

IDEA and Recovery Act Funds:

What Special Education Advocates Need to Know

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Candace Cortiella
Director, The Advocacy Institute



IDEA and Recovery Act Funds

What Special Education Advocates Need to Know

Webinar Agenda

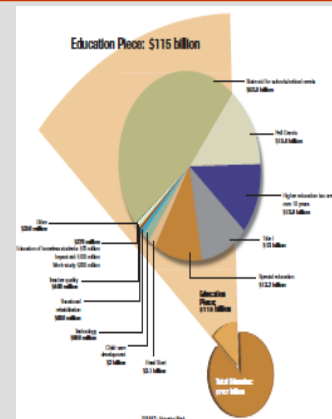
- **Key Elements of Education Funding**
 - Amounts, Timelines and Conditions
- **IDEA**
 - Maintenance of Efforts
 - State Performance Plan/Annual Performance Report
 - Coordinated Early Intervening Services
 - Uses of Funds
- **IDEA Money Watch Website**

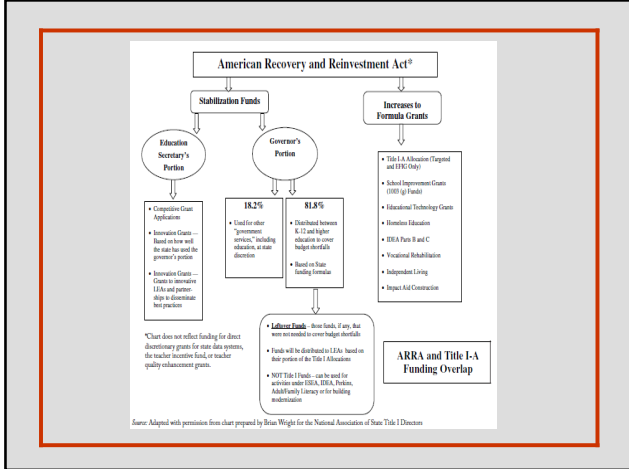
Quality Education Key to the Nation's Economic Well-Being

"In a global economy where the most valuable skill you can sell is your knowledge, a good education is no longer just a pathway to opportunity - it is a pre-requisite."

President Barack Obama, 2/24/09

Education Piece: \$115 billion





American Recovery and Reinvestment Act (ARRA) (P.L. 111-5)

4 Guiding Principles for Use of Funds

- **Spend funds quickly to save and create jobs.** Avert layoffs, create and save jobs and improve student achievement. Use funds consistent with the law's reporting and accountability requirements.
- **Ensure transparency, public reporting and accountability.** Recipients subject to heightened scrutiny and must publicly report on how funds are used.
- **Invest one-time ARRA funding for FY10 and FY11 to minimize the "funding cliff."**
- **Improve student achievement through school improvement and effective reforms.** Close the achievement gap and help *all* students learn to high standards.

Title XIV: State Fiscal Stabilization Fund (SFSF)

\$53.6 billion

- **NEW** SFSF program - \$48.6 billion to Governors to assist States in making up budget shortfalls in education and other essential services
- **NEW** "up to" \$5 billion discretionary funds for "Race to the Top" State Incentive Grants for improving education outcomes for Title I/NCLB subgroup students. Competitively awarded
- **NEW** "Innovation Fund" \$650 million to award LEAs for closing achievement gaps & identifying "best practices"

\$48.6 billion SFSF Funds

Allocated by formula to State Governors for commitment to advance core education reforms.

\$39.8 billion (81.8%)

Education Fund

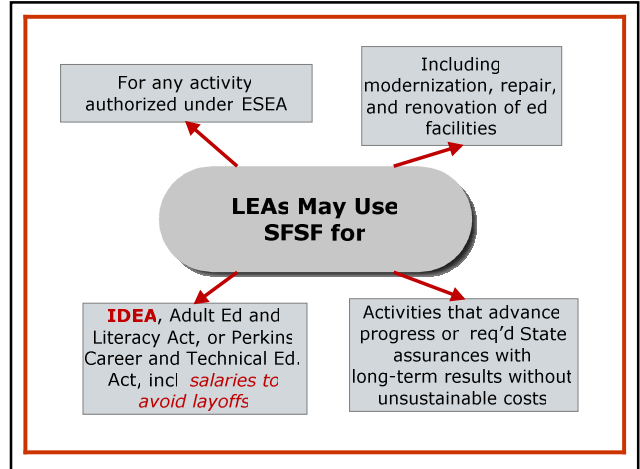
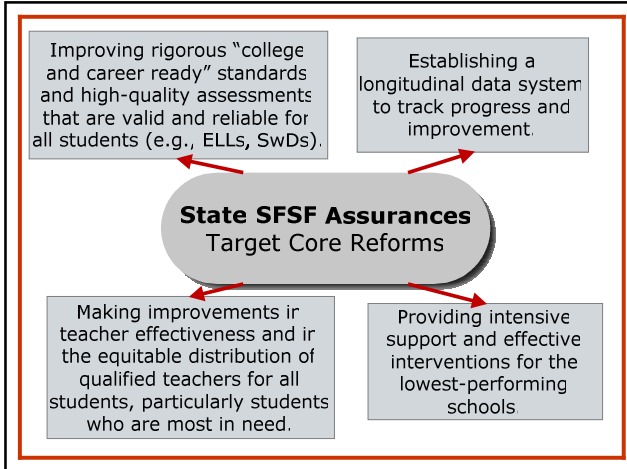
to restore State support for public elementary, secondary & post secondary education to > FY08/FY09 level. Distributed thru State's primary funding formula.

Remainder, if any, to LEAs per Title I formula, but Title I program requirements do not apply.

\$8.8 billion (18.2%)

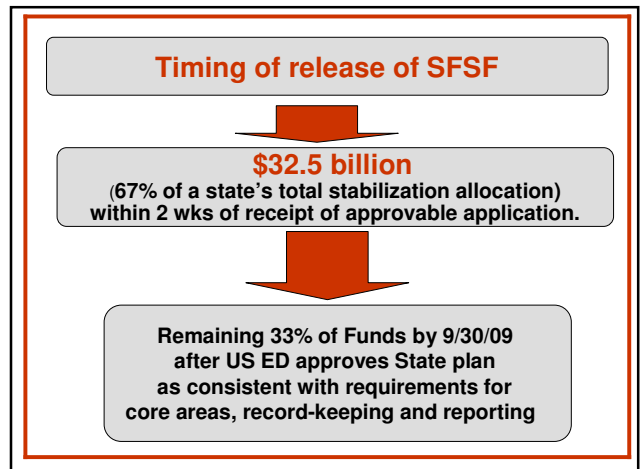
Government Services Fund

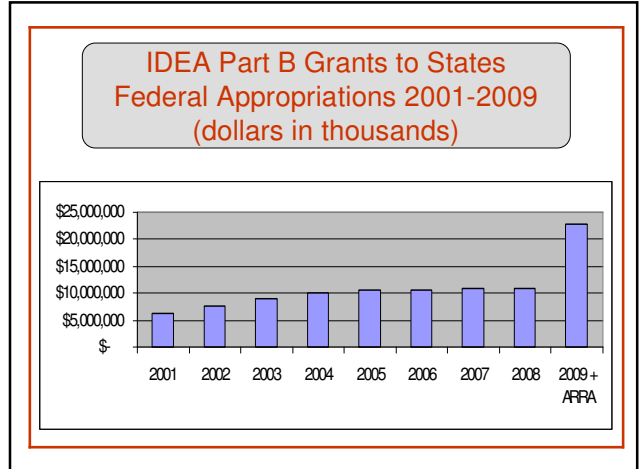
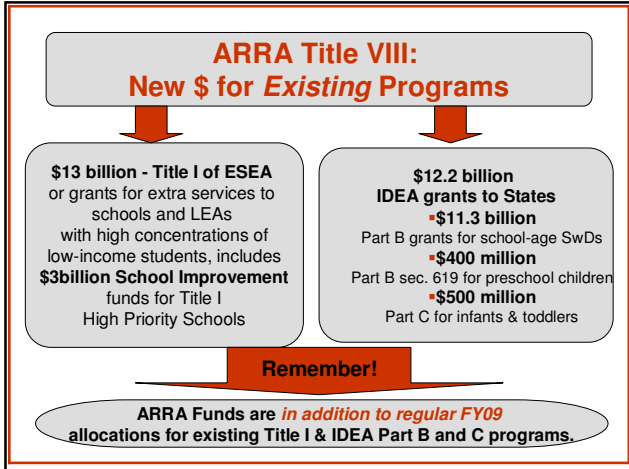
to fund public safety and any other government services, may include education; both pools allow for modernization, renovation or repair of public schools/higher ed. instit.



SFSF: State Fiscal Considerations

- To obtain SFSF funds, a **State** must assure it shall maintain same level of support for education in FY2009-11 *at least at FY2006 level*
- Sec'y may permit SFSF funds to be treated by a **State** as non-federal funds to meet MOE under Title I and/or **IDEA**, provided the **State** does not reduce proportional amount of state revenues for education
- No Supplement Not Supplant (SNS)** requirement at **State or school district level** in use of SFSF funds.

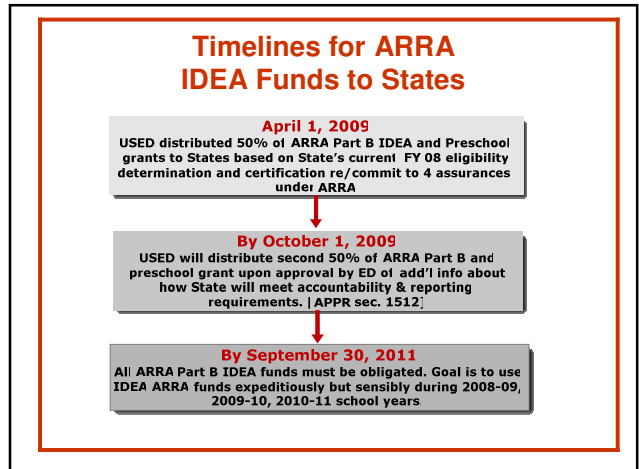




IDEA ARRA Grants

- All LEAs will receive ARRA IDEA funds *in addition to their regular annual FY IDEA Part B allocation using same funding formula and subject to same rules.*
- ARRA IDEA Part B + FY2009 IDEA Part B grants to states & preschool grants = State's Total FY09 Part B allocations.

(See IDEA FY09 and ARRA Part B 611 Comparison Chart)



Distribution of IDEA Part B ARRA: Effect on State & LEA Set-Asides

- IDEA Part B ARRA funds **DO NOT** increase amount a State may reserve for state administration/other state-level activities under its regular IDEA Part B FY09 grant.* (*IDEA authorizes states to reserve an amount equal to 10 % of their FY 2006 allotment*)
- ➔ **This results in an INCREASE in the AMOUNT OF ARRA FUNDS GOING TO LEAs.**
- LEAs **MAY** (and sometimes **MUST**) set aside up to 15% of IDEA Part B ARRA funds for Coordinated Early Intervening Services (CEIS) (*more later...*).

Same Rules under IDEA Part B Apply to LEAs

- LEAs must use IDEA Part B ARRA funds:
- consistent w. Part B statute & regulations
 - only for the *excess costs* of providing special education & related services to children w. disabilities – i.e., it has spent the minimum average amount for the education of its children with disabilities before Part B funds are used
 - consistent with non-waivable local maintenance of effort and non-supplanting requirements
 - With proportionate share to private schools in same school district that serves SwDs placed by parents



Supplement Not Supplant (SNS) Balancing Act

USED Secy has authority to grant a waiver of state level SNS *but*:

- State must provide *clear and convincing evidence* that all children with disabilities have FAPE available, which includes
 - summaries of all federal and state monitoring reports w/in prior 3 years, State complaint decisions and hearing decisions [34 CFR 300.164]
- ARRA Joint Explanatory Statement clarifies that additional federal funds are designed "to help mitigate the effect of the recent reduction in local revenues and state support for education."

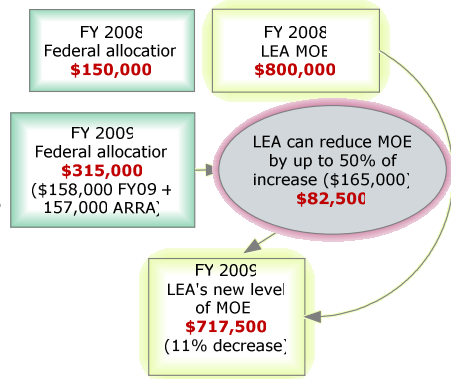
STATE LEVEL Maintenance of Effort (MOE) under IDEA

- Sec'y may waive the **state-level MOE** requirements under IDEA Sec. 612(a)(18) for one fiscal year at a time,
 - *in exceptional or uncontrollable circumstances such as a natural disaster or*
 - *a "precipitous and unforeseen decline" in the state's financial resources.*
- SEA & LEAs are ensuring all SwDs are meeting state standards, including benchmarks for demonstrating APRs.
- **SPECIAL NOTE:** Unlike the local MOE, the state's level of effort in future years reverts to the level that would have been required if a waiver had not been granted.

LOCAL Maintenance of Effort (MOE)

- **50% RULE:** LEAs may reduce local expenditures for special education by an amount equal to **up to 50 percent of the amount of the increase in the LEA's IDEA allocation over the prior year**, provided the *freed-up* local funds are used for activities supported under the ESEA, [IDEA Sec. 613(a)(2)(C)]
 - may include early intervening services and core instruction and screening phases of RTI
 - activities under Title I, Impact Aid, etc., and
 - activities not currently being funded by the LEA under ESEA.
- **IMPORTANT:** *This lower level becomes the new MOE for future years, unless the LEA elects to increase state and local expenditures.*

EXAMPLE



Exception to LEA Reduction to MOE

State must Prohibit an LEA's Reduction of Maintenance of Effort for a FY if the:

- SEA finds an LEA is **unable to establish and maintain programs providing FAPE** as required by section 613(a) of IDEA *or*
- SEA has taken **action against the LEA** under section 616 of IDEA (e.g., finding of "significant disproportion") [34 CFR 300.600-300.646]

And, most importantly

Exception to LEA Reduction to MOE



State determines that the LEA is **not meeting the requirements*** of IDEA Part B, including the targets in the **State's Performance Plan (SPP)**. [IDEA 616(f)]

(*LEA has rec'd any rating other than "Meets Requirements" on latest Annual Performance Report (APR) – see Appendices for details)

Exception to LEA Reduction to MOE

Remember SEA's Affirmative Duty!!

- SEA has a duty to bar any LEA from reducing its MOE for a particular fiscal year if the SEA has found the LEA is not meeting the requirements of IDEA Part B, including the targets in the **State's Performance Plan (SPP)**.
- No requirement to publicly report LEA ratings....
- Only **12 States** rec'd "Meets Requirements" rating from USED in 2008! (See Appendices for details)

Using APR to inform ARRA activities

- SPP, APR and State and LEA determinations provide critical sources of information to guide use of ARRA IDEA Part B funds
- State APR info and ratings on Ed.gov Website; LEA APR info (not rating) on State DOE websites....

Coordinated Early Intervening Services

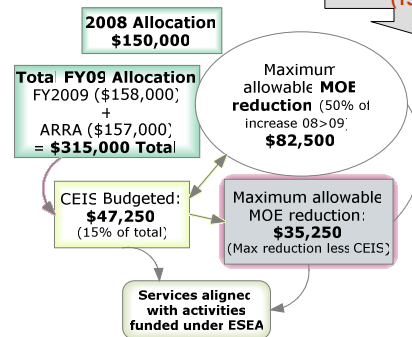
OPTIONAL

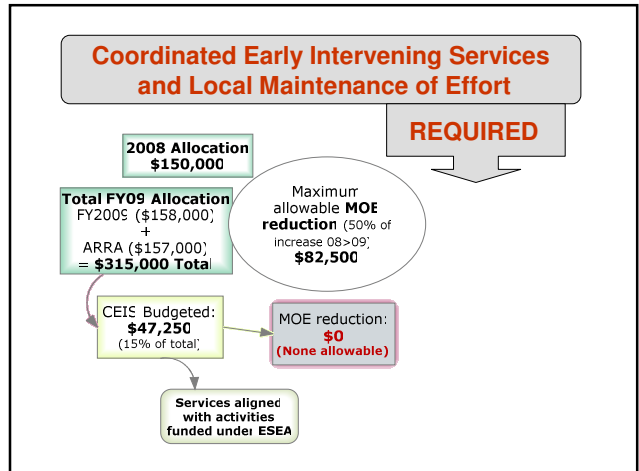
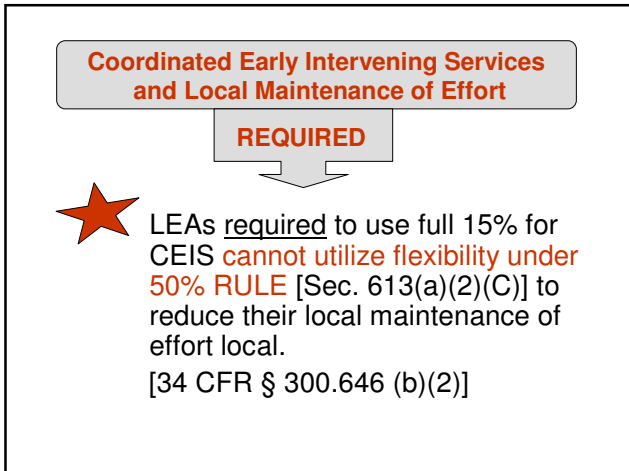
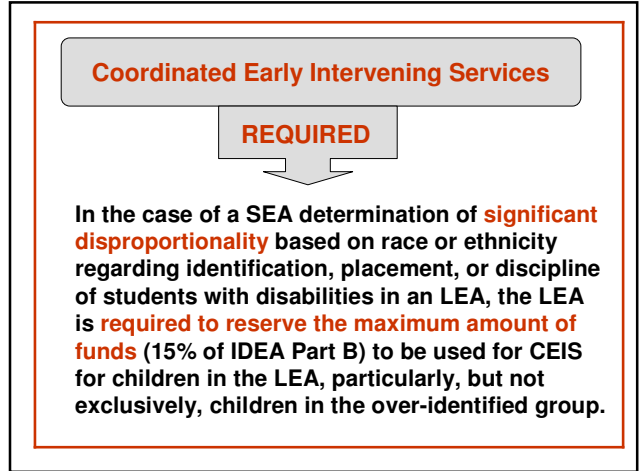
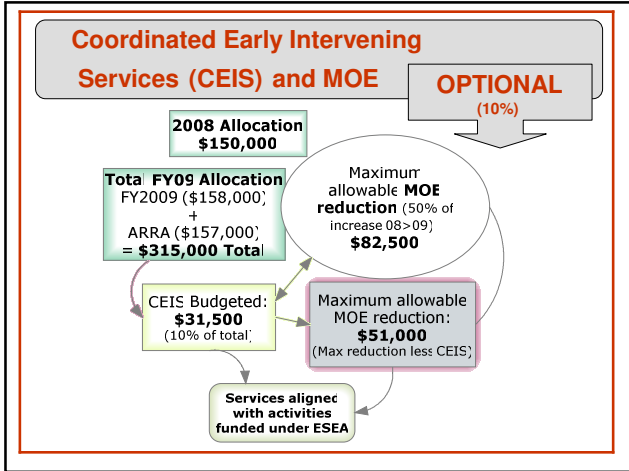
An LEA may use up to 15% of its total Part B (including ARRA) allocation

- minus dollar for dollar the amount it reduced its required maintenance of effort level of state and local funds under 50% RULE [§ 613(a)(2)(C)] for "Coordinated Early Intervening Services" for children who are not currently identified with disabilities but who need additional academic/behavioral support to succeed in general education (K-12 w/ emphasis on K-3).

Coordinated Early Intervening Services (CEIS) and MOE

OPTIONAL (15%)





Coordinated Early Intervening Services Authorized Use of Funds

CEIS funds (up to 15% of total IDEA allocation Part B plus ARRA IDEA) may be used for:

- **Professional development for teachers and other school staff to enable personnel to deliver scientifically based academic and behavioral interventions;**
- **Direct interventions, such as educational and behavioral evaluations, instructional services, and supports; and**
- **Services aligned with activities funded under the ESEA.**

Eligible Students under CEIS

§ 613(f) of IDEA; 34 CFR § 300.226(a)

- CEIS funds may only be used to provide academic/behavioral interventions to students who need academic or behavioral support to succeed **in the general education environment.**
- CEIS funds cannot be used to support interventions for students with IEPs who are identified as **in need of special education and related services.**

Coordinated Early Intervening Services Reporting Requirement

Each LEA that develops and maintains coordinated, early intervening services must annually report to the State (SEA) on:

- **The number of children who received early intervening services; and**
- **The number of children who received early intervening services and subsequently receive special education and related services under Part B during the preceding two year period.**

Use of CEIS Funds for RTI

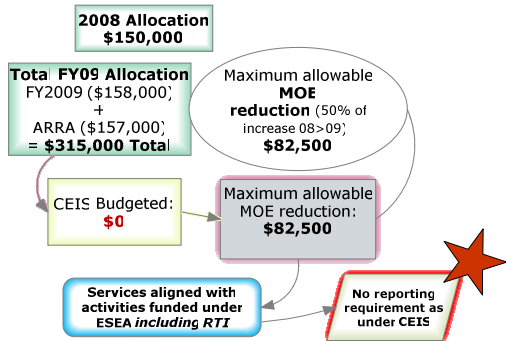
CEIS Funds can not be used across all stages (tiers) of schoolwide RTI programs – e.g., core instruction; school-wide screenings can not be funded with CEIS.

CEIS Supplement not Supplant Consideration: USED assumes supplanting exists if –

- **An LEA uses CEIS funds to provide services that it provided in the prior year with State, local, or other Federal funds. (Note: this assumption may be rebutted, e.g., finding of disproportionality)**

See USED guidance: *Implementing RTI Using Title I, Title III, and CEIS Funds for add't info.*

Coordinated Early Intervening Services vs. Use of Freed-up Funds



Additional ARRA Requirements for Accountability & Reporting

- States and LEAs must separately process and track ARRA IDEA expenditures from expenditures under regular allocations.
- New and separate fund codes [CDFA] are assigned to each ARRA grant; and
- LEAs must report how ARRA funds were spent and what outcomes were achieved, including jobs saved, created.
- Quarterly reports of financial information and how funds are being used will be posted on ED website
- Other reporting sources: www.recovery.gov and www.gao.gov/recovery/bimonthly/

ARRA IDEA Funds: Uses that Support Assurances and Avoid the Funding Cliff



- Increase compliance and results for the indicators in State Performance Plan & Annual Performance Report;
- Purchase assistive technology & provide staff training in its use – to improve student outcomes by improving access to gen'l curriculum and use of valid assessment;
- District-wide professional development for cross training of sped and regular education teachers that focuses on scaling up, thru replication, proven evidence based strategies in the core academic subjects and PBIS;
- Inclusive placement options for preschoolers by developing capacity of preschool programs;

ARRA IDEA Funds: Uses that Support Assurances and Avoid the Funding Cliff



- Develop and enhance summer learning programs that build capacity and confidence of students with disabilities (use results on State Assessments to determine student need)
- Improve LEAs' and schools' capacity to collect and use data to improve teaching & instruction
- Develop more inclusion options for pre-school age children w. disabilities, incl thru profess. development of staff of Headstart, other public & private programs
- Provide intensive in-service PD through site-based co-teaching collaboration for all teachers of students w. low-incidence disabilities

ARRA IDEA Funds: Uses that Support Assurances and Avoid the Funding Cliff



- Hire community based transition coordinators to assist students with disabilities find employment through school to work, vocational and other collaborative programs
- Develop capacity of instructional and support staff to provide student supports at the secondary level that support graduation and reduce drop-outs (e.g., literacy instruction in content areas, master's level interns in psychology, counseling, social work to implement model student support designs, assistive technology to enhance access to the curriculum and to the school community)

ARRA IDEA Funds: Uses that Support Assurances and Avoid the Funding Cliff



- Post secondary outcomes study to improve secondary instruction and learning opportunities
- Purchase necessary software, other material resources and training for professionals in their appropriate use to support evidenced based effective interventions (e.g., progress monitoring tools and instructional tools to assist in identification and teaching of students w. disabilities and different learning needs)

ARRA IDEA Funds: Uses that Support Assurances and Avoid the Funding Cliff



- Implement family literacy initiatives that include adult literacy programs for parents, quality early childhood education for children that involve their parents/family members and collaborative educator-parent training on child development, use of PBIS
- Implement evidence based practices to mitigate use of in-school/out-of-school suspensions resulting in loss of learning opportunities for students with disabilities
- Provide staff and parent/family opportunities to collaborate with goal of increasing meaningful family engagement in the schools

See USED "Uses" document for More Info!

QUESTIONS



IDEA Money Watch
because we need to know where the money goes

Home

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- FAQ
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Welcome to IDEAMoneyWatch

IDEA Money Watch will keep track of the use of \$11.3 billion in federal funds being provided to local school districts as part of the American Recovery and Reinvestment Act. Special education advocates across the nation are keeping watch on the use of these funds and how the academic achievement of students with disabilities is improving as a result.

IDEA Money Watch State-by-State Blogs report on use of funds and provide information and resources. IDEA State info provides basic data about special education students and IDEA funds going to each state. We look forward to taking an active role in the use of this unprecedented allocation of funds in support of special education!

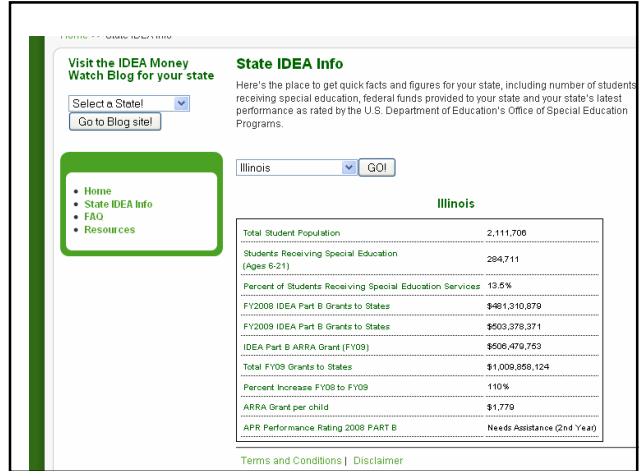
Latest News
Education Department Releases Guidance Specifics on IDEA Stimulus Funds: Ed Money Watch Blog
"The stimulus bill provides \$11.3 billion in additional funds for special

Blog Bytes

WI wins "Best in Show" for IDEA Info
MD districts request MOE waivers
MA district ratings impact MOE reduction

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State IDEA Info

Here's the place to get quick facts and figures for your state, including number of students receiving special education, federal funds provided to your state and your state's latest performance as rated by the U.S. Department of Education's Office of Special Education Programs.

Illinois

Illinois

Total Student Population	2,111,706
Students Receiving Special Education (Ages 6-21)	204,711
Percent of Students Receiving Special Education Services	13.5%
FY2009 IDEA Part B Grants to States	\$481,310,879
FY2009 IDEA Part B Grants to States	\$503,378,371
IDEA Part B ARRA Grant (FY09)	\$506,470,753
Total FY09 Grants to States	\$1,009,858,124
Percent Increase FY08 to FY09	110%
ARRA Grant per child	\$1,779
APR Performance Rating 2008 PART B	Needs Assistance (2nd Year)

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IDEA Money Watch
because we need to know where the money goes

Texas

TEXAS LEGISLATURE – Education stimulus funds in question

April 15th, 2009

By **Kate Alexander**
AMERICAN-STATESMAN STAFF
Tuesday, March 31, 2009

The keystone in the 2010-2011 Texas budget is a \$3.2 billion pot of federal stimulus money for education that some say the state does not have the right to spend.

State officials are still awaiting word from Washington about how that part of the education money in the stimulus package can be used.

The answer could determine whether the budget proposals now coming out of committee will stand....

<http://www.statesman.com/search/content/region/legislature/stories/03/31/0331budget.html>

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- > Odessa – ECISD stimulus money
- > With federal funding on line, Dallas schools' debate on learning centers may finally come to head
- > School Districts Fear Diverted Stimulus Funding

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