

# STIMULUS FUNDING UPDATE

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# IDEA, Part B Fiscal Issues – Stimulus Funding Period



- Stimulus grant allocations available on the Special Education website under the “fiscal” tab.
- NDDPI plans to send IDEA stimulus grant awards to units by May 1, 2009.
- The grant award will be for your entire stimulus allocation, however, 50% of your award will not be available for drawdown until October 1, 2009.

# IDEA, Part B Fiscal Issues – Stimulus Application Process

- Separate application for the stimulus funds.
- You will be required to account for these funds separately from your regular IDEA B grant funds!!!!
- Expect stringent reporting requirements.
- Stimulus activities must be between May 1, 2009 – September 30, 2011.

# IDEA, Part B Fiscal Issues – Stimulus use of Funds



- Stimulus funds subject to same MOE requirements as IDEA 2004
- Funds should be invested in ways that do not result in unsustainable commitments
- Allowable use of funds are the same as regular IDEA funds (follows IDEA regulations)

# IDEA, Part B Fiscal Issues – Misc.



- Proportionate Share is required and calculated for you. (Available on website with allocations)
- “Business as usual” for IDEA regular entitlement grants.
- NDDPI will provide additional information on the federal reporting requirements as it becomes available to us.

# IDEA, Part B Fiscal Issues- Optional Flexibility

- An LEA may be able to reduce the level of state and local expenditures otherwise required by the *IDEA* LEA maintenance of effort (MOE) requirements. Generally, in any fiscal year that an LEA's IDEA allocation exceeds the amount the LEA received in the previous year, under certain circumstances, the LEA may reduce the level of state and local expenditures by up to 50% of the amount of the increase, as long as the LEA uses those freed-up local funds for activities that could be supported under the ESEA.
- This is not a new provision!!!

# Optional Flexibility – Why is this significant?



- For purposes of the Optional Flexibility provision, the combination of the following grants will constitute an LEA's total Federal FY 2009 Allocation:
  - FY 2009 Entitlement Grant (regular grant)
  - FY 2009 Stimulus Grant

# Optional Flexibility Calculation

- FY08 IDEA B Allocation: \$400,000 *(FY 08 allocation)*
  - FY09 IDEA B Allocation: \$900,000 *(FY09 allocation and stimulus combo)*
- Increase (Multiply by 50%): \$500,000
- MOE reduction Max: \$250,000**

*( Refer to Table 1 of MOE worksheet)*

# “Optional Flexibility Provision – 50% Excess” worksheet

Unit	Stimulus Allocation	(Federal FY 2009) FY 2010 Allocation	Total FY 2010 Allocation	(Federal FY 2008) FY 2009 Allocation	Increase/ Decrease	50% Excess
Bismarck	\$2,915,058		\$2,915,058	\$2,502,525	\$412,533	\$206,266.28
Burleigh County	\$54,506		\$54,506	\$51,530	\$2,976	\$1,488.00
Dickinson	\$766,838		\$766,838	\$681,635	\$85,203	\$42,601.63
East Central	\$331,863		\$331,863	\$293,632	\$38,231	\$19,115.36
Emmons County	\$187,458		\$187,458	\$163,909	\$23,550	\$11,774.80
Fargo	\$2,993,588		\$2,993,588	\$2,621,595	\$371,993	\$185,996.29
Fort Totten	\$60,108		\$60,108	\$55,521	\$4,587	\$2,293.50
Grand Forks	\$2,101,854		\$2,101,854	\$1,886,508	\$215,346	\$107,672.91
Griggs/Steele/Trail	\$545,730		\$545,730	\$500,959	\$44,771	\$22,385.39
James River	\$399,060		\$399,060	\$358,512	\$40,548	\$20,274.30
Jamestown	\$716,304		\$716,304	\$640,692	\$75,612	\$37,805.87
Lake Region	\$1,174,399		\$1,174,399	\$1,054,561	\$119,838	\$59,918.88
Lonetree	\$542,224		\$542,224	\$492,360	\$49,865	\$24,932.34
Morton/Sioux	\$1,232,054		\$1,232,054	\$1,081,150	\$150,904	\$75,452.16
Northern Plains	\$251,433		\$251,433	\$217,948	\$33,485	\$16,742.44
Oliver/Mercer	\$439,981		\$439,981	\$396,412	\$43,569	\$21,784.49
Peace Garden	\$884,478		\$884,478	\$789,306	\$95,172	\$47,585.86
Pembina	\$236,680		\$236,680	\$196,459	\$40,221	\$20,110.53
Rural Cass	\$502,090		\$502,090	\$437,626	\$64,464	\$32,231.77
Sheyenne Valley	\$668,501		\$668,501	\$593,034	\$75,467	\$37,733.44
Souris Valley	\$3,387,601		\$3,387,601	\$3,015,446	\$372,155	\$186,077.29
South Central Prairie	\$332,170		\$332,170	\$297,448	\$34,721	\$17,360.69
South Valley	\$762,197		\$762,197	\$673,114	\$89,083	\$44,541.71
Southwest	\$188,545		\$188,545	\$176,497	\$12,048	\$6,024.05
Standing Rock	\$86,750		\$86,750	\$81,457	\$5,292	\$2,646.14
Turtle Mountain	\$98,725		\$98,725	\$90,239	\$8,486	\$4,242.79
Upper Valley	\$925,230		\$925,230	\$863,014	\$62,216	\$31,107.80
Wahpeton	\$356,857		\$356,857	\$322,209	\$34,648	\$17,323.97
West Fargo	\$1,555,058		\$1,555,058	\$1,254,048	\$301,010	\$150,505.01
West River	\$662,750		\$662,750	\$588,498	\$74,252	\$37,126.19
Wilmac	\$1,164,540		\$1,164,540	\$1,026,405	\$138,134	\$69,067.08
ND School for Deaf	\$27,808		\$27,808	\$27,261	\$547	\$273.67
<b>STATE TOTALS</b>	<b>\$26,552,438</b>	<b>\$0</b>	<b>\$26,552,438</b>	<b>\$23,431,513</b>	<b>\$3,120,925</b>	<b>\$1,560,463</b>

- Caution – this calculation does not include expenditures for Early Intervening!!!!!!

# Optional Flexibility – what’s the catch?



- The LEA must use those freed-up local funds (\$250,000 in previous example) for activities that could be supported under the ESEA (No Child Left Behind).
  
- If an LEA takes advantage of this provision, the required MOE for future years is reduced with the reduction it took, unless the LEA increases the amount of its state and local expenditures on its own.
  
- LEAs will be expected to report information on the use of freed-up funds before subsequent year MOE can be reduced
  - Reduction would be taken next year in Table 1 of the MOE Worksheet.

# Optional Flexibility – Effect on EIS



- ▶ An LEA may use up to 15% of its total IDEA, Part B grants for early intervening services.
- ▶ The amount an LEA spends on EIS counts toward the maximum expenditures that the LEA may reduce its MOE level.

# Optional Flexibility – Effect on EIS cont.

- **MOE reduction Max = \$50,000**

- **EIS Max = \$150,000**

- If LEA chooses to set aside \$150,000 for EIS,
  - Cannot reduce MOE.

- If LEA chooses to set aside \$100,000 for EIS,
  - Cannot reduce MOE.

- If LEA chooses to set aside, \$30,000 for EIS,
  - May reduce MOE by \$20,000.

- If LEA chooses to set aside \$0 for EIS,
  - May reduce MOE by full \$50,000.

# Questions?



- Question and Answer Document due from OSEP by the end of the month.