

**American Recovery
and
Reinvestment
Act of 2009**

Use of Funds Summary

Virginia Department of Education

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American Recovery and Reinvestment Act of 2009 Use of Funds Summary

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The American Recovery and Reinvestment Act of 2009 Use of Funds Overview

On February 17, 2009, the *American Recovery and Reinvestment Act of 2009* (ARRA) was signed into law. The overarching goals of the ARRA are to stimulate the economy in the short term and invest in education and other essential public services to ensure the long-term economic health of our nation. There are four principles that guide the distribution and use of ARRA funds. The four principles state that the funds: 1) must be spent quickly to save and create jobs; 2) should be used to improve student achievement through school improvement and reform; 3) will be subject to additional and more rigorous reporting requirements than normally apply to grant recipients; and 4) are available for only two to three years and should be invested in ways that do not result in unsustainable continuing commitments after the funding expires.

The ARRA includes three primary funding sources for public education: State Fiscal Stabilization Funds (SFSF); Title I, Part A, and Individuals with Disabilities Education Act (IDEA). The SFSF funds will be awarded to states based on a two-phased application submitted by the Governor. The ARRA Title I, Part A, and ARRA IDEA funds will also be distributed to states in two phases. The ARRA Title I, Part A, and ARRA IDEA funds will be awarded as formula grants. All three funding sources, the SFSF funds, the ARRA Title I, Part A, funds, and the ARRA IDEA funds are federal funds and will be disbursed to school divisions on a reimbursement basis.

The Virginia Department of Education (VDOE) plans to streamline the procedure by which school divisions can receive their initial portion of the ARRA Title I, Part A, funds by requesting an intent-to-apply form. The detailed information regarding how the ARRA Title I, Part A, funds and the regular Title I, Part A, funds will be used to meet the intent of the law will be requested through the FY09 application for Title I, Part A, funds due on July 1, 2009. Further guidance will be forthcoming from the United States Department of Education (USED) regarding procedures to receive ARRA IDEA funds and SFSF funds. The Virginia Department of Education will provide guidance to school divisions as it is received from USED.

The purpose of this document is to provide initial guidance for school divisions regarding the use of funds under the three primary funding sources for education: 1) SFSF; 2) Title I, Part A; and 3) IDEA. This guidance is based on the March 6, 2009, initial guidance issued by USED. The document is divided into two sections. The first section addresses the allowable use of funds under the State Fiscal Stabilization Funds. School divisions may use their funds under the SFSF for the modernization, renovation, or repair of public school facilities, or any of the activities authorized under the Elementary and Secondary Education Act of 1965 (ESEA), the Individuals with Disabilities Act (IDEA), the Carl D. Perkins Career and Technical Education Act of 2006, or the Adult Education and Family Literacy Act. The supplement not supplant provision does not apply to use of the SFSF funds. The second section addresses the allowable use of funds under the formula grants, ARRA Title I, Part A, and ARRA IDEA. School divisions must use their funds under these grants according to the provisions in ESEA or IDEA. The provision for using these funds to supplement, not supplant funds from nonfederal sources applies to use of funds under the ARRA Title I, Part A, and IDEA formula grants.

The chart below provides an overview of the three funding sources under ARRA, their allowable uses of funds, and their relationship to the supplement not supplant and maintenance of effort provision.

American Recovery and Reinvestment Act of 2009				
Federal Fiscal Year	Funding Sources for Education*	Use of Funds	Supplement Not Supplant Provision	Maintenance of Effort
2009	State Fiscal Stabilization Funds	May be used for any allowable activity under ESEA, IDEA, Perkins or Adult Education and Family Literacy Act; however, the statutory and regulatory provisions of these four Acts do not apply. May also be used for modernization, renovation, or repair of public school facilities.	Does not apply.	Does not apply.
2009	ARRA Title I, Part A, Funds	Must be used according to the statutory and regulatory provisions of ESEA.	Applies.	Applies.**
2009	ARRA IDEA Funds	Must be used according to the statutory and regulatory provisions of IDEA.	Applies.	Applies.**

*Funds will not be awarded on a recurring basis. Funds awarded to LEAs will be paid to LEAs on a reimbursement basis.

**SFSF may be treated as non-federal funds for the purpose of maintenance of effort upon prior approval by the United States Secretary of Education.

Section 1

**State Fiscal
Stabilization Funds**

May be used for

**Modernization, Renovation, or
Repair of Public School Facilities**

or

Any Activity Authorized Under the

**Elementary and Secondary Education Act (ESEA)
Individuals with Disabilities Act (IDEA)
Carl D. Perkins Career and Technical Education Act
Adult Education and Family Literacy Act**

Modernization, Renovation, or Repair of Public School Facilities

Funds from the State Fiscal Stabilization Fund may be used for modernization, renovation, or repair of public school facilities. The USED guidance on this topic refers states to the National Clearinghouse for Educational Funding (NCEF) Web site for detailed information. The links to the USED guidance document and the NCEF Web site are provided below.

USED Guidance Web site:

<http://www.ed.gov/policy/gen/leg/recovery/modernization/index.html>

NCEF Web site:

<http://www.ncef.org/index.cfm>

Allowable Uses of Funds:

The NCEF Web site suggests asking these questions of each project:

1. Is it educationally appropriate? Some projects, like fixing a leaky roof, are an outright necessity, but many are judgment calls. Is money better spent on security cameras or improving classroom acoustics? Teachers need to be given an effective voice in these matters. The idea is to make both school buildings and students high performing.
2. Is it neighborhood friendly? School improvement projects often have an impact on the surrounding neighborhood. Consult with neighbors and give them the opportunity to voice their opinions. Treated with consideration, neighbors can be strong allies.
3. Is it environmentally sound? Energy efficiency should be a high priority for every project. Consult with experts who know how to save energy and enhance the learning environment.
4. What is its long term impact? Some schools need major short-term repairs just to keep functioning.

Non-allowable Uses of Funds:

ARRA prohibits school divisions from using SFSF funds for: 1) maintenance costs; 2) stadiums or other facilities used primarily for athletic contests or other exhibitions or other events for which admission is charged to the general public; 3) the purchase or upgrade of vehicles; or 4) the improvement of stand-alone facilities whose purpose is not the education of children.

State Fiscal Stabilization Funds Summary for ESEA, IDEA, Perkins and Adult Family and Literacy Act

School divisions may use their funds under the SFSF for any of the activities authorized under the Elementary and Secondary Education Act of 1965 (ESEA); the Individuals with Disabilities Act (IDEA); the Carl D. Perkins Career and Technical Education Act of 2006; the Adult Education and Family Literacy Act (AEFLA). The table below provides an overview of **examples of some** of the allowable and activities permitted under these Acts that support the goals of ARRA. Detailed information on the allowable uses of funds within each Act follows the summary chart.

Allowable Uses of Funds				
	ESEA	IDEA	Perkins	AEFLA
Item(s)				
Program Administrators	X	X	X	X
Teachers	X	X	X	X
Paraprofessionals/Tutors	X	X		
Test Administrators	X	X		
School Resource/Security Officers	X			
School Nurses	X			
Student Assistance Specialists	X	X		
Library Media Specialists	X			
Support Staff	X	X		X
Recruitment and Retention	X	X		X
Professional Development	X	X	X	X
Program Evaluation	X	X	X	X
Materials and Supplies (including testing for students and teachers)	X	X		X
Parental Involvement Activities	X	X		
Migrant Recruiters	X			
Transitional Services	X	X		
Equipment	X	X	X	
Services to Private Schools	X		X	
Transportation	X	X		
Referral Services for Medical, Dental, Mental Health or other Health Services	X			
Indirect Costs	X	X	X	X
Construction*	X	X		

*Adaption of space.

Non-allowable Uses of Funds
• Maintenance costs
• Facilities used primarily for events for which admission is charged to the public
• Purchase or upgrade of vehicles
• Improvement of stand-alone facilities whose primary purpose is not education of children

Use of Funds Under the Elementary and Secondary Education Act (ESEA)

ESEA Program	Title I, Part A Improving the Achievement of the Disadvantaged Use of Funds		
Purpose of Program	Ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging state academic achievement standards and state academic assessments.		
Item(s)	Allowable Expenses As Specified by Requirements According to Program Type*		Non-allowable Expenses
	Schoolwide**	Targeted*** Assistance	
Program Administrators	X		
Teachers	X	X	
Paraprofessionals	X	X	
Tutors	X	X	
Support Staff	X		
Professional Development	X	X	
Program Evaluation	X	X	
Materials and Supplies	X	X	
Parental Involvement Activities	X	X	
Equipment	X	X	
Services to Private Schools ****	X	X	
Indirect Costs			X
Real Property			X
Construction			X

*Funds may be used only in Title I schools and must support the purposes of the Title I, Part A, program.

**Schoolwide funds may be used to upgrade entire education program of a school that serves an eligible attendance area in which not less than 40 percent of the children are from low-income families or not less than 40 percent of the children enrolled in the school are from such families.

***Targeted assistance funds can be used to serve children at greatest risk of failing to meet the state's academic achievement standards.

****Services for eligible private school children, teachers, and families according to the requirements must be provided for divisions that are **not** bypassed for Title I, Part A, services.

ESEA Program	Title I, Part B, Subpart 2 Reading First	
Purpose of Program	To provide assistance to states and school divisions in: 1) establishing reading programs for students in kindergarten through grade 3; 2) preparing teachers so they can effectively help students learn to read; 3) selecting or administering reading assessments; 4) selecting or developing effective reading instructional materials; and 5) strengthening coordination among early literacy and family literacy programs.	
Item(s)	Allowable Expenses*	Non-allowable Expenses
Teachers	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services to Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

*Funds may be used only for schools receiving Reading First funds and must support the purpose of the Reading First program.

ESEA Program	Title I, Part B, Subpart 3 William F. Goodling Even Start Family Literacy Programs	
Purpose of Program	To help break the cycle of poverty and illiteracy by: 1) improving the education opportunities of low-income families by integrating early childhood education, adult literacy or adult basic education and parenting education into a unified family literacy program; and 2) establishing a program that shall be implemented through cooperative projects, promote the academic achievement of children, assist children and adults from low-income families to achieve challenging state standards, and use instructional programs to prevent reading difficulties for children and adults.	
Item(s)	Allowable Expenses*	Non-allowable Expenses
Teachers	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services to Private Schools	X	
Indirect Costs		X
Real Property		X
Construction		X

*Funds may be used only for schools receiving Even Start funds and must support the purpose of the Even Start program.

ESEA Program	Title I, Part C, Education of Migratory Children	
	To assist states in: 1) supporting high-quality and comprehensive educational programs for migratory children; 2) ensuring that migratory children who move among the states are not penalized in any manner by disparities among state curriculum, graduation requirements, and content and achievement standards; 3) ensuring that migratory children are provided with appropriate educational services including supportive services; 4) ensuring that migratory children receive full and appropriate opportunities to meet state content and achievement standards; 5) designing programs to help migratory children overcome factors that inhibit the ability of such children to do well in school; and 6) ensuring that migratory children benefit from state and local systemic reform.	
Item(s)	Allowable Expenses*	Non-allowable Expenses
Teachers	X	
Paraprofessionals	X	
Tutors	X	
Support Staff	X	
Recruiters	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

*Funds may be used only for school divisions with eligible migrant children.

ESEA Program	Title I, Part D, Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or At-Risk	
Purpose of Program	To improve educational services for children and youth in local and state institutions for neglected or delinquent children and youth so that they: 1) have the opportunity to meet state content and achievement standards; 2) are provided with the services needed to make a successful transition from institutionalization to further schooling or employment; and 3) are prevented from dropping out of school and provided with a support system when returning to school from correctional facilities or institutions.	
Item(s)	Allowable Expenses*	Non-allowable Expenses
Teachers	X	
Paraprofessionals	X	
Support Staff	X	
Transition Programs	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Indirect Costs	X	
Real Property		X
Construction		X

*Funds may be used only for school divisions or state-operated programs with eligible neglected or delinquent children.

ESEA Program	Title II, Part A, Preparing, Training, and Recruiting High-Quality Teachers and Principals	
Purpose of Program	To provide grants to state educational agencies, school divisions, state agencies for higher education, and eligible partnerships to: 1) increase student academic achievement through improving teacher and principal quality and increasing the number of highly qualified principals and assistant principals in schools; and 2) hold school divisions and schools accountable for improvements in student academic achievement.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Teachers*	X	
Professional Development**	X	
Recruitment and Retention***	X	
Program Evaluation	X	
Materials and Supplies for Professional Development	X	
Teacher Testing	X	
Equipment for Professional Development	X	
Services to Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

*For class-size reduction purposes only or for master teachers who provide or coordinate professional development for other teachers.

**Professional development can be provided for teachers in the federal core content areas (reading/language arts, English, mathematics, science, history and social science, foreign language, and the arts), as well as special education, gifted, and ESL teachers. Professional development may also be provided for superintendents, principals, assistant principals, and paraprofessionals.

***School divisions may offer signing bonuses in critical shortage areas or differentiated pay for highly effective teachers and principals.

ESEA Program	Title II, Part B, Mathematics and Science Partnerships	
Purpose of Program	To improve the academic achievement of students in the areas of mathematics and science by encouraging state education agencies, institutions of higher education, school divisions, and schools to: 1) improve and upgrade the status of mathematics and science teaching; 2) focus on the education of mathematics and science teachers as a career-long process; 3) bring mathematics and science teachers together with scientists, mathematicians, and engineers to increase subject matter knowledge; 4) develop more rigorous mathematics and science curriculum that are aligned with state and local academic content standards and standards expected for postsecondary study in engineering, mathematics, and science; and 5) improve and expand the training of mathematics and science teachers.	
Item(s)	Allowable Expenses*	Non-allowable Expenses
Teachers	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Equipment	X	
Services to Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

*Funds may be used only by partnerships that have been awarded funds as a result of a competitive process.

ESEA Program	Title II, Part D, Enhancing Education Through Technology	
Purpose of Program	To improve student academic achievement through the use of technology in elementary and secondary schools. To assist every student in crossing the digital divide by ensuring that every student is technologically literate by the time the student finishes the eighth grade and to encourage the effective integration of technology resources and systems with teacher training and curriculum development.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Equipment	X	
Parental Involvement Activities	X	
Services to Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

ESEA Program	Title III, Part A, Language Instruction for Limited English Proficient and Immigrant Students	
Purpose of Program	To help ensure that limited English proficient (LEP) children attain English proficiency, develop high levels of academic attainment in English and meet state academic and achievement standards by: 1) developing and sustaining high quality language instruction educational programs; 2) promoting parental and community participation; and 3) holding state educational agencies, school divisions, and schools accountable for increases in English proficiency and core academic knowledge.	
Item(s)	Allowable Expenses*	Non-allowable Expenses
Program Administrators	X	
Teachers	X	
Paraprofessionals	X	
Tutors	X	
Translators	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Equipment	X	
Parental Involvement Activities	X	
Services to Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

*Funds may be used only for school divisions with eligible LEP and/or immigrant children and youth. A two percent cap exists on funds used for administration.

ESEA Program	Title IV, Part A, Safe and Drug-free Schools and Communities	
Purpose of Program	To foster a safe and drug-free learning environment that supports student academic achievement by supporting programs that: 1) prevent violence in and around schools; 2) prevent the illegal use of alcohol, tobacco, and drugs; 3) involve parents and communities; and 4) are coordinated with related federal, state, school, and community efforts and resources to foster a safe and drug-free learning environment that supports student academic achievement.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators*	X	
Student Assistance Specialists**	X	
School Resource/Security Officer*	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services to Private Schools	X	
Indirect Costs	X	
Tutoring/Academics		X
Real Property		X
Construction		X

*Funding caps apply.

**Funding for these positions may support prevention programming.

ESEA Program	Title IV, Part B, 21st Century Community Learning Centers	
Purpose of Program	To provide: 1) opportunities for academic enrichment to help students meet state and local academic standards in core academic subjects; 2) students a broad array of additional services, programs, and activities that are designed to complement the regular academic program; and 3) offer families of students served opportunities for literacy and related educational development.	
Item(s)	Allowable Expenses*	Non-allowable Expenses
Program Administrators	X	
Teachers	X	
Paraprofessionals/Tutors	X	
Professional Development	X	
Program Evaluation and Monitoring	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services to Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

*Funds may be used only by community learning centers that have been awarded funds through a competitive process to provide service outside of the regular school day.

ESEA Program	Title V, Part A, Innovative Programs	
Purpose of Program	To support local education reform efforts that are consistent with and support statewide education reform efforts by: 1) providing funding to enable state educational agencies and school divisions to implement promising educational reform and school improvement programs; 2) providing a continuing source of innovation and improvement including support programs to provide library services and instructional and media materials; and 3) developing and implementing education programs to improve school, student, and teacher performance, including professional development and class-size reduction programs.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators	X	
Teachers	X	
Library Media Specialists	X	
School Nurses	X	
Paraprofessionals/Tutors	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services to Private Schools	X	
Indirect Costs	X	
Real Property		X
Construction		X

ESEA Program	Title VI, Part A, Improving Academic Achievement	
Purpose of Program	To pay the costs or the development of the additional state assessments and standards required by Section 1111(b). If a state has developed the assessments and standards required by Section 1111(b), to administer those assessments or to carryout other activities related to ensuring that school divisions and schools are held accountable for results.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Test Administrators	X	
Professional Development	X	
Testing Materials and Supplies	X	
Equipment	X	

ESEA Program	Title VI, Part B, Subpart 2, Rural and Low-income School Program	
Purpose of Program	To address the unique needs of rural school divisions that frequently lack the personnel and resources needed to compete effectively for federal competitive grants and receive formula grant allocations in amounts too small to be effective in meeting their intended purposes.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators	X	
Teachers	X	
Paraprofessionals/Tutors	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Indirect Costs	X	
Real Property		X
Construction		X

ESEA Program	Title X, Part C, Subtitle B, Education for Homeless Children and Youth	
Purpose of Program	To ensure that each child of a homeless individual and each homeless youth has equal access to the same free, appropriate public education, including a preschool education, as provided to other children and youth.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators	X	
Teachers	X	
Paraprofessionals/Tutors	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Excess Transportation	X	
Referral Services for Medical, Dental, Mental Health or other Health Services	X	
Equipment	X	
Indirect Costs	X	
Real Property		X
Construction*	X	

*Adaption of space.

Use of Funds Under the Individuals with Disabilities Act (IDEA)

Program	IDEA, Part B, Sections 611 and 619	
Purpose of Program	To provide assistance with the excess costs of educating children with disabilities.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators	X	
Teachers	X	
Paraprofessionals	X	
Tutors	X	
Support Staff	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services to Private Schools	Special education services to children placed in private schools.	Generally, expenditures that primarily benefit the school itself.
Indirect Costs	X	
Real Property	With U.S. Secretary of Education approval	
Construction	With U.S. Secretary of Education approval	

**Use of Funds Under the Carl D. Perkins Career and
Technical Education Act of 2006**

Program	Carl D. Perkins Career and Technical Education Act of 2006	
Purpose of Program	To develop more fully the academic and career and technical skills of secondary education students and postsecondary education students who elect to enroll in career and technical education programs; and to provide an increased focus on the academic achievement of career and technical education students, strengthen the connections between secondary and postsecondary education, and improve state and local accountability.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators	X ¹	
Teachers	X ²	
Paraprofessionals		X
Tutors		X
Support Staff		X
Professional Development	X	
Program Evaluation	X	
Materials and Supplies		X
Parental Involvement Activities		X
Equipment	X	
Services to Private Schools	X ³	
Indirect Costs	X	
Real Property		X
Construction		X

¹The Perkins Act has a cap of 5 percent on administrative expenditures.

² Section 317 of the Act allows the participation of private school personnel in professional development programs supported by the Act required (instead of optional) to the extent practical and upon written request. A subsection also requires local school districts to consult with representatives of private nonprofit schools, upon written request, regarding the meaningful participation of their students in CTE programs. Local school districts must then use Perkins funds to provide for this participation.

³Limited to amount allowed by the Virginia Department of Education.

Use of Funds Under the Adult Education and Family Literacy Act

Program	Adult Education and Literacy Program (Adult Education and Family Literacy Act of 1998) (AEFLA)	
Purpose of Program	The purpose of AEFLA is to provide adult education and literacy services to assist adults to become literate and obtain the knowledge and skills necessary for employment and self-sufficiency; assist adults who are parents to obtain the educational skills necessary to become full partners in the educational development of their children; and assist adults in the completion of a secondary school education. To accomplish these goals, instructional services are provided to adults in the following areas: GED Test preparation, Adult Basic Education for low-level adult learners, and English for Speakers of Other Languages (ESOL) classes.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators*	X	
Teachers	X	
Paraprofessionals	NA	
Tutors	NA	
Support Staff	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	NA	
Equipment	X	
Services to Private Schools		X
Indirect Costs	X	
Real Property		X
Construction		X

*There is a five percent (5%) cap on administration.

Section 2

ARRA Formula Grants

ARRA Title I, Part A ARRA IDEA

ARRA Title I, Part A Formula Grants

School divisions must use their funds under these grants according to the statutory and regulatory provisions in ESEA. The provision for using these funds to supplement, not supplant funds from nonfederal sources applies to use of funds under the ARRA formula grants.

ESEA Program	ARRA Title I, Part A Improving the Achievement of the Disadvantaged Use of Funds		
Purpose of Program	Ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging state academic achievement standards and state academic assessments.		
Item(s)	Allowable Expenses As Specified by Requirements According to Program Type*		Non-allowable Expenses
	Schoolwide**	Targeted*** Assistance	
Program Administrators	X		
Teachers	X	X	
Paraprofessionals	X	X	
Tutors	X	X	
Support Staff	X		
Professional Development	X	X	
Program Evaluation	X	X	
Materials and Supplies	X	X	
Parental Involvement Activities	X	X	
Equipment	X	X	
Services to Private Schools ****	X	X	
Supplemental Educational Services/Public School Choice*****			
Indirect Costs			X
Real Property			X
Construction			X

*Funds may only be used in Title I schools and must support the purposes of the Title I, Part A, program.

**Funds may be used to upgrade entire education program of a school that serves an eligible attendance area in which not less than 40 percent of the children are from low-income families or not less than 40 percent of the children enrolled in the school are from such families.

***Funds can be used to serve children at greatest risk of failing to meet the state's academic achievement standards.

****Services for eligible private schools children, teachers, and families according to the requirements must be provided for divisions that are **not** bypassed for Title I, Part A, services.

*****Sanctions required for Title I schools in School Improvement.

Supplement Not Supplant* ESEA Formula Grants

Under the United States Department of Education (USED) compliance supplement, A-133, cross-cutting section, 4-84.000-15, III G 2.2, Level of Effort – Supplement Not Supplant, a State Education Agency (SEA) and a Local Educational Agency (LEA) may use program funds only to supplement and, to the extent practical, increase the level of funds that would, in the absence of the Federal funds, be made available from nonfederal sources for the education of participating students. In no case may an LEA use federal program funds to supplant funds from nonfederal sources.

In the following instances, it is presumed that supplanting has occurred:

- The SEA or LEA used federal funds (except bilingual) to provide services that the SEA or LEA was required to make available under other federal, state or local laws.
- The SEA or LEA used federal funds to provide services that the SEA or LEA provided with nonfederal funds in the prior year.
- The SEA or LEA used Title I, Part A, or Migrant Educational Program (MEP) funds to provide services for participating children that the SEA or LEA provided with nonfederal funds for nonparticipating children.

These presumptions are rebuttable if the SEA or LEA can demonstrate that, if federal funds had not been available, it would not have provided the services in question with nonfederal funds.

*ESEA programs in this summary to which this section applies are:

- Title I, Part A
- Title I, Part C, Migrant Education Programs
- Title II, Part A, Improving Teacher Quality State Grants
- Title II, Part D, Education Technology State Grants
- Title III, Part A, English Language Acquisition State Grants
- Title IV, Part A, Safe and Drug-free Schools and Communities
- Title IV, Part B, 21st Century Community Learning Centers
- Title V, Part A, State Grants for Innovative Programs

ARRA Individuals with Disabilities Act (IDEA) Formula Grants

School divisions must use their funds under this grant according to the statutory and regulatory provisions IDEA. The provision for using these funds to supplement, not supplant funds from nonfederal sources applies to use of these funds under the ARRA formula grants.

IDEA Program	ARRA IDEA, Part B, Sections 611 and 619	
Purpose of Program	To provide assistance with the excess costs of educating children with disabilities.	
Item(s)	Allowable Expenses	Non-allowable Expenses
Program Administrators	X	
Teachers	X	
Paraprofessionals	X	
Tutors	X	
Support Staff	X	
Professional Development	X	
Program Evaluation	X	
Materials and Supplies	X	
Parental Involvement Activities	X	
Equipment	X	
Services to Private Schools	Special education services to children placed in private schools.	Generally, expenditures that primarily benefit the school itself.
Indirect Costs	X	
Real Property	With U.S. Secretary of Education approval	
Construction	With U.S. Secretary of Education approval	