

State Allocations

The American Recovery and Reinvestment Act (ARRA) commonly known as the Economic Stimulus Package, will make funds available to states and school districts to save teaching jobs, help states address budget deficits, improve student achievement and promote education reform. The ARRA funds augment regular federal funding for education. ARRA education funding is awarded to the state, which distributes funds to school districts or local education agencies (LEAs) based on program formulae, competitive process, or student population. Estimated ARRA allocations and FY09 federal education funding for Alabama are listed below.

ARRA Education Funding Estimates for Alabama

Program	ARRA funding estimates	Timeline of ARRA Funds released to State	Regular FY09 funding estimates
Title I, Part A Grants	\$163 million	50% on 04/01/09 50% on or around 09/01/09	\$238.2 million
School Improvement (see detail on page 2)	<ul style="list-style-type: none"> • School Improvement Grants, 1003(g) • 4% set aside from Title I, Part A for school improvement activities, 1003(a) 	<ul style="list-style-type: none"> • Program guidance and funding schedule expected from ED in summer 2009. • State determines release 	<ul style="list-style-type: none"> • \$8.9 million • \$9.5 million
IDEA Part B/Special Ed	\$181.9 million	50% on 04/01/09 50% on or around 09/01/09	\$180.8 million
IDEA Part B/Preschool	\$6 million	50% on 04/01/09 50% on or around 09/01/09	\$5.5 million
IDEA Part C/Infants and Families	\$6.7 million	50% on 04/01/09 50% on or around 09/01/09	\$6.1 million
Enhancing Education Through Technology (EETT)	\$10.5 million	100% on 07/27/09	\$4.2 million
State Fiscal Stabilization Funds (SFSF) Education State Grants (see detail on page 3)	\$596.4 million	\$536.7 million received. Remainder of funds to be distributed on a rolling basis after July 1, 2009	N/A

Source: Funding data from US Department of Education (ED) *State tables by State* updated 08/19/09 and *ED Spending Report by State* updated 07/31/09.

Source: Funding timeline from ED website program fact sheets and www.recovery.gov program plans.

School Improvement Grants

The goal of School Improvement funding is to help the schools that have failed to meet their targets for achievement under No Child Left Behind. The intent of School Improvement funds is to provide struggling schools with extra assistance to meet the achievement goals that will enable them to exit corrective action and restructuring status.

There are two sources of funding for school improvement:

- School Improvement Grants, 1003(g)**, is a subprogram under Title I, A of ESEA (NCLB) and funds are authorized upon approval of a state's application to the U.S. Department of Education. **School Improvement Grants** must be used to help Title I schools in any stage of the improvement process, and may also be used for up to two years to help Title I schools that have exited improvement status and previously received funds under this program. A school district must submit an application to the state outlining specific activities the district will undertake to build school and district capacity to improve achievement.
- 4% of the state's total Title I, Part A allocation, 1003(a)** is a set aside for school improvement activities. These funds must be used to **assist Title I schools** currently designated as "in need of improvement," in corrective action, or restructuring under the guidelines of No Child Left Behind. Each state can determine how districts will receive funds under the **4% Title I, Part A reservation**. For all School Improvement funds, states must give priority to the districts that demonstrate the greatest need for the funds and the strongest commitment to using the funds to help the lowest-achieving schools meet AYP goals.

School Improvement Grants allocations for Alabama, 1003(g)

FY09: \$8.9 million

ARRA: \$49.1 million

4% of ARRA and 4% FY09 appropriation of Title I, Part A 1003(a)

FY09: \$9.5 million

ARRA: \$6.5 million

Information about Alabama schools and districts in need of improvement can be found at:

Source: ALSDE, Accountability Reporting System

2008 *Systems in School Improvement (pdf)*

2008 *Schools in School Improvement (pdf)*

<http://www.alsde.edu/Accountability/preAccountability.asp>

State Fiscal Stabilization Funds (SFSF)

The **State Fiscal Stabilization Funds (SFSF)** include Education State Grants, also known as Education Stabilization funds. These funds must first be used to restore the level of state support of primary, secondary, and higher education through 2011 to the greater of 2008 or 2009 levels of funding. The governor must also assure that the state will maintain the same level of support for elementary, secondary, and postsecondary education in FY 2009 through FY 2011 as it did in FY 2006. As a condition of receiving these funds, states must commit to improving results for all students and advancing education reform by:

- Adopting rigorous standards and high-quality assessments at the state level
- Establishing data systems and use data for improvement at the district level
- Increasing teacher effectiveness and equitable distribution of effective teachers with actions at both state and district levels
- Turning around the lowest-performing schools with both state and district initiatives

ARRA authorizes school districts to use Education Stabilization funds to pay salaries to avoid having to lay off teachers and other school employees and for any activity that is authorized under the following federal education acts:

- Elementary and Secondary Education Act of 1965 (ESEA)
- Individuals with Disabilities Education Act (IDEA)
- Adult Education and Family Literacy Act (AEFLA)
- Carl D. Perkins Act of 2006 (Perkins Act)

Per the Alabama SFSF application, the state will:

- use \$358.9 million to restore the level of funding for elementary and secondary education in FY 2009
- use \$0 for elementary and secondary in education in FY 2010.
- have \$0 remaining after restoring state support for elementary, secondary and post-secondary education in FY 2009 and FY 2010.

(Note: States are projecting higher deficits for FY2011 than originally anticipated.)

More on SFSF Education Funds

For more information and updates on education spending, see Alabama's State Fiscal Stabilization Fund application at: <http://www.ed.gov/programs/statestabilization/resources.html> and the state Recovery website: <http://www.stimulus.alabama.gov/>

State Department of Education ARRA Website<http://www.alsde.edu/html/arra2009.asp>**State Education Leaders**

Office/Program	Name, Title
Governor's Office	Bob Riley, Governor
Governor's Education Policy Advisor	Mark Dixon, Education Policy Analyst
State Legislature, Assembly	Yvonne Kennedy, Education Committee Chair
State Legislature, Senate	Vivian Figures, Senator, Education Committee Chair
State Dept. of Education (ALSDE)	Joseph Morton, Superintendent of Education

Key Contacts

Office/Program	Name, Title	Contact Information
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ALSDE, ESEA Title I (School Improvement)	Catherlene Williamson, State Coordinator-School Improvement	334-242-9700
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