. For example, a charter may assign personnel expenditures for a teacher employed beginning February 17, 2009. LEAs may examine local budget activity from February 17, 2009 to the present when developing budgets for Stabilization Funds.

Recall that the period of availability of Stabilization Funds began on February 17, 2009.

3. Determine whether a proposed use of State Fiscal Stabilization Funds is allowable

Specific Prohibited Uses of Funds

- Payment of maintenance costs
- Stadiums or other facilities primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public
- Purchase or upgrade of vehicles
- Improvement of stand-alone facilities whose purpose is not the education of children, including central office administration or operations or logistical support facilities
- School modernization, renovation, or repair that is inconsistent with State law
- provide financial assistance to students to attend private elementary or secondary schools (with exception listed in ARRA Section 14011)

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4. Thoughtfully and completely provide a narrative and budget for the use of funds by 12-21-09

LEA Application

The following tabs are included in the application:

- Applicant Information and Certification (Tab 1)
- Assurances (Tabs 2-5)
- Government Services Fund Narrative/Budget (Tabs 6-7)
- Education Stabilization Fund Narrative/Budget (Tabs 8-9)
- Reference (Tabs 10-12*)
- Allocations

* Tab 12 provides instructions

4. Thoughtfully and completely provide a narrative and budget for the use of funds by 12-21-09

LEA Application

Let's look at the application in detail.

4. Thoughtfully and completely provide a narrative and budget for the use of funds by 12-21-09

Application Submission

Email Address:

SFSF.App@dc.gov

Deadline:

5:00 P.M. EST on
Monday, December 21, 2009

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Tracking and Reporting Stabilization Funds

- All LEAs must (a) maintain records that separately track and account for its Education Stabilization and Government Services funds and (b) report on the specific uses of those funds .
- LEAs will report expenditure information for both funds in OSSE's ARRA Reporting and Reimbursement Workbook version 2.0. The workbook will contain two tabs: one for Education Stabilization expenditures and one for Government Services expenditures. LEAs must also create budgets for the Education Stabilization and Government Services funds as part of the SFSF application process.

5. Track and report on (through the ARRA Workbook, version 2.0) the use of Stabilization Funds

Tracking and Reporting Stabilization Funds

- All LEAs must report expenditure and job activity data on a quarterly basis to OSSE. As outlined in OSSE's November 2009 "Reporting Requirements Clarifying Guidance", LEAs must provide OSSE with line-item expenditure information and individual-level date for jobs created and retained as a result of Education Stabilization and Government Services funds.
- Tab 4 of the SFSF Application for LEAs includes the timeline for submission of the ARRA Reimbursement and Reporting Workbook including SFSF expenditure and jobs data.

5. Track and report on (through the ARRA Workbook, version 2.0) the use of Stabilization Funds

Tracking and Reporting Stabilization Funds

- Charter LEAs will use the ARRA Reporting and Reimbursement Workbook Version 2.0 to seek reimbursement for their applicable ARRA Title I, IDEA, and McKinney Vento funds, whereas for Education Stabilization and Government Services funds, they will be account for grant funds already received.
- Remember that the ARRA Reimbursement and Reporting Workbook due on 12-21-09 (the same day as the SFSF Application) will NOT yet include SFSF costs, as these funds won't be provided until January and April of 2010

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For further information:

1. Carefully read the State Fiscal Stabilization Fund Visit the OSSE's ARRA/Stimulus web page at:
<http://www.osse.dc.gov/seo/cwp/view,a,1222,q,563440.asp>.
2. Contact (a) your assigned Teaching and Learning team point of contact (listed below) or (b) Jeremy Skinner at Jeremy.Skinner@dc.gov.
 - Robin Bessler – robin.bessler@dc.gov
 - Myles Cliff – myles.cliff@dc.gov
 - Natalie Mitchell – natalie.mitchell@dc.gov
 - Bridgette Royster – bridgette.royster@dc.gov
3. Check the weekly LEA Newsletter for updates.

Questions



For further information:

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3. Check the weekly LEA Newsletter for updates.

Thank You!

Please provide feedback on today's training through the survey link that will be provided by email.