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June 10, 2009

## ***CDE Recovery Act Alert #7***

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Dwight D. Jones, Commissioner

**TO:** Special Education Directors

**FROM:** Ed Steinberg, Student Support Assistant Commissioner, CDE  
Charm Paulmeno, Special Education Director, CDE

**DATE:** June 10, 2009

**SUBJECT:** IDEA ARRA Applications and Use of Funds

### **What Is Different About the 2009-2010 IDEA ARRA Applications?**

Additional funds for IDEA provided by the American Recovery and Reinvestment Act (ARRA) will be subject to additional application review and reporting requirements. In order to access IDEA ARRA funds for the 2009-10 fiscal year, an Administrative Unit (AU) must:

- A) Submit a completed application no later than Tuesday, June 30, 2009;
- B) In addition to the customary criteria that apply to IDEA, ARRA funds must be deployed with an eye towards how they advance long-term educational reform and improvement as discussed below; and
- C) CDE will provide enhanced scrutiny to applications submitted by those AUs that have received a determination other than "Meets Requirements" in order to ensure that proposed uses of IDEA ARRA funds are consistent with a plan to achieve a determination of "Meets Requirements." CDE will provide technical assistance to AUs to ensure this alignment.

### **Using ARRA Funds to Drive Long-Term Educational Reform and Improvement: Five Guiding Questions**

The clear message from the Congress and USDE with respect to the intent of the ARRA funds is to make short term investments in sustainable and improved outcomes for students with disabilities. As schools and school districts embark on how to do that in their local communities, AUs are *required* by USDE to consider how their proposed uses of funds respond to the following five questions:

- 1) Will the uses of funds drive results for students with disabilities?
- 2) Will the uses of funds increase capacity?

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- 3) Will the uses of funds accelerate reform?
- 4) How will the AU plan for longer-term productivity and sustainability when the ARRA funds are no longer available?
- 5) How will the ARRA funds be used to foster continuous improvement?

In reviewing the 2009-10 IDEA ARRA applications, CDE will consider how they address these five guiding questions. A rubric for making that consideration is available at [www.cde.state.co.us/cdegen/downloads/FederalStimulus/TitleIRubricforARRAPriorities6809.pdf](http://www.cde.state.co.us/cdegen/downloads/FederalStimulus/TitleIRubricforARRAPriorities6809.pdf). AUs will be expected to report upon their progress in addressing each of these five questions as part of the reporting requirements applicable to ARRA funds (see below). In order to assist AUs in planning for effective and allowable uses of their IDEA ARRA funds, CDE is offering a variety of ways in which to seek guidance and ideas. A calendar of these opportunities, as well as written materials are available on CDE's Web site at: <http://www.cde.state.co.us/scripts/federalstimulus/index.asp>

Potential ideas as to how to accomplish these goals are also available at the USDE's Web site at: <http://www.ed.gov/policy/gen/leg/recovery/ideas.html>

### **The Stakes Are High:**

#### **Effective Use of the Initial IDEA ARRA Funds Impact Availability of Additional ARRA Funds**

USDE is releasing ARRA funds to states in two increments. The USDE has indicated that the ability to demonstrate use of the initial distribution of ARRA funds in a manner that advances long-term educational reform and improvement will impact Colorado's access to the second distribution.

#### **Effective Use of ARRA Funds Have Important Implications for Colorado**

How AUs invest their IDEA ARRA funds will have a direct impact upon the ability of Colorado to compete effectively for a portion of almost \$5 billion in competitive grants from USDE. The more clearly we can demonstrate that our uses of IDEA ARRA funds advance the goals set forth in the five questions above, the more likely Colorado will be to secure a substantial additional investment in our state.

To that end, USDE has encouraged states, school districts and schools to consider the following opportunities created by ARRA:

- a) Develop coherent and focused plans.
- b) Use data for continuous improvement.
- c) Seize the opportunity to use funds differently.

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## **Reporting**

The impetus to spend ARRA funds quickly in order to stimulate the economy has meant that processes to distribute ARRA funds are being implemented before final guidance as to how to spend the funds, and how to report on the use of funds is released. The Colorado Department of Education is committed to providing clear guidance to AUs as quickly as it becomes available. In the meantime, it is critical to be prepared for the following expectations of the U.S. Congress and U.S. Department of Education that are included within the ARRA. The USDE has stated that, at a minimum, reporting on the use of ARRA funds will include:

- a) Quarterly reports on financial information as well as narrative descriptions of the use of funds.
- b) Estimated number of jobs created.
- c) Information on sub-recipients, including:
  - a. Identity of the sub-recipient.
  - b. Amount of the sub-recipient grant or contract;
  - c. Address of the sub-recipient.
  - d. Place of performance.
  - e. Sub-recipient congressional district.

All recipients are obligated to “promptly refer to the Department’s Office of Inspector General any credible evidence of fraud, conflict of interest, bribery or gratuity violations”.

## **Additional Information**

For more information about how to implement these or other priorities in your AU using IDEA ARRA funds, please contact Charm Paulmeno [Paulmeno\\_c@cde.state.co.us](mailto:Paulmeno_c@cde.state.co.us) or Ed Steinberg [Steinberg\\_e@cde.state.co.us](mailto:Steinberg_e@cde.state.co.us).