

American Recovery and Reinvestment Act

Grant Award and Carryover Process

The North Dakota Department of Public Instruction was originally intending to issue a grant award for the Title I Economic Stimulus funding from May 2009 – September 30, 2011. However, the new U.S. Department of Education Title I guidance on the Economic Stimulus funds states:

“An LEA must obligate at least 85 percent of its total FY 2009 Title I Part A funds (including ARRA funds) by September 30, 2010. Any remaining FY 2009 Title I Part A funds will be available for obligation until September 30, 2011.”

Therefore, we need to obtain clarification on whether or not we can do a two-year grant award or a one-year grant award with the option to carry over any remaining funds until September 30, 2011.

North Dakota’s current guidance on Title I carryover provisions state:

“Title I law states that school districts may only carryover 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 $\$36,432 \times 30\% = \$10,929.60$ 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 carryover than allowed for a school year, the school district has a waiver option: A school district can opt to request a waiver to keep the excess carryover funds once every three years. If the school district decides to keep the funds, the excess carryover is then added to the current year’s allocation for that school district and they can spend the funds during the following school year.

A district’s carryover is 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). 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 Financial Report – SFN 7822. A copy of the approved Title I Financial Report is sent to both the Title I authorized representative and the business manager.