

### ARRA Process for the 2010-2011 School Year

The American Recovery and Reinvestment Act of 2009 (ARRA) provided significant new funding for programs under Title I Part A of the Elementary and Secondary Education Act of 1965 (Title I). These funds created an unprecedented opportunity for educators to implement innovative strategies in Title I schools improving education for at-risk students.

Title I Part A ARRA funds are FY 2009 funds. Accordingly, their initial period of availability ends on September 30, 2010, and all unspent Title I funds become carryover as of that date. The federal regulations do allow school districts to carry over any remaining Title I ARRA funds to the fiscal year ending September 30, 2011.

#### Close Out Year One – ARRA Funds

Districts will have a window of time to close out the 2009-2010 school year by completing a Title I ARRA Final Financial Report (SFN 7822) for year one of their ARRA funds. This window extends from May 1, 2010 through September 30, 2010. School personnel need to review the activities in the ARRA application and determine the most opportune time to close out year one and then submit a Title I Final Financial Report for the Title I ARRA funds sometime between May 1, 2010 – September 30, 2010.

A district's Title I ARRA carryover will be determined when the Final Financial Report is processed. The state Title I office takes the total amount of funds available for the current school year and subtracts the total expenditures (column two of the Final Financial Report) to determine carryover. Keep in mind that if a school district had unobligated Title I funds, those funds are included in the carryover amount. The carryover amount is listed at the bottom of the Title I ARRA Final Financial Report. A copy of the approved Title I ARRA Final Financial Report will be sent to both the Title I authorized representative and the business manager.

Title I law states that school districts may only carry over a certain percentage of the current school year allocation based on the amount of the allocation.

If your allocation for the current school year is	Your maximum carryover percent of the current year's allocation	Example of how to figure carryover
Over \$50,000	15%	If your allocation was \$36,432 X 30% = \$10,929.60 maximum carryover. Anything over \$10,929.60 would be considered excess carryover.
Over \$45,000	20%	
Over \$40,000	25%	
Over \$35,000	30%	
Over \$30,000	35%	
Over \$25,000	40%	
Over \$20,000	45%	
\$20,000 or Less	50%	

If a school district has more Title I ARRA carryover funds than allowed, the school district has two options:

- A school district can opt to request a waiver to carry over and use the Title I ARRA funds through September 30, 2011.

or

- If the school does not want to keep the funds, the district can relinquish these funds. Those funds then move into a pot of money called "reallocated funds" and other school districts can then apply for those funds.

A form outlining both options will be sent to the district with the Title I ARRA Final Financial Report. The Title I authorized representative will check the box of their choice, sign, and return it to the state Title I office.

Districts who choose to expend year one Title I ARRA funds through September 30, 2010 must close out their program and submit the Title I ARRA Final Financial Report by October 15, 2010.

#### Access Title I ARRA Funds for Year Two

Once the Title I ARRA Final Financial Report is processed and the official carryover is determined, school personnel can determine how to use the carryover funds.

#### ARRA Allocations Under \$200,000:

- Districts whose original Title I ARRA allocation was under \$200,000 will simply log on to the STARS and complete a Title I ARRA budget revision outlining how they will utilize the remaining funds through September 30, 2011.
- Your ARRA Title I Final Financial Report must be submitted and approved before you can log on to the STARS and complete the budget revision.
- The approved Title I ARRA Final Financial Report will be signed and mailed to the Title I authorized representative and business manager. The carryover amount to use for the budget revision will be listed on the bottom right corner.
- Log on to the STARS at <https://secure.apps.state.nd.us/dpi/starsStimulus/Login.aspx> and click on Federal Title-Consolidated Budget Revision. Districts will be completing a budget revision for the 2009-2010 school year to access their ARRA funds through September 30, 2011.
- When you have completed the budget revision on the STARS, DO NOT press submit. Email your Title I contact person and let them know the budget revision has been completed. They will review the budget revision for accuracy. If everything on the budget revision is acceptable, they will have you submit and the budget revision will be processed. If there are changes that need to be made, they will communicate those changes with the district.
- If you accidentally submit before it is approvable, Stephanie Gullickson will need to unsubmit the budget revision. When the budget revision is approvable, the Title I contact person will forward it on to the director for final approval. Mary Neigum, Title I fiscal officer, will send an email and an attachment of your approved budget once the budget revision has been approved.

- For the final step, Stephanie Gullickson, DPI's grants manager, will send official correspondence documenting that the budget revision and funding through September 30, 2011 has been approved. Review the correspondence carefully as it will contain important information.

#### ARRA Allocations Over \$200,000:

- Districts whose original Title I ARRA allocation was over \$200,000 will need to complete a new 2010-2011 Title I ARRA consolidated application to access the funding through September 30, 2011. Large districts that participate in the Title I targeting process have individual school budgets and, therefore, must complete a new application. Also, districts with large allocations that cannot reasonably identify their activities using the budget revision process must submit a new consolidated application.
- Your Title I ARRA Final Financial Report must be submitted and approved before you can log on to the STARS and complete the budget revision.
- The approved Title I ARRA Final Financial Report will be mailed to the Title I authorized representatives and business managers. The carryover amount to use for the new Title I ARRA application will be listed on the bottom right corner.
- Log on to the STARS at <https://secure.apps.state.nd.us/dpi/starsStimulus/Login.aspx> and click on Consolidated Application. Make sure you scroll to the 2010-2011 school year. Districts will complete the Title I ARRA consolidated application similar to last year to access ARRA funding through September 30, 2011.
- When you have completed the application on the STARS, DO NOT press submit. Email your Title I contact person and let them know the application has been completed. They will review the application for accuracy. If everything on the application is acceptable, they will have you submit and the application will be processed. If there are changes that need to be made, they will communicate those changes with the district.
- If you accidentally submit before it is approvable, Stephanie Gullickson will need to unsubmit the application. When the application is approvable, the Title I contact person will forward it on to the director for final approval. Once the director has signed off on the grant award, Mary Neigum, Title I fiscal officer, will send an email and an attachment of your approved budget informing you that the application has officially been approved.
- For the final step, Stephanie Gullickson, DPI's grants manager, will send official correspondence along with the grant award documenting that the application and funding through September 30, 2011 has been approved. Review the correspondence carefully as it will contain important information.

Again, it is imperative that once a district has submitted a Final Financial Report to close out year one ARRA funding, they submit the budget revision/application as soon as possible to ensure that all expenditures in year two funding are allowable and approved. All Title I ARRA budget revisions/applications for year two ARRA funding must be submitted by November 1, 2010 in order to be eligible for Title I ARRA funding through September 30, 2011.