

## **AMERICAN RECOVERY AND REINVESTMENT ACT EDUCATION FUNDING FOR MASSACHUSETTS**

Over the next two years, Massachusetts will receive substantial assistance through the ARRA to support early education, K-12 education, and higher education. Based on preliminary estimates released by the U.S. Department of Education, Massachusetts is expected to receive \$1,881,421,901<sup>1</sup> in accordance with the key provisions listed below (this amount does not include potential competitive grant awards and support for capital projects).

The U.S. Department of Education (ED) has provided specific guidelines and a timetable for disbursement for selected funding streams included in the ARRA (including the State Fiscal Stabilization Fund; Title I, Part A; and IDEA, Parts B and C), and will provide additional information about other funding streams in the near future. ED will also provide information about the time frame for selected competitive grants within the next several months. Information about ARRA education funding is available on the ED.gov Recovery website (<http://www.ed.gov/policy/gen/leg/recovery/index.html>) and guidance documents for specific programs are available at <http://www.ed.gov/policy/gen/leg/recovery/programs.html>.

### Funding Announced to Date:

- \$412 million from the State Fiscal Stabilization Fund to guarantee foundation-level funding and hold all school districts harmless in FY 2009
- \$168 million from the State Fiscal Stabilization Fund to guarantee foundation-level funding for all school districts in FY 2010, based on Governor Patrick's House 1 budget proposal
- \$162 million from the State Fiscal Stabilization Fund to restore state funding for public colleges and universities in FY 2010, based on Governor Patrick's House 1 budget proposal
- \$280 million in additional IDEA, Part B Grants to States and \$10 million in IDEA, Part B Preschool Grants to support the provision of special education services
- \$163 million in additional Title I, Targeted Grants and Education Finance Incentive Grants to support high-poverty districts in Massachusetts

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<sup>1</sup> This amount includes the total allocation to Massachusetts from the State Fiscal Stabilization Fund (\$994,258,205). According to the ARRA, 81.8 percent of the State Fiscal Stabilization Fund (\$813,303,212) must be used to restore state aid to school districts and public institutions of higher education in FY 2009, 2010, and 2011. The remaining 18.2 percent (\$180,954,993) may be used for public safety and other government services, which also may include education services.

## **STATE FISCAL STABILIZATION FUND**

Massachusetts will receive \$994,258,205, of which 81.8 percent (\$813,303,212) must be used to 1) restore state aid to school districts to the greater of the FY 2008 or 2009 level in FY 2009, 2010, and 2011 in accordance with the state's primary funding formula for elementary and secondary schools (and where applicable, allow the implementation of increases to K-12 education for FY 2010 and 2011 that were enacted prior to October 1, 2008) and 2) restore state support to public institutions of higher education to the greater of the FY 2008 or 2009 level to the extent feasible. Funds also may be used to support early childhood education, and any remaining funding must be allocated to school districts based on the Title I formula.

*Funding will be available in two stages. Massachusetts submitted its application for the initial 67 percent of funding on May 15, 2009, and this allocation will be available within two weeks of receipt of an approvable application to ED.*

*Governors must provide the following types of information:*

- 1) Assurances that they are advancing the four reforms described in the statute (making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, establishing pre-K to college and career data systems, making improvements in teacher effectiveness and the equitable distribution of qualified teachers, and providing intensive support and effective interventions for the lowest-performing schools);*
- 2) Baseline data on their current status in each area; and*
- 3) Basic information about how the funds will be used.*

*In addition, the state must provide assurances that the state will meet federal maintenance of effort requirements.*

- In FY 2009, 2010, and 2011, the state will maintain state support for elementary and secondary education at least at the level of such support in FY 2006.*
- In FY 2009, 2010, and 2011, the state will maintain state support for public IHEs (not including support for capital projects or for research and development or tuition and fees paid by students) at least at the level of such support in FY 2006.*

*If a state demonstrates that the amount of funding it will receive in phase one is insufficient to prevent the immediate layoff of personnel by school districts, state educational agencies, or publicly funded institutions of higher education, the Department will award the state up to 90 percent of its allocation in phase one, and the remaining portion will be provided after approval of the state plan.*

*To receive the second round of funding, governors must provide information about state plans and progress in the four reform areas described above, and states must also describe how the state and its school districts will use fiscal stabilization and other types of funds in a fiscally prudent manner that will substantially improve teaching and learning.*

*The Department will issue additional guidance about the specific requirements that states must meet to receive phase two allocations, and funds will be awarded beginning July 1, 2009 on a rolling basis.*

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## **EARLY CHILDHOOD EDUCATION**

- **Child Care and Development Block Grant:** Massachusetts received approximately \$23,966,942 to provide child care services, of which \$1,981,321 is for quality improvement and \$1,147,444 is for infants and toddlers. The supplemental funds will provide assistance for an additional 1,250 Massachusetts children.
- **Head Start and Early Head Start:** Massachusetts will receive approximately \$10,282,920 in combined funding to support Head Start and Early Head Start programs, which will allow providers to serve 1,100 more children. The Head Start funds will be allocated according to the current statutory formula, and the Early Head Start funds will be awarded on a competitive basis. *Grant applications for Head Start and Early Head Start programs will be available in the coming weeks.*
- **IDEA, Part C Grants for Infants and Families:** Massachusetts will receive an additional \$7,361,826 to support special education services for infants and families to supplement the amount that the state currently receives annually (\$7,346,249 in 2008). The funds will be used to support activities such as the provision of direct early intervention services for infants and toddlers with disabilities and their families and the creation or expansion of linkages with appropriate public and private entities that identify and evaluate at-risk infants and toddlers, make referrals as appropriate, and periodically monitor infant and toddler status.

*Approximately fifty percent of the funding was made available on April 1, 2009 without requiring a new application. In order to receive the remaining funds, states will need to submit additional information that addresses how the state will meet stipulated accountability and reporting requirements. The second half of the rewards will be made by September 30, 2009 upon approval of the state's recordkeeping and reporting submission.*

*States must obligate all IDEA, Part C funds by September 30, 2011. The Secretary of the U.S. Department of Education has reserved funds for Part C incentive grants for states that elect to make Part C services available to children with disabilities beyond three years of age. In order to receive a State Incentive Grant under this provision, states must include in its FY 2009 application the policies and other information showing it has met the relevant requirements of the IDEA.*

- The state will also receive \$10.2 million in additional funding through IDEA, Part B Preschool Grants to support special education services for preschool-aged children (please refer to page 6).

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## **ELEMENTARY AND SECONDARY EDUCATION**

- **Title I, Part A:** Massachusetts will receive an additional \$163,680,278 in Targeted Grants and Education Finance Incentive Grants for districts to support schools in high-poverty areas to supplement the amount that the state currently receives annually (\$233,353,571 in 2008). A portion of the funding should support early childhood programs and activities, and states are encouraged to use 40 percent of the School Improvement allocation in particular to support middle and high schools (additional Title I, Part A funding under the School Improvement Program is forthcoming).

*Approximately fifty percent of Title I, Part A funds was released on April 1, 2009 without requiring new state applications, and the remainder of the funds will be available from July 1, 2009 through September 30, 2009 pending the submission of additional information to the U.S. Department of Education. In order to receive the remaining Title I, Part A funds, states must submit an amendment to its Consolidated Application that addresses how recordkeeping and reporting requirements will be met.*

*The Title I, Part A awards will be made in addition to the regular FY 2009 Title I, Part A grant awards that will be made on July 1, 2009 and October 1, 2009. These four grant awards (two phases of ARRA funding and the regular FY 2009 awards) will constitute a state's total FY 2009 Title I, Part A allocation. School Improvement Grant funding will be available beginning in fall 2009, and will be conditioned upon receipt of further information that will be outlined in future guidance.*

*In the absence of a waiver, school districts must obligate at least 85 percent of the total FY 2009 Title I, Part A funds (including the ARRA funds) by September 30, 2010, and all remaining funds must be obligated by September 30, 2011.*

- **Educational Technology Grants:** Massachusetts will receive an additional \$10,576,105 to support state, district, and school technology investments in K-12 schools to supplement the amount that the state currently receives annually (\$4,250,448 in 2008). Funding for the integration of technology into curricula will be used for technology hardware, software applications, professional development, and related instructional technology staff and services. *Funding will be available beginning in fall 2009, and will be conditional upon receipt of further information that will be outlined in future guidance.*
- **National School Lunch Program Equipment Assistance:** Massachusetts received \$1,404,025 for competitive grants to school food authorities in low income districts for equipment assistance.

- Impact Aid: \$100 million nationwide for construction grants to school districts that educate high percentages of children living on Indian lands and children of members of the uniformed services. Formula grants will help to pay for the construction, repair, and modernization of school buildings, and will be allocated in accordance with the number of eligible federally connected children in these districts. *Forty percent will be formula-based, and 60 percent will be distributed through competitive grants.*
- McKinney-Vento Funding: Massachusetts received an additional \$1,118,480 for competitive subgrants to school districts to provide comprehensive services to homeless students and their families (these subgrants will be awarded using a formula that is based on the number of homeless students identified in each school district in the state). *An application for competitive subgrants to school districts will be available in spring 2009.*
- Qualified School Construction Bonds: The ARRA provides \$22 billion nationwide (\$11 billion in both 2009 and 2010) for bonds to support the construction, modernization, and repair of public schools. Massachusetts will receive \$144,783,000 in 2009. In addition, two Massachusetts school districts, Boston and Springfield, are among the 100 largest high-need school districts in the country to which 40 percent of the nationwide Qualified School Construction Bond allocation will be directed for capital projects; in 2009 they will receive \$37,567,000 and \$17,864,000 respectively.
- Qualified Zone Academy Bonds: The ARRA provides \$1.4 billion nationwide in both 2009 and 2010 to expand the Qualified Zone Academy Bond program that supports the renovation of, provision of equipment to, development of course materials for use at, and the training of teachers and other personnel in a qualified zone academy (an eligible K-12 public school that operates an academic program in cooperation with businesses to increase graduation and employment rates). Massachusetts will receive \$21,752,000 in accordance with the respective population of individuals below the poverty line.

## **HIGHER EDUCATION**

- Pell Grants: Students at Massachusetts colleges and universities will receive \$363,545,014 in additional funding to supplement the amount that students currently receive annually (\$257,890,644 in 2008). The funding will support a \$4,860 maximum award for the 2009 – 2010 award year, and the bill also includes \$1.47 billion to cover the FY 2009 mandatory funding shortfall. With the additional \$490 in mandatory funding combined with the increase in the FY 2009 omnibus, the maximum Pell Grant award will be \$5,350. These funds will help approximately 85,000 low-income students to pay for college. *These funds will be available, pending disbursement, beginning July 1, 2009.*
- Federal Work Study: Massachusetts colleges and universities will receive an additional \$9,257,239 to provide work study jobs to supplement the amount that the state currently

receives annually (\$45,383,254 in 2008). *These funds will be available, pending disbursement, beginning July 1, 2009.*

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## **SPECIAL EDUCATION AND SUPPORT FOR INDIVIDUALS WITH DISABILITIES**

- **IDEA, Part B Grants to States:** Massachusetts will receive an additional \$280,551,559 to support state funding for special education services to supplement the amount that the state currently receives annually (\$269,786,890 in 2008). The funds will be used to support activities such as the provision of direct services to children with disabilities and technical assistance to schools and districts, the integration of technology into curricula and classroom instruction, the development and implementation of transition programs, and the implementation of capacity building activities to improve the delivery of services by school districts.
- **IDEA, Part B Preschool Grants:** Massachusetts will receive an additional \$10,263,466 to support special education services for preschool-aged children to supplement the amount that the state currently receives annually (\$9,735,466 in 2008). The funds will be used to support activities such as the provision of early intervention services that promote school readiness, the development and implementation of a state-wide coordinated services system, and the continuation of service coordination or case management for children and families.

*Approximately fifty percent of IDEA, Part B funds was released on April 1, 2009 without requiring new state applications, and the remainder of the funds will be available from July 1, 2009 through September 30, 2009 pending the submission of additional information to the U.S. Department of Education. These awards will be made in addition to the regular FY 2009 Part B grant awards that will be made on July 1, 2009 (Grants to States and Preschool Grants) and October 1, 2009 (Grants to States only), and will constitute a state's total FY 2009 IDEA, Part B Grants to States and Preschool Grants allocations.*

*School districts should obligate the majority of the IDEA, Part B funds during the 2008 – 2009 and 2009 – 2010 school years. All additional IDEA, Part B funds must be obligated by September 30, 2011.*

- **Vocational Rehabilitation State Grants:** Massachusetts will receive an additional \$7,068,629 to support vocational rehabilitation activities and for individuals to supplement the amount that the state currently receives annually (\$45,812,921 in 2008). The funds will be used to support the provision of services that are designed to help individuals with disabilities prepare for and engage in employment that is consistent with their strengths, resources, priorities, concerns, abilities, interests, and informed choice. *A minimum of 50 percent of the funding was made available on April 1, 2009.*
- **Independent Living State Grants:** Massachusetts will receive an additional \$286,391 to support services to help individuals with disabilities live independently to supplement the

amount that the state currently receives annually (\$350,897 in 2008). Formula grants will be allocated to states to support activities such as the provision of independent living services to individuals with significant disabilities, activities to increase the capacity of public or non-profit entities to develop comprehensive systems for providing independent living services, and the provision of outreach to underserved populations. State vocational rehabilitation agencies or other designated state units may apply for funding. *Of the nationwide funding amount of \$140 million, \$52.5 million in formula funding was made available on April 1, 2009 and the remaining \$87.5 will be distributed by competitive grants at a later date.*

- **Services for Older Individuals Who Are Blind:** Massachusetts will receive an additional \$778,450 to supplement the amount that the state currently receives annually (\$672,267 in 2008). State vocational rehabilitation agencies serving individuals who are blind may apply for funding to provide independent living services to older individuals who are blind, and conduct activities that will improve or expand services for these individuals.

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### **COMPETITIVE GRANTS AND OTHER EDUCATION-RELATED PROVISIONS THAT COULD BENEFIT MASSACHUSETTS**

The stimulus bill also funds a number of other programs that the state, K-12 schools, higher education institutions, and other entities could apply for through competitive grants.

- **State Incentive Fund – “Race to the Top” Grants:** \$4.35 billion nationwide for competitive grants to states to promote equity in teacher distribution in K-12 schools, establish longitudinal data systems, develop high-quality academic assessments that are required under NCLB (including progress with regard to the inclusion of students with disabilities and English Language Learners), promote high-quality academic standards, and turn around low-performing schools. Each state that receives a grant must use at least 50 percent of the award to provide subgrants to local education agencies based on Title I allocations. *The U.S. Department of Education will conduct a national competition among states for a “Race to the Top” fund to improve education quality and results statewide. Guidelines and applications will be available in the near future, and grants will be awarded in two rounds in fall 2009 and spring 2010.*
- **Innovation Fund – “Investing in What Works and Innovation” Grants:** \$650 million nationwide for the U.S. Secretary of Education to make awards to states, school districts, and schools that have significantly closed achievement gaps, exceeded No Child Left Behind performance objectives, significantly improved graduation rates and the recruitment and placement of high-quality teachers, and have also established private sector partnerships (including with philanthropic organizations that provide matching funds) to help bring results to scale. *Funding for “Invest in What Works and Innovation” will be available through a competition to districts and non-profit organizations, and guidelines will be available in the near future.*

- Teacher Incentive Fund: \$200 million nationwide for competitive grants for local districts (including partnerships of 1) a local educational agency, a state, or both and 2) at least one non-profit organization) to support performance-based teacher and principal compensation systems in high-need schools. These compensation systems must consider gains in student achievement as well as ongoing classroom evaluations (among other factors), and must provide educators with incentives to assume additional responsibilities and leadership roles. *Funding will be available beginning in fall 2009 based on the quality of the applications submitted through a competitive grant process, and guidelines will be available in the near future.*
- Teacher Quality Enhancement Grant Program: \$100 million nationwide for competitive grants to partnerships (which may include states) to promote innovative approaches for training K-12 teachers. *Funding will be available beginning in fall 2009 based on the quality of the applications submitted through a competitive grant process, and guidelines will be available in the near future.*
- Statewide Longitudinal Data Systems: \$250 million nationwide for competitive grants to state educational agencies to design and implement longitudinal data systems to manage, analyze, disaggregate, and utilize individual student data. *Funding will be available beginning in fall 2009 based on the quality of the applications submitted through a competitive grant process, and guidelines will be available in the near future.*
- Broadband Technology Opportunities Program: \$200 million nationwide for competitive grants to public libraries and community colleges to expand public computer center capacity.
- Community College and Career Training Grant Program: \$40 million in FY 2009 and 2010 (and \$10 million for the period beginning October 1, 2010 and ending December 31, 2010) in competitive grants to educational institutions to develop, offer, or improve education and career training programs suited to workers who are eligible for the Trade Adjustment Assistance for Workers program.
- Health Care Workers: \$500 million nationwide to address workforce shortages in health professions (including \$300 million for the National Health Service Corps recruitment and field activities, of which \$75 million will be available through September 30, 2011). The remaining funding will be allocated for all disciplines trained through specific programs, selected scholarship and loan repayment programs, grants to training programs for equipment, and to foster cross-state licensing agreements for healthcare specialists.

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## **RESEARCH FUNDING**

The ARRA provides additional funding for a number of research-related programs (including funds for construction and renovation of research facilities) for which Massachusetts colleges and universities typically are eligible to apply.



- Department of Agriculture
  - Agricultural Research Service – Building and Facilities: \$176 million nationwide to address critical deferred maintenance of the aging laboratory and research infrastructure.
  
- National Institute of Standards and Technology
  - Scientific and Technical Research and Services: \$220 million nationwide for research, competitive grants, research fellowships, and advanced research and measurement equipment and supplies.
  - Construction of Research Facilities: \$360 million nationwide for maintenance or renovation and for the construction of new facilities and laboratories.
  
- National Aeronautics and Space Administration
  - Science: \$400 million nationwide to accelerate the development of climate research missions and to increase supercomputing capabilities of the agency.
  - Aeronautics: \$150 million nationwide for system-level research, development and demonstration activities related to aviation safety, environmental impact mitigation, and the Next Generation Air Transportation System (NextGen).
  - Exploration: \$400 million nationwide for exploration activities.
  
- National Science Foundation
  - Major Research Instrumentation Program: \$300 million nationwide to increase access to shared scientific and engineering instruments for research and research training in institutions of higher education, museums and science centers, and non-profit organizations. *Information about this grant opportunity was released on May 11, 2009 and can be accessed at [http://www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=nsf09561](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf09561)*
  - Academic Research Infrastructure Program: \$200 million nationwide for awards to institutions of higher education, independent nonprofit research institutions, research museums, and consortia for the repair, renovation, or replacement of laboratories and research facilities. *Information about this grant opportunity was released on May 11, 2009 and can be accessed at [http://www.nsf.gov/publications/pub\\_summ.jsp?ods\\_key=nsf09562](http://www.nsf.gov/publications/pub_summ.jsp?ods_key=nsf09562).*

- Education and Human Resources: \$100 million nationwide
  - \$60 million for the Robert Noyce Scholarship Program: This program provides funds to institutions of higher education to support scholarships, stipends, academic programs, and professional development for undergraduate STEM majors, post-baccalaureate students holding STEM degrees, and STEM professionals who commit to teaching in high-need K-12 school districts.
  - \$25 million for Math and Science Partnerships: This program is a major research and development effort that supports innovative partnerships to improve K-12 student achievement in mathematics and science. MSP projects are expected to raise the achievement levels of all students and significantly reduce achievement gaps in the mathematics and science performance of diverse student populations.
  - \$15 million for Professional Science Master's Programs: The Professional Science Master's is an innovative, new graduate degree designed to allow students to pursue advanced training in science or mathematics, while simultaneously developing workplace skills highly valued by employers.
- Major Research Equipment and Facilities Construction: \$400 million nationwide.
- Department of Energy
  - Science: \$1.6 billion nationwide (the bill also includes \$3.4 billion for fossil energy research and development and \$400 million for the Advanced Research Projects Agency – Energy).
- National Institutes of Health
  - Office of the Director: \$8.2 billion nationwide for grants that are focused on specific scientific challenges, new research that expands the scope of ongoing projects, and research about public and international health priorities. In addition, funding can be used to enhance central research support activities, centralized information support systems, and other related activities.
  - National Center for Research Resources: \$1 billion nationwide for competitive awards for the construction, renovation, and repair of existing non-federal research facilities and \$300 million for the acquisition of shared instrumentation and other capital research equipment.