
Discussion Points

1. The Governor's budget incorporates an estimated \$5.183 billion over two fiscal years in federal stimulus funding provided by the American Recovery and Reinvestment Act (ARRA) of 2009. According to a table on page 42 of the Governor's abbreviated budget, the State will use \$3.074 billion (\$854 million in FY09 and \$2.220 billion in FY10) from ARRA for budget relief. In addition to these funds which will offset revenue shortfalls, \$2.109 billion will be used for new or expanded programs or initiatives. The ARRA allocates funds to states both by formula and by competitive awards. Most executive departments anticipate stimulus funding in either FY 2009, FY 2010 or both.

- **Question:** Please itemize the federal stimulus funding, if any, other than portions of the \$3.074 billion allocated for budget relief, included in the department's budget, by fiscal year and federal program, setting forth program goals and eligible uses together with the amount for state administrative expenses and the amount for allocation to local public and private recipients, respectively. Please identify intended and actual recipients and the process by which the department determines recipients and funding awards. Are there ARRA funds that flow through your department for which the State has no discretion? Please also set forth the timetable for obtaining federal approval of funding, obligation and allocation of funding to recipients, and use by recipients. Could any of this funding be used to offset other State appropriations, and if so, what programs and in what amount? What additional positions, if any, have been and will be hired with these funds? If this money is being used for new or expanded activities, will the new or expanded activities be continued in FY 2011? If so, how will they be funded?

Response:

ARRA FUNDING DISTRIBUTION CHART

Program	New Jersey allocation	Eligible Uses	Entities Eligible to Receive grants	Timeline for Grantee Use	Process by which Funds are distributed
Title I, Part A	<p>Title I, park A: \$182,971,299</p> <p>Title I, Part A School Improvement Grants: \$56,821,890</p> <p><i>No admin funds set aside because the administrative cap on Title I, except for a cost of living increase, remain</i></p>	<p>Title I, Part A, of the ESEA authorizes federal aid to local educational agencies (LEAs) for the education of disadvantaged children.</p>	School Districts	Spring 2009 until September 2011	Formula
Special Education/IDEA: K-12, Preschool, Infants & Families	<p>\$383,296,050</p> <p><i>No admin funds set aside because the administrative cap on Title I, except for a cost of living increase, remain</i></p>	<p>IDEA is the major federal statute that supports special education and related services for children with disabilities.</p>	School districts	Spring 2009 until September 2011	Formula

Discussion Points (Cont'd)

<p>McKinney Vento Homeless Assistance Act</p>	<p>\$908,581</p>	<p>Funds designed to ensure that children experiencing homelessness receive the educational services they need. Includes early intervention and special education.</p>	<p>School districts</p>	<p>Spring 2009 until September 2011</p>	<p>Formula</p>
<p>K-12: Educational Technology Grants</p>	<p>Total: \$12,044,731 <i>Administrative dollars: \$602,236.55</i></p>	<p>The program provides grants to school districts to improve student achievement through the use of technology in elementary and secondary schools.</p>	<p>School Districts</p>	<p>Spring 2009 until September 2011</p>	<p>Formula and Discretionary Grants</p>
<p>State Fiscal Stabilization Fund</p>	<p>\$1,088,335,77 (education) \$242,148,057 (other government services including education)</p>	<p>Fund State Aid Formula and provide preschool incentive grants</p>	<p>School districts for the most part</p>	<p>Spring 2009 until September 2011</p>	<p>Education funds to be distributed by formula Other Government Services distribution is to be determined.</p>

Discussion Points (Cont'd)

<p>Impact Aid</p>	<p>\$239,931</p>	<p>Provides funding to local educational agencies that are financially burdened by federal activities and to provide technical assistance and support services to staff and other interested parties.</p>	<p>School Districts</p>	<p>Spring 2009 until September 2011</p>	<p>Formula and Competitive Construction Grants for Eligible LEAs</p>
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Discussion Points

Title I and IDEA ARRA funding must be distributed according by the respective formulas per the federal guidance and for the most part, the federal guidance requires use of the ARRA formula funding to supplement with this funding not supplant current funding, so they will not offset state appropriations. While we can encourage districts to spend money on certain priorities, we cannot require it.

Finally, while the Department will not be hiring additional positions with these ARRA funds and the funds will not be used for new or expanded activities at the state-level, districts may use funds to hire additional positions. The federal guidance and the state guidance on the use of Title I and IDEA advises districts to consider the cliff issue and plan accordingly.

- ***Question:*** In addition to funding incorporated in the FY 2010 budget, what specific competitive grant opportunities has the department identified that it is eligible to pursue, has applied for, and has been awarded, respectively?

The Department intends to take advantage of ARRA funding available through competitive grants by applying for funding available through the Institute for Education Sciences to improve our statewide data system. The Department will also apply for other competitive grants available through the Race to the Top fund.
