
June 5, 2009

CDE Recovery Act Alert #6

Dwight D. Jones, Commissioner

What Is Different About the 2009-2010 Title IA ARRA Applications?

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

- A) Submit a completed application no later than Tuesday, June 30, 2009;
- B) In addition to the customary criteria that apply to Title IA, 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 LEAs subject to a corrective action plan in order to ensure that proposed uses of Title IA funds are consistent with the corrective action plan. CDE will provide technical assistance to LEAs to ensure this alignment.

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

The clear message from Congress and the U.S. Department of Education with respect to the intent of the ARRA funds is to make short term investments in sustainable and improved outcomes for students, including those students most at risk. As schools and school districts embark on how to do that in their local communities, LEAs 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?
- 2) Will the uses of funds increase capacity?
- 3) Will the uses of funds accelerate reform?
- 4) How will the LEA 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 Title IA applications, CDE will consider how they address these five guiding questions. A rubric for making that consideration will be available by June 10, 2009 at <http://www.cde.state.co.us/FedPrograms/consapp/training.asp>

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LEAs 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 LEAs in planning for effective and allowable uses of their Title IA 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 Title IA 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 LEAs invest their Title IA 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 Title IA 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.

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. CDE is committed to providing clear guidance to LEAs as quickly as it

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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.

Note: To date USDE has not defined "recipient" or "sub-recipient" and it is unclear whether those terms refer to the SEAs and LEAs, respectively, or to LEAs and their sub-recipients.

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 LEA using Title IA ARRA funds, please contact Trish Boland boland_t@cde.state.co.us or Pat Chapman chapman_p@cde.state.co.us.