

# Economic Recovery and Reinvestment

## School District Funding Strategies to Support Early Childhood with ARRA Funding

Working Document 4/17/09

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### Principles Guiding the Distribution and Use of ARRA Funds

#### Spend funds quickly to save and create jobs.

1. Improve student achievement through school improvement and reform.
  - o Making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including English language learners and students with disabilities;
  - o Establishing pre-K to college and career data systems that track progress and foster continuous improvement;
  - o Making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need;
  - o Providing intensive support and effective interventions for the lowest-performing schools.
2. Ensure transparency, reporting and accountability.
3. Invest one-time ARRA funds thoughtfully to minimize the "funding cliff."

### Strategies to use ARRA Funding for Early Childhood

1. **Individuals with Disabilities Education Act (IDEA) Special Education, Subprogram: Part B, Sections 611 flow-through grants and 619 preschool grants:** This funding is for formula grants to increase the federal share of special education costs. Website <http://www.dpi.wi.gov/pb/stimuluspackage.html> and on the Special Education website <http://dpi.wi.gov/sped/idearecovery.html>

*Strategies to promote improved services to young children with disabilities:*

- Expand the availability and range of inclusive placement options for preschoolers with disabilities by developing the capacity of public and private preschool programs to serve these children through the creation of community councils, informed referral networks.
- Provide intensive community-wide professional development for special education, regular education, and community teachers on topics such as: Wisconsin Model Early Learning Standards, Center for Social Emotional Foundations for Early Learning, serving children with disabilities in community settings, ongoing assessment tools, differentiated instruction and learning supports
- Develop or expand the capacity to collect and use data to improve teaching and learning including purchase and training for district use of ongoing-assessment tools to measure children's progress;
- Develop or expand the capacity to collect and use data to improve teaching and learning including program evaluation with tools such as ECERS or CLASS
- Hire coaches/mentors or contract for CESA services to provide classrooms with expertise in positive behaviour supports, inclusion, differentiated instruction/learning support or other priority areas.
- Obtain state-of-the art assistive technology devices specifically for young children and provide training in their use to enhance access to the general curriculum for students with disabilities. Develop mechanisms to provide this equipment for children receiving services in community settings.
- Hire child find/transition coordinators to handle referrals from community programs, provide summer evaluations, provide case management through the IEP process etc.
- Hire or conduct for joint child find campaigns such as child development days; and
- Provide parent leadership support and training for parents including Ready, Set, Go .

- Expand PBIS systems and training specific to young children.
- Support collaborations with higher education to increase the number of teachers with appropriate early childhood special education licenses.
- Hire personnel, contract with CESA, or contract with community programs to expand community child find efforts such as child development days.
- Hire personnel, contract with CESA, or contract with community programs to expand the provision of parent education and involvement.
- Hire, expand hours, contract with CESAs for early childhood specific coordinators/program support teachers.

2. **Title I A Recovery Funds for Grants to Local Education Agencies:** The grant contains provisions for ensuring that children who are disadvantaged and enrolled in private schools also benefit from the academic enrichment services funded with Title I, Part A funds. **Website:** <http://dpi.wi.gov/titleone/arra.html>

*Strategies to promote improved services to young children:*

- Alignment of Title I prekindergarten programs with 4 K.
- Expanded learning time for young children through extended day, week or year programs.
- Provision of professional development to increase availability of high quality teachers.
- Development of a strategic plan to strengthen parental involvement in their children's learning.
- Provide support for training home visitors to engage parents and students in the learning process, and build connections between the family and school.
- Intergenerational family literacy programs such as Even Start or other similar models.
- Improvement of systems for evaluating the effectiveness of early childhood programs.
- Provide support for collaborative planning and training for representatives of school and community sponsored programs to facilitate transitions from early childhood sites to school.
- Coordination of efforts to build effective Response to Intervention (RTI) models through collaborative training.

3. **Title I School Improvement Grants, Section 1003(g) Funds for Title I Schools Identified for Improvement (SIFI):** The purpose of the this grant program is to provide public school districts with additional funds and resources to help them develop and improve efforts to support their eligible Title I schools. Implicit in these grants is the recognition that all Wisconsin districts have existing resources and programs that support the student achievement of its neediest school(s). These grants are intended to supplement existing district efforts and strengthen district support to SIFs. **Website:** <http://dpi.wi.gov/ssos/arra.html>

*Strategies to promote improved services to young children:*

- The School Improvement grants go to Title I Schools Identified for Improvement and first used to directly address the subgroups/subjects etc that the school missed AYP in. If a SYF school missed AYP in an area such as reading or math, they may include 4/5 kindergarten or community programs housed in that elementary school in their improvement efforts.

4. **Education for Homeless Children and Youth (EHCY):** These funds are to assist school districts across the United States to implement the McKinney-Vento Homeless Education Assistance Act. **Website:** [http://dpi.wi.gov/homeless/arra\\_faq.html](http://dpi.wi.gov/homeless/arra_faq.html)

*Strategies to promote improved services to young children:*

- Hold child find activities with community agencies such as County Birth-to-3 programs and Head Starts to increase the identification and provision of services to young children who are homeless.
- Hire personnel to contact emergency shelters, transitional housing programs, independent living and street outreach programs, and advocacy organizations to assist with identification of preschool children who are homeless and who may be eligible for special services.

- Provide assessment and screening at community agency sites that serve the homeless such as emergency and transitional shelters to determine child readiness for school, as well as identifying children who are homeless and who may have a disability.
- Hire personnel to organize joint trainings between child welfare, early education and care, community agencies, and district staff on how to assist families with infants and preschool children who are homeless
- Hire personnel to research and create educational strategies to assist preschool children from homeless families.
- Fund transportation services to young children from homeless families to ensure continuity of services.
- Hire a specialist to work on community-wide Birth to 6 early education issues.
- Fund programs to allow young children from homeless families the opportunity for early enrichment experiences with community art programs, parks, public libraries, museums, and recreational services,
- Hire mental health staff to work with young children and their parents to address emotional and mental health care needs.
- Fund “in-home services” for families at emergency shelters and transitional housing locations
- Create mentoring programs to work with parents in mitigating their poverty needs
- Offer classes to help parents become knowledgeable about typical child development
- Offer classes to help parents understand child behavior and establish positive discipline practices

5. **National School Lunch Program - Equipment Grants:** This grant is for the purchase of school food service equipment by schools participating in the National School Lunch Program. **Website:** <http://dpi.wi.gov/fns/recovery.html>

*Strategies to promote improved services to young children:*

- Focus area: Equipment that allows schools to support expanded participation in a school meal program. (e.g., equipment for serving meals in a non-traditional setting or to better utilize cafeteria space)
- Strategies to promote improved services to young children: Equipment to better utilize cafeteria space for young children including Smaller tables/chairs or smaller size equipment like salad bars.

6. **Enhancing Education Through Technology (EET):** This grant is to improve student academic achievement through the use of technology, to assist every student in becoming technologically literate by the end of eighth grade, and to encourage the effective integration of technology resources and systems with professional development and curriculum development. **Website:** [http://dpi.wi.gov/imt/arra\\_eett.html](http://dpi.wi.gov/imt/arra_eett.html)

*Strategies to promote improved services to young children with disabilities:*

- Purchase of technology and related programs developmentally appropriate for young children in 4K, 5K, and receiving special education services
- Develop technology systems that link school based and school early childhood programs in community based settings
- Professional development related to technology resources and system
- Curriculum development and systems that utilize technology to support ongoing assessment
- Purchase of other equipment that will support student achievement such as Smartboards

7. **Qualified School Construction Bonds (QSCB):** The Qualified School Construction Bonds (QSCB) provides tax credits, in lieu of interest to lenders who issue bonds to eligible school districts. **Website:** <http://dpi.wi.gov/sfs/qscb.html>

*Strategies to promote improved services to young children:*

- Construction of new early learning centers to house programs serving young children and their families from birth through 3<sup>rd</sup> grade.
- Rehabilitation and repair of public school facilities and community programs that service children with disabilities or 4K community approach sites in order to make buildings more developmentally and educationally appropriate for young children including age appropriate playgrounds and gyms; activity centers and furnishings; child size toileting and meal spaces.

8. **Qualified Zone Academy Bond (QZAB):** Through the federal Qualified Zone Academy Bond (QZAB) program school districts with low-income populations can save on interest costs associated with financing school renovations. **Website:** <http://dpi.wi.gov/sfs/recovery.html>

*Strategies to promote improved services to young children:*

- Rehabilitate or repair school facilities, obtain equipment, develop curricula, and/or train teachers and other school personnel.

9. **Teacher Quality Partnership Grants:** This program seeks to improve the quality of new teachers working in high-need school districts by creating successful and high-quality model Pre-Baccalaureate Teacher Preparation programs and/or Teacher in Residency programs for those qualified to begin teaching. **Website:** Available after 4/30/09.

*Strategies to promote improved services to young children:*

- Improving preparation of early childhood educators
- Teacher education partnerships with a licensed or regulated child care, Head Start or Early Head Start, or four-year-old kindergarten program.

10. **Teacher Incentive Fund:** This fund supports program that develop and implement performance-based teacher and principal compensation systems, based primarily on increases in student achievement, in high-need schools. **Website:** Available after 4/30/09.

*Strategies to promote improved services to young children:*

- Pending further information on the program.

**Economic Recovery and Reinvestment**  
**With Emphasis on the Wisconsin Department of Public Instruction**  
**Summaries from the DPI Website**  
4/09 Summary from <http://dpi.wi.gov/recovery/index.html>

1. **Individuals with Disabilities Education Act (IDEA) Special Education, Subprogram: Part B, Sections 611 flow-through grants and 619 preschool grants:** This funding is for formula grants to increase the federal share of special education costs. It is estimated local educational agencies (LEAs) will see an increase of federal support from the current level of approximately 18% to 27% of eligible costs. The Office of Special Education Programs (OSEP) in the U.S. Department of Education will issue guidance shortly to state education agencies (SEAs) regarding application and accountability procedures for LEAs to use to access this additional funding. OSEP also is expected to issue a Q and A document consisting of queries they have received from states. Issues already identified include maintenance of effort and supplanting provisions, risk pool calculations, Coordinated Early Intervening Services (CEIS) requirements, timeframes and accountability measures. Information will be posted on the DPI website at <http://www.dpi.wi.gov/pb/stimuluspackage.html> and on the Special Education websites as soon as it becomes available.
  - Funding:** IDEA funding is distributed according to a formula established in IDEA. Wisconsin is expected to receive approximately \$208 M in the form of flow-through and preschool entitlement funding.
  - Eligible entities:** Local educational agencies (LEAs)
  - Application/reporting:** IDEA flow-through and preschool entitlement funding is distributed according to a formula established in IDEA. The application and reporting process will be separate from the IDEA application. Each LEA will be required to submit an application, including budget, a report of how the funding is used and the results. No cooperative applications will be accepted.
  - Website:** <http://dpi.wi.gov/sped/idearecovery.html>
  
2. **Title I A Recovery Funds for Grants to Local Education Agencies:** Title I is a federal entitlement program that provides funds to school districts and schools with high numbers or high percentages of children who are disadvantaged to support supplemental educational services. Its overall purpose is to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging state academic achievement standards and assessments. The grant contains provisions for ensuring that children who are disadvantaged and enrolled in private schools also benefit from the academic enrichment services funded with Title I, Part A funds.
  - Funding:** \$147,729,443
  - LOCAL EDUCATION AGENCY (LEA) ALLOCATION:** Funds must be used consistent with existing Title I guidelines. The grant contains provisions for ensuring that children who are disadvantaged and enrolled in private schools also benefit from the academic enrichment services funded with Title I, Part A funds. LEAs that currently receive Title I funding and have 5% poverty or more (based on census poverty) will receive additional Title I Part A funds under the American Recovery and Reinvestment Act (ARRA). Details will follow regarding the process for allocation and distribution of the funds.
  - Application Process:** Information on the LEA application process will be provided following receipt of additional federal guidance.
  - Website:** <http://dpi.wi.gov/titleone/arra.html>
  
3. **Title I School Improvement Grants, Section 1003(g) Funds for Title I Schools Identified for Improvement (SIFI):** The American Recovery and Reinvestment Act of 2009 (ARRA) will provide discretionary grants to Wisconsin public school districts with Title I schools identified for improvement (SIFIs) as identified by Wisconsin Knowledge and Concepts Exam (WKCE) results under Title I, Section 1003(g). The purpose of

the this grant program is to provide public school districts with additional funds and resources to help them develop and improve efforts to support their eligible Title I schools. Implicit in these grants is the recognition that all Wisconsin districts have existing resources and programs that support the student achievement of its neediest school(s). These grants are intended to supplement existing district efforts and strengthen district support to SIFIs. Each Title I SIFI is eligible for no less than \$50,000 and no more than \$500,000; funding is to be used for school improvement activities such as: Customized technical assistance and/or professional development; Research-based strategies to improve instruction; Enhanced capacity of school support team members and other technical assistance providers; and Other strategies as appropriate for which data indicate the strategy is likely to result in improved teaching and learning.

**Funding:** It is projected that Wisconsin will receive \$42 million from ARRA. Funds will be available to Title I SIFIs in fall of 2009. Under current legislation, DPI may use discretion on award amounts, as long as awards fall within statutory limits (no less than \$50,000 and no more than \$500,000 per eligible school). Funding priority must be given to the lowest achieving schools that demonstrate greatest need for the funds and the strongest commitment to ensuring proper use of funds. The grant is renewable for two additional one year periods if the schools are meeting school improvement goals. Funds are awarded to districts with Title I SIFI and to non-district charter schools that are Title I SIFI. In 2008-09, this included funding to Milwaukee Public Schools (\$6.1 million) and two non-district charter schools, the Academy of Learning and Leadership (\$50,000) and the Milwaukee Academy of Science (\$50,000). Additional districts/schools may be eligible for funds for the 2009-10 school year.

**Application process:** DPI awaits guidance from the U.S. Department of Education to determine the application content and deadline.

**Website:** <http://dpi.wi.gov/ssos/arra.html>

- 4. Education for Homeless Children and Youth (EHCY):** The AARA is providing \$70 million dollars to assist school districts across the United States to implement the McKinney-Vento Homeless Education Assistance Act. The Wisconsin Department of Public Instruction (DPI) is expecting to receive approximately \$800,000 total, \$400,000 in 2009-10 and \$400,000 in 2010-11, to distribute to Wisconsin Local Education Agencies (LEAs).

**Funding:** The DPI is anticipating to receive approximately \$800,000 over the next 2 years (2009-10; 2010-11). Until DPI receives official guidance from the U.S. Department of Education (USDE), it is not certain if the money will be distributed through a formula or competitive grant process.

**Application process:**

The DPI expects to receive guidance from the USDE about how ARRA funding will be applied to the EHCY program in late March.

**Website:** [http://dpi.wi.gov/homeless/arra\\_faq.html](http://dpi.wi.gov/homeless/arra_faq.html)

- 5. National School Lunch Program - Equipment Grants:** This grant is for the purchase of school food service equipment by schools participating in the National School Lunch Program. The overall goal of the grant is to improve the infrastructure in schools while stimulating activity in the economy. Priority will be given to schools that have 50 percent or greater students eligible for free and reduced-priced meals. It is the department's intent to hold schools accountable for the funding awarded and to have as much visibility of funding as possible.

**Funding:** The American Recovery and Reinvestment Act of 2009 (ARRA) provides a one-time appropriation of \$100,000,000 for equipment. The state will be allocated \$1,316,711 based on Wisconsin's school meals administrative expense allocation. Interested schools will need to apply for this competitive grant being administered by the state.

**Application:** The grant applications and instructions are posted on our website at:

<http://www.dpi.wi.gov/fns/recovery.html>. **Applications are due Monday, May 11, 2009.**

**Website:** <http://dpi.wi.gov/fns/recovery.html>

- 6. Enhancing Education Through Technology (EETT):** The EETT is Title II Part D of the No Child Left Behind Act. The primary goal of the EETT program is to improve student academic achievement through the use of technology in elementary and secondary schools. It is also designed to assist every student --

regardless of race, ethnicity, income, geographical location, or disability -- in becoming technologically literate by the end of eighth grade, and to encourage the effective integration of technology resources and systems with professional development and curriculum development to promote research-based instructional methods that can be widely replicated.

**Funding:** Under the EETT program, the U.S. Department of Education (USDE) provides grants to state educational agencies (SEAs) on the basis of their proportionate share of funding under Part A of Title I. SEAs may retain up to 5 percent of their allocations for state-level activities. One-half of the remainder is distributed by formula to eligible local educational agencies (LEAs) and the other one-half competitively to eligible local entities. Based on the state funding tables currently available on the USDE web page, Wisconsin is due to receive \$9,170,493 in ARRA funding for EETT

**Application process:** Guidance has not yet been release by the U.S. Department of Education. Guidance is expected by May 1, 2009.

**Website:** [http://dpi.wi.gov/imt/arra\\_eett.html](http://dpi.wi.gov/imt/arra_eett.html)

7. **QUALIFIED SCHOOL CONSTRUCTION BONDS (QSCB):** The Qualified School Construction Bonds (QSCB) provides tax credits, in lieu of interest to lenders who issue bonds to eligible school districts. Because the federal government provides for the "interest" payment, the district is only responsible for repayment of the bond principal. The federal government covers all of the interest in the form of tax credits on these bonds, resulting in savings up to 50 percent of the cost of these renovation and improvement projects.

**Eligible entities:** All school districts and school buildings are eligible regardless of size or poverty levels. The bond proceeds may be used to finance NEW construction, rehabilitation, repair of public school facilities, and the acquisition of land. Forty percent of the authority to issue bonds will be allocated by the Secretary of Education to 100 large local education agencies (LEAs) in proportion to the amount of Title I received by the LEAs. Only Milwaukee Public School District (MPS) ranks in the 100 large local education agencies. MPS could receive up to \$146 million of authority over 2 years to issue QSCBs.

**Funding:** The QSCB authorization for the State of Wisconsin is pending. The American Recovery and Reinvestment Act ARRA authorized \$11 Billion in 2009 and 2010 in QSCB nationwide. DPI estimates that Wisconsin will receive \$154 million in both 2009 and 2010 assuming a proration in proportion to the State's Title I authorization.

The state allocation to school districts other than Milwaukee will be reduced by the aggregate amount of the allocation to Milwaukee Public Schools (MPS). The amount allocated to MPS may be reallocated by the district to the State of Wisconsin. Any amount reallocated to the State of Wisconsin may be allocated other school districts.

**Website:** <http://dpi.wi.gov/sfs/qscb.html>

8. **QUALIFIED ZONE ACADEMY BOND (QZAB):** Through the federal Qualified Zone Academy Bond (QZAB) program school districts with low-income populations can save on interest costs associated with financing school renovations. The federal government covers all of the interest in the form of tax credits on these bonds, resulting in savings up to 50 percent of the cost of these renovation and improvement projects. QZAB proceeds may be used to rehabilitate or repair school facilities, obtain equipment, develop curricula, and/or train teachers and other school personnel. QZAB proceeds may not be used on new construction.

**Eligible entities:** To qualify, there must be a reasonable expectation that at least 35 percent of the school's students or program participants will be eligible for free or reduced-cost lunches under the National School Lunch Act when the bonds are issued.

**Funding:** The QZAB authorization for the State of Wisconsin authorization is pending. The American Recovery and Reinvestment Act ARRA extends and expands the QZAB program authorizing \$400,000,000 in 2008 and \$1,400,000,000 in 2009 and 2010 nationwide. DPI estimates that Wisconsin will receive \$5.6million of 2008 authorization and \$19 million in both 2009 and 2010 assuming a similar proration as in previous years in proportion to the State's Title I authorization. Wisconsin was last allocated \$5,676,000 in QZAB issuance authority for each calendar years 2006 and 2007. At this time the 2006 and 2007 authority has been allocated in total to Wisconsin school districts.

**Website:** <http://dpi.wi.gov/sfs/recovery.html>

9. **Teacher Quality Partnership Grants:** This program seeks to improve the quality of new teachers working in high-need school districts by creating successful and high-quality model Pre-Baccalaureate Teacher Preparation programs and/or Teacher in Residency programs for those qualified to begin teaching. **Website:** Available after 4/30/09.
  
10. **Teacher Incentive Fund:** This fund supports program that develop and implement performance-based teacher and principal compensation systems, based primarily on increases in student achievement, in high-need schools. **Website:** Available after 4/30/09.