



American Recovery and Reinvestment Act (ARRA) of 2009

IDEA Funds

Maintenance of Effort and Precipitous Decline

June 8, 2009

"We will lead the nation in improving student achievement."

Purpose of today's session

- To re-explain and clarify the US DOE interpretation of MOE and 50% increase flexibility
- To provide alternatives when local and state funds are limited
- To provide written examples of MOE flexibility
- To provide discussion of precipitous decline
- To answer questions

“We will lead the nation in improving student achievement.”

ARRA – IDEA STIMULUS FUNDS

- IDEA requirements have not been relaxed but with double the funds you have some flexibility.
 - Take advantage of reducing the local MOE with 50% of the increase in the FY10 allocation from the previous year – local funds freed for ESEA activities.
 - Can rehire special education positions that were eliminated as long as there is DOCUMENTATION.
 - Use the Precipitous Decline Worksheet.
 - IDEA funds may only be used for special ed. activities

ARRA and Regular IDEA FUNDS

- ARRA IDEA and Preschool funds have been available since April 28, 2009.
- Regular IDEA and Preschool grant allocations are expected to be approved by the State Board in June to be available as of July 1.
- There will be four separate CDFA and fund source numbers.
- All grants must be budgeted in FY2010.
- Stimulus grants have more reporting and recordkeeping requirements.

LEAs Maintenance of Effort for IDEA

- **IDEA, Part B funds received by an LEA cannot be used to reduce the level of expenditures for the education of children with disabilities made by the LEA from State and local funds below the level of those expenditures for the preceding fiscal year (*except under certain limited circumstances – next slide*).**
- **To meet this requirement, an LEA must expend an amount of State and local funds for the education of children with disabilities that is at least equal to or greater than the amount of State and local funds expended in the prior fiscal year.**

Example:

FY08 MOE = \$1,500,000

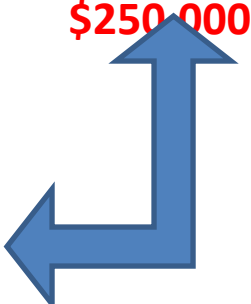
FY07 MOE = \$1,250,000

Meets MOE for FY10 funding since 08 is equal to or more than 07 expenditures.

Adjustment to Local Fiscal Efforts in Certain Years (CFR 300.205)

For any fiscal year for which the federal allocation received by a LEA exceeds the amount received for the previous fiscal year, the LEA may reduce the level of State and local expenditures by not more than 50 percent of the excess (20 USC 1413(a)(2)(C)(i)). If an LEA exercises this authority, it must use an amount of local funds equal to the reduction in expenditures under Section 1413(a)(2)(C)(i) to carry out activities authorized under the Elementary and Secondary Education Act (ESEA) of 1965.

EXAMPLE:	2010 ARRA IDEA and Regular IDEA Allocation (\$500,000 + \$450,000) = \$950,000	
	2009 IDEA Allocation	<u>\$450,000</u>
		Difference
		\$500,000
50% of the increase from the previous year to reduce your local maintenance of effort , thus, “freed up” local funds of \$250,000		<u>\$250,000</u>
FY10 State and local expenditures for special education =	\$1,500,000	
	Reduction in local effort	\$ <u>250,000</u>
FY 10 MOE until add in FY11 expenditures	\$1,250,000	



ESEA activities:

Save 3 positions with freed up local and state funds

– Kindergarten teacher and parapro at Jones	\$85,000
100% H.S. Graduation Coach	<u>\$40,000</u>
	\$125,000
	<u>X 2 Years</u>
	\$250,000

IDEA ARRA funds

Saves two special education positions previously paid with State/local funds and CBI trips

- 2 special ed teachers	\$90,000
- CBI transportation	<u>\$35,000</u>
	\$125,000
	<u>X 2 years</u>
	\$250,000

ARRA – Precipitous Decline

- What is Precipitous Decline?
- 1) The ability of the local school district to show that an exceptional or uncontrollable circumstance, such as a natural disaster; or
- 2) The ability of the local school district to show a precipitous decline (sharp decrease) in state and/or local resources.

ARRA – Precipitous Decline

- Documentation is the key
- The GaDOE has recommended a format to use available at <http://www.gadoe.org/stimulus.aspx>
- Shows which positions (not names) that would have been subject to budget cuts
- These positions would be available for moving to federal programs as long as it is still an allowable expenditure in that program

ARRA – Precipitous Decline

- The form, once completed, needs to be approved by the local board
- Copy needs to be submitted to GaDOE for use in budget approval of ARRA grants in the Consolidated Application as an attachment

Description of Budget Decline	Number of Positions FY 2009	Number of Positions FY 2010	Net Change in Number of Positions	General Fund Amount	Stabilization Funds	IDEA		Totals
						Title I	Title VI, B Flow Through	
Changes Due to Change in the Student/Teacher Ratio				(1,050,000)				
The ? Board of Education changed the teacher staffing ratios which resulted in a reduction of teachers needed.								
Kindergarten - Staffing Ratio changed from 16 -1 to 22-1	13	10	-3	(150,000)				
Grade 1 - Staffing Ratio changed from 18-1 to 23-1	12	9	-3	(150,000)				
Grade 2 - Staffing Ratio changed from 18-1 to 23-1	12	9	-3	(150,000)				
Grade 6 - Staffing Ratio changed from 28-1 to 30-1	8	7	-1	(50,000)				
Grade 7 - Staffing Ratio changed from 18-1 to 23-1	8	7	-1	(50,000)				
Grade 10 - Staffing Ratio changed from 18-1 to 23-1	8	7	-1	(50,000)				
Grade 11 - Staffing Ratio changed from 18-1 to 23-1	8	7	-1	(50,000)				
Grade 12 - Staffing Ratio changed from 18-1 to 23-1	8	7	-1	(50,000)				
Changes Due to Loss of Students				(200,000)				
Loss of the 100 FTE - Reduction of Staff			-4	(200,000)				
Changes Due to Reduction in Programs								
Elimination/Reduction of Art teachers at the elementary schools								
Elimination/Reduction of Music teachers at the elementary schools								
Transportation								
Reduction in the number of buses being purchased could allow for a Special Ed bus to be purchased through IDEA								
Refurbish/retrofitting bus for Special Education students or substitute special education bus to ensure students are transported to school safely								

CONCERNS

- Document, document and document.
 - Supplement not supplant does not apply to IDEA but it is tied to MOE.
 - Do not meet MOE, you have three means to reduce the problem
 - Retired special education personnel
 - High cost SWD who did not return to school
 - High cost equipment items
- Still do not meet MOE, it must be paid back with local funds. We will post your 2008 expenditures.

Resources

- The DOE stimulus web site:

<http://www.gadoe.org/stimulus.aspx>

- The US DOE Guidance of April 2009 available at:

<http://www.ed.gov/policy/gen/leg/recovery/guidance/idea-c.pdf>

Questions



- Future questions may be directed to:
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