



Missouri Department of Elementary and Secondary Education

— Making a positive difference through education and service —

April 6, 2009

TO: School Administrators

FROM: Bert Schulte, Interim Commissioner of Education

RE: Some Details on ARRA Allocations

On Wednesday, the U.S. Department of Education (USED) published American Recovery and Reinvestment Act (ARRA) guidance and announced that funds would soon be available for distribution to school districts. As you develop budgets and plan for the upcoming school year, we understand you are anxious to know how much funding to expect and when. While we are still unable to answer many of your questions in detail, we hope the following information is helpful.

When will ARRA funds be distributed to Missouri school districts?

ARRA funds will be distributed to school districts after July 1, 2009. While the funds may be available sooner, this timeline will allow districts to submit required applications and to plan and budget for the funds in the upcoming school year.

How will I know the amount of ARRA funds my district will receive?

Title I and IDEA program allocations are currently being calculated by DESE. While the USED published district-by-district allocations for some programs, those allocations did not factor in all of the data utilized by Missouri. Following is an update on allocations for formula programs included in the ARRA:

- **Title I, Part A**

Missouri's approved alternative Title I allocation formula for smaller schools includes the use of free and reduced-price lunch data not included in USED's calculations. In addition, the allocations for special schools and charter schools, as well as the mandatory school improvement funds, must be calculated. Estimated 2009-10 Title I allocations and the separate Title I ARRA allocations should be available **by April 10, 2009**.

- **IDEA, Part B**

Estimated IDEA Part B allocations should be available by April 10, 2009. If the Title I and IDEA calculations are completed before April 10, we will send an e-mail to you that the allocations have been posted.

- **Title II.D, Education Technology**
 Guidance on Title II.D has not been issued by USED. We expect guidance to be released mid-May.
- **Title VII.B, McKinney-Vento Homeless Assistance Act**
 Guidance on Title VII.B has not been issued by USED. We expect guidance to be released within the next two weeks.
- **School Lunch Equipment**
 Equipment grants will be awarded based on competitive applications submitted to the School Food Services Section. The grant applications will be issued by mid-April. All school districts are eligible to apply, but priority will be given to schools with 50% or more free and reduced price-eligible students, based on October 2008 School Food Service data. There are four focus areas that will be evaluated in the grant process: 1) equipment that improves the quality of meals that meet the dietary guidelines; 2) equipment that improves the safety of food served in the school meal programs; 3) equipment that improves the overall energy efficiency of the foodservice operations; and 4) equipment that allows for expanded participation in a school meal program.
- **State Fiscal Stabilization Funds (Education Stabilization Funds)**
 Since these funds must be appropriated by the state legislature, it may be a few weeks before decisions are made on these funds. Missouri's FY2010 budget must be passed by the end of the day, May 8.
- **Qualified School Construction Bonds and Qualified Zone Academy Bonds**
 On April 3, 2009, the U.S. Treasury announced guidance on the allocations of two tax credit bond programs for schools known as Qualified School Construction Bonds and Qualified Zone Academy Bonds. The Internal Revenue Service has released guidance on these programs. A link to this guidance has been added to DESE's ARRA Web site. We are reviewing the guidance and determining the process for districts to participate in these tax credit bond programs. The application process will be provided as soon as possible.