

MEMORANDUM

TO: District Superintendents

FROM: Cindy Koss, Assistant State Superintendent
Office of Standards and Curriculum

DATE: April 28, 2009

SUBJECT: Title I, Part A American Recovery and Reinvestment Act (ARRA)

Purpose

The Title I, Part A funds made available under ARRA provide an unprecedented opportunity for educators to implement innovative strategies to improve education for academically at-risk students and to close the achievement gap in Title I schools while stimulating the economy. The additional resources for Title I, Part A will enable local educational agencies (LEAs) not only to serve more students but also to help boost the quality of the services provided.

Allocations

On April 1, 2009, the Oklahoma State Department of Education (OSDE) received allocations under the Title I, Part A ARRA. Oklahoma's total includes:

\$109,442,502 Title I, Part A ARRA Appropriation

Period of Availability

Title I, Part A ARRA funds are FY2009 (Federal Fiscal Year) funds. Accordingly, they have an initial period of availability through September 30, 2010. Title I, Part A ARRA funds that are not obligated by that date remain available for obligation by LEAs (subject to the carryover limitation in section 1127 of the ESEA) until September 30, 2011. (EDGAR) at 34 C.F.R. 76.707 [Available at <<http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html>>].

United States Department of Education (USDE) April 2009 Guidance C-1

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Unless it is granted a waiver from the USDE, an LEA must obligate at least 85% of its total FY 2009 (Federal Fiscal Year) Title I, Part A funds, including its Title I, Part A ARRA funds, by September 30, 2010 (Section 1127(a) of the ESEA). An LEA must obligate all of its Title I, Part A FY 2009 (Federal Fiscal Year) funds, including its Title I, Part A ARRA funds, by September 30, 2011. For more detail on the Title I, Part A carryover requirements, see the carryover section in the Title I Fiscal Guidance [available at: <<http://www.ed.gov/programs/titleiparta/fiscalguid.doc>>].

Process

Submit assurances.

To ensure compliance with federal guidelines and expectations, district superintendents are required to sign and submit the assurances (enclosed). The assurances require districts to use the funds in accordance with all Title I, Part A ARRA guidelines; report in a timely manner; allow audits; acknowledge these funds are one-time investments and comply with 34 CFR 76.301 of the Education Department General Administration Regulations (EDGAR) and General Education Provisions Act (GEPA).

Please FAX these assurances to:

Oklahoma State Department of Education
Office of Standards and Curriculum
Title I Office – Title I, Part A ARRA Assurances
FAX: (405) 521-2998

When the assurances are signed and returned by the district superintendent, the first 50% of the district's Title I, Part A ARRA allocation will be transferred electronically to the district bank account.

Accountability, Transparency, and Documentation

LEAs must maintain accurate, complete, and reliable documentation of all Title I, Part A ARRA expenditures. The ARRA contains stringent district reporting requirements by site and requires that information on the uses of funds be available publicly on <www.recovery.gov>. OSDE is awaiting additional guidance from the USDE.

USDE April 2009 Guidance E-5

District Report by Site on Use of Funds

SEAs and LEAs shall submit reports to include:

- (1) the total amount of recovery funds received from that agency;
- (2) the amount of recovery funds received that were expended or obligated to projects or activities; and
- (3) a detailed list of all projects or activities for which recovery funds were expended or obligated, including—
 - (A) the name of the project or activity;
 - (B) a description of the project or activity;
 - (C) an evaluation of the completion status of the project or activity;
 - (D) an estimate of the number of jobs created and the number of jobs retained by the project or activity.

American Recovery and Reinvestment Act Section 1512

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Oklahoma Cost Accounting System (OCAS) reporting code for Title I, Part A ARRA funds is 516.

Because there are separate reporting requirements with respect to Title I, Part A ARRA funds, the use of those funds must be accounted for, and reported on, separately from an LEA's regular Title I, Part A funds.
USDE April 2009 Guidance E-4

Allowable Use of Funds

The USDE has provided some examples of possible uses of ARRA. This information is available in Title I, Part A Fact Sheet at: <<http://www.ed.gov/policy/gen/leg/recovery/factsheet/title-i.html>>.

The United States Department of Education expects LEAs to use the Title I, Part A ARRA funds to implement evidence-based strategies that will help build sustainable capacity for improving teaching and learning in Title I schools, recognizing that the amount of funds available will support interventions at a level of intensity not always possible in the past.

USDE April 2009 Guidance A-2

Contact Information

For questions related to **allowable uses** of Title I, Part A ARRA funds, please contact the Title I office at (405) 521-2846.

For questions related to **encumbrances or financial accounting requirements**, please contact Lu Norman, Executive Director of School Financial Accounting, at (405) 521-2517, or Vonna Anderson, Administrator, Federal Accounting and Reporting, at (405) 521-3349.

For **general questions** related to the American Recovery and Reinvestment Act, please contact Brad Clark, Special Assistant to Superintendent Garrett, at (405) 521-4889, or Dr. Phil Applegate, Director of Research and Development, at (405) 521-3341.

Resource Information

- USDE Policy and Guidance: <www.ed.gov/policy/gen/leg/recovery/index.html>
- Frequently Asked Questions (FAQs) and Current Topics: <www.ed.gov> and <www.recovery.gov>
- State Fiscal Stabilization Fund (SFSF) Questions: <www.State.fiscal.fund@ed.gov>
- Individuals with Disabilities Education Act (IDEA) Questions: <www.IDEArecoverycomments@ed.gov>
- Title I Questions: <www.oese@ed.gov>
- Inspector General Questions: <www.rich.rasa@ed.gov>
- Reporting of ARRA funds: <www.recovery.gov>

ck

Enclosures

cc: Title I Directors
District School Board Presidents

**Title I, Part A, American Recovery and Reinvestment Act (ARRA)
Education Reform and Fiscal Accountability Acknowledgements and Assurances**

The Superintendent of the local educational agency (**LEA**) or his/her authorized representative assures the following:

- (1) The LEA will spend the Title I, Part A funds distributed under the American Recovery and Reinvestment Act (**ARRA**) in a manner consistent with the purposes of and in accordance with the federal guidance statutory and regulatory Title I, Part A ARRA requirements, including providing equitable service to eligible private school children. The LEA will direct all funds expended under ARRA toward implementing evidenced-based strategies that will help build sustainable capacity for improving teaching and learning in Title I schools.
- (2) The LEA will document and report all Title I, Part A expenditures and related results under ARRA in accordance with the requirements established by the State of Oklahoma (**State**). The LEA acknowledges that such reporting will take place on a monthly basis for the life of expenditures under ARRA. District Title I, Part A and district Title I, Part A ARRA funds are required to be reported separately.
- (3) The LEA acknowledges that the State has the right to audit the LEA's expenditures under ARRA and to require repayment of any funds not expended in a manner consistent with ARRA.
- (4) The LEA acknowledges that the Title I, Part A funds received under ARRA constitute one-time revenue that will not be sustained by the State. Accordingly, the LEA will direct these funds to one-time investments and will not incorporate them into the LEA's core operating budget.
- (5) The LEA acknowledges that the State and the federal government will carefully examine uses of the Title I, Part A funds distributed under ARRA. The LEA further acknowledges that the State and federal government will base future funding decisions (e.g., Race To The Top funds), on results related to improved teaching and learning.
- (6) The LEA will comply with 34 CFR 76.301 of the Education Department General Administration Regulations (EDGAR) which requires local educational agencies to submit a common assurance for participation in federal programs funded by the U.S. Department of Education.
- (7) In accordance with the requirements of Section 427 of the General Education Provisions Act (GEPA) Public Law 103-382, each LEA must ensure equitable access to, and participation in, its program for students, teachers, and other program beneficiaries with special needs. For details refer to URL: <<http://www.ed.gov/fund/grant/apply/appforms/gepa427.pdf>>.

<u>School District:</u>	<u>Contact Information:</u>
	Phone #:
	E-mail Address:
<u>Superintendent (Printed Name):</u>	
<u>Signature:</u>	<u>Date:</u>

Please sign both sides of this assurance and submit by FAX by Friday, May 15, 2009 to:
Oklahoma State Department of Education
Title I Office – Title I, Part A ARRA Assurances
FAX: (405) 521-2998

**Oklahoma State Department of Education Financial Accounting
American Recovery and Reinvestment Act (ARRA)
Education Reform and Fiscal Accountability Acknowledgements and Assurances**

The Superintendent of the local educational agency (LEA) or his/her authorized representative assures the following:

- (1) The LEA acknowledges funds must be appropriated through a supplemental appropriation 307 to the County Clerk's office prior to the encumbrance of funds prior to the period ending June 30, 2009.
- (2) The LEA acknowledges funds that have not been obligated (a purchase order submitted creating a liability to the district) will become a part of the 2010 temporary appropriations for obligations between July 1 and October 1, 2009.
- (3) The LEA acknowledges the unobligated balance of the stimulus money plus the original allocation of federal grant funds in addition to the second 50% of the stimulus money will be incorporated into the Estimate of Needs for the County Excise Board on/or before October 1 for a total allocation of the federal grant award.
- (4) The LEA acknowledges that the stimulus funds may be drawn down (or if funded on an advance basis by SDE) and agrees to minimize the time between the transfer of funds and the disbursement by the local entity in accordance with the Cash Management Improvement Act (31 CFR part 205). Additionally, the LEA agrees to maintain cash balances which meet their immediate cash needs only.
- (5) The LEA acknowledges that the funds are to be used to supplement and not supplant State and local funds expended for educational purposes, and to the extent practicable, increase the fiscal effort that would, in the absence of such funds.
- (6) The LEA will make reports to SDE as may reasonably be necessary to enable SDE to perform their duties. The reports shall be completed and submitted in accordance with the standards and procedures designated by SDE either through a "Local Board Report," "Encumbrance Ledgers," or a Federal Expenditure report. All expenditures will be recorded by site code as listed in the SDE Educational Directory.
- (7) The LEA agrees to return any interest earned on funds between the transfer of funds and the disbursement by the local entity.

<u>School District:</u>	<u>Contact Information:</u> Phone #: E-mail Address:
<u>Superintendent (Printed Name):</u>	
<u>Signature:</u>	<u>Date:</u>

Please sign both sides of this assurance and submit by FAX by Friday, May 15, 2009 to:
Oklahoma State Department of Education
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FAX: (405) 521-2998