

ARRA – TITLE I FACT SHEET
(as of August 20, 2009)

I. Overview for ARRA Title I

The American Recovery and Reinvestment Act of 2009 (ARRA) – Public Law 111-5 – appropriates significant one-time funding for programs under Title I. These funds are in addition to the annual Title I allocation.

ARRA Title I funds offer an unprecedented opportunity to provide additional assistance to districts and schools that have high concentrations of students from families that live in poverty to help improve teaching and learning for students most at risk of failing to meet state standards and to close the achievement gap while also stimulating the economy.

Four principles guide the distribution and use of the ARRA Title I funds: (1) spend funds quickly to save and create jobs; (2) improve student achievement through school improvement and reform; (3) ensure transparency, reporting, and accountability; and (4) invest one-time ARRA funds thoughtfully to minimize the “funding cliff.” ARRA Title I funds are used to implement evidence-based strategies to help build sustainable capacity for improving teaching and learning in Title I schools.

II. Allocation

- NJ received \$173 million in ARRA Title I funds, in addition to its 2010 Title I allocation.
- A district is eligible to receive ARRA Title I, Part A funds if it has at least a five percent poverty rate (free/reduced lunch).
- Preliminary ARRA allocation notices were issued in June 2009. This represents the full ARRA amount that is available for the next two years.
- The final ARRA allocation notices will be issued in the Spring of 2010. Districts may see downward or upward adjustments in the final allocation.
- Only “eligible” Title I schools can receive ARRA funds.
- Districts may use a ranking method different from the Title I section of the 2010 NCLB-EWEG application to rank order schools in Step 3 of the Eligibility screen.
- Using EWEG, districts have the opportunity/flexibility in serving “more” schools by using the following:
 - a) Rank Order
 - b) District Discretion
 - c) Skipping Schools
- More students may be served by revising the eligibility criteria for low-performing students to be served in a Title I targeted assistance program.
- Districts may use all of the ARRA Title I funds for the reserves and thus allocate no funds to the individual schools. This does not apply to 2010 Title I funds.
- Any school with a poverty rate above 75% must receive a per-pupil amount that is equal to or more than schools with lower poverty rates in both the ARRA and FY 2010 Title I applications combined. Be sure to reference the 2010 eligibility pages to ensure that the 75% schools receive the appropriate per-pupil amount.
- All required reserves must be allocated until the waivers (see Section VI) are approved by the USDE. The required reserves are based upon the total amount of the ARRA and FY 2010 Title I allocations. The only exception is for those districts that are using Title I funds for a preschool program as specified in the August 11, 2009 memo from the Commissioner.

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III. Application

- Districts eligible to receive ARRA Title I funds must complete and submit two applications through the EWEG system: 1) FY 2010 NCLB Consolidated Application and 2) an ARRA Title I application.
- The Needs Assessment and Eligibility Step 1 screens are completed in the FY 2010 NCLB EWEG application. These data are then shared with the ARRA application once these sections are marked as final in the FY 2010 NCLB application.
- Contact the EWEG Help Desk at eweghelp@doe.state.nj.us to reopen the ARRA or the NCLB EWEG application if changes are necessary.
- ARRA funds are a “one-time” grant for project period July 1, 2009, through August 31, 2011.
- Application approval and payments of FY 2010 NCLB and ARRA funds will be made through the EWEG system.
- A district can begin to obligate funds as soon as the application is submitted in “substantially approvable” form.
- Reimbursement requests can be made by districts as soon as the application receives “final” approval.
- Consultation with nonpublic school officials is required. The affirmation of consultation and any refusal of funds must be completed and kept on file at the district and upon request submitted to the NJDOE.

IV. Reporting Requirements

- ARRA funds must be tracked separately.
- The New Jersey Department of Education must submit reports quarterly to the federal government regarding ARRA grant programs administered by the Department. The first quarterly report will be due on October 10, 2009. The Department will be collecting data from districts at the end of each quarter in order to meet the federal reporting requirements. Additional details regarding the Department’s data collection procedures will be provided to districts in the near future.
- On December 1, 2009, each district is required to submit a report of its 2009 state and local per-pupil amounts expenditures for every school in the district. (Details to follow.)
- An expenditure report will be due at the end of the first year – August 31, 2010. (Details to follow.)
- A waiver request must be submitted to the NJDOE if more than 15% of the combined total ARRA and FY 2010 Title I funds have not been expended by August 31, 2010. (Details to follow.)

V. Use of Funds

Districts must use ARRA funds consistent with Title I statutory and regulatory requirements as follows:

- Meet the educational needs of low-achieving students in high-poverty schools.
- Close the achievement gap.
- Distribute and target resources to schools with the greatest need.

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- Provide enriched and additional learning opportunities—before school, during school, after school, and during the summer.
- Promote programs that are grounded in scientifically based research.
- Offer preschool programs.
- Purchase supplies and materials to support the Title I program.

VI. Waivers

- Under Section 9401 of the Elementary and Secondary Education Act (ESEA), a State Education Agency (SEA) and/or LEA that receives Title I, Part A funds may apply for a waiver of certain Title I Part A requirements that are affected by the availability of Title I, Part A funds under ARRA.
- Examples of ARRA Waiver Requests include:
 - a) 14-day public school choice requirement
 - b) SINI School/LEA as Supplemental Educational Services (SES) provider
 - c) LEAs offering School Choice and SES
 - d) Exclude ARRA funds in 20 percent SES/Choice Required Reserve
 - e) Exclude ARRA funds in 10 percent Professional Development set-aside for LEAs in improvement (DINIs)
 - f) Exclude ARRA funds in 10 percent set-aside for Schools in Need of Improvement (SINI)
 - g) Determining ARRA per-pupil amounts for SES
 - h) Waive 15 percent carry-over limitation
 - i) Maintenance of Effort
- The NJDOE intends to submit waiver requests to the USDE after the close of the public comment period. This submission to the USDE is expected to occur at the end of August.
- The reserve for parent involvement cannot be waived. Districts that receive \$500,000 or more (a combination of both the ARRA and 2010 funds) must reserve 1%. This amount may be reserved in the ARRA application, 2010 application or both.

VII. Resources

- NJDOE ARRA Web site: <http://www.state.nj.us/education/arra/>
- USDE ARRA Web site: <http://www.ed.gov/policy/gen/leg/recovery/index.html>
- USDE Title I ARRA Guidance: <http://www.ed.gov/policy/gen/leg/recovery/guidance/title-i.doc>
- USDE Title I Waiver Guidance: <http://www.ed.gov/programs/titleiparta/title-i-waiver.doc>

Note: All applicable requirements in the Elementary and Secondary Education Act, the Title I regulations, US Department of Education guidance, other applicable laws and regulations, and OMB circulars (such as OMB Circular A-87 related to cost principles and OMB Circular A-133 related to audits conducted under the Single Audit Act) apply to the use of ARRA Title I funds. As additional USDE guidance and resources become available, this information will be posted on the NJDOE Web site.