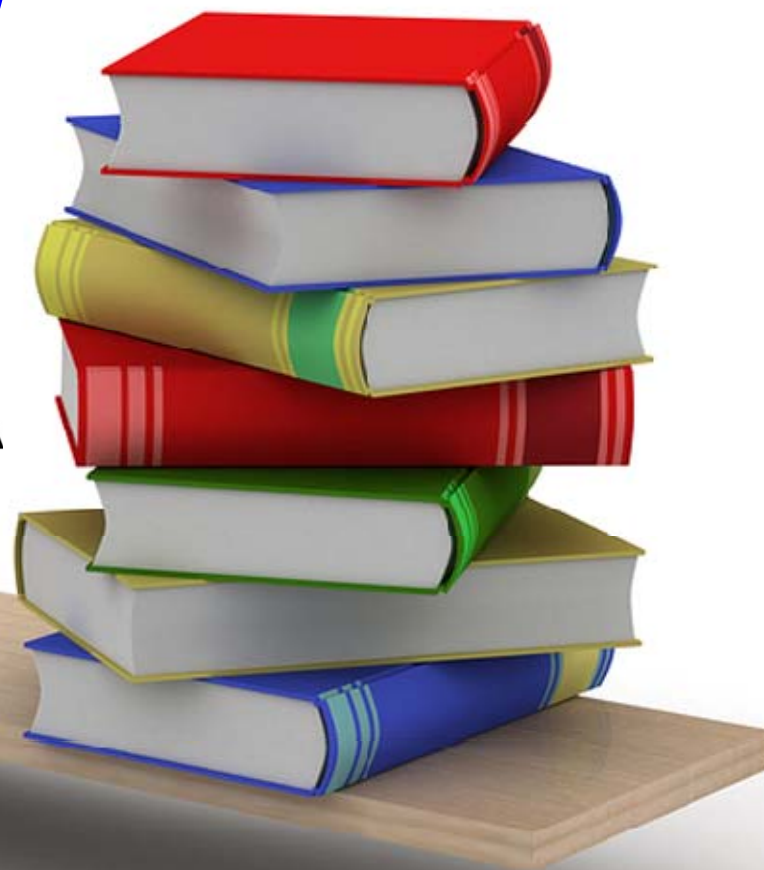


Federal Funding for Education Jobs: What Now?

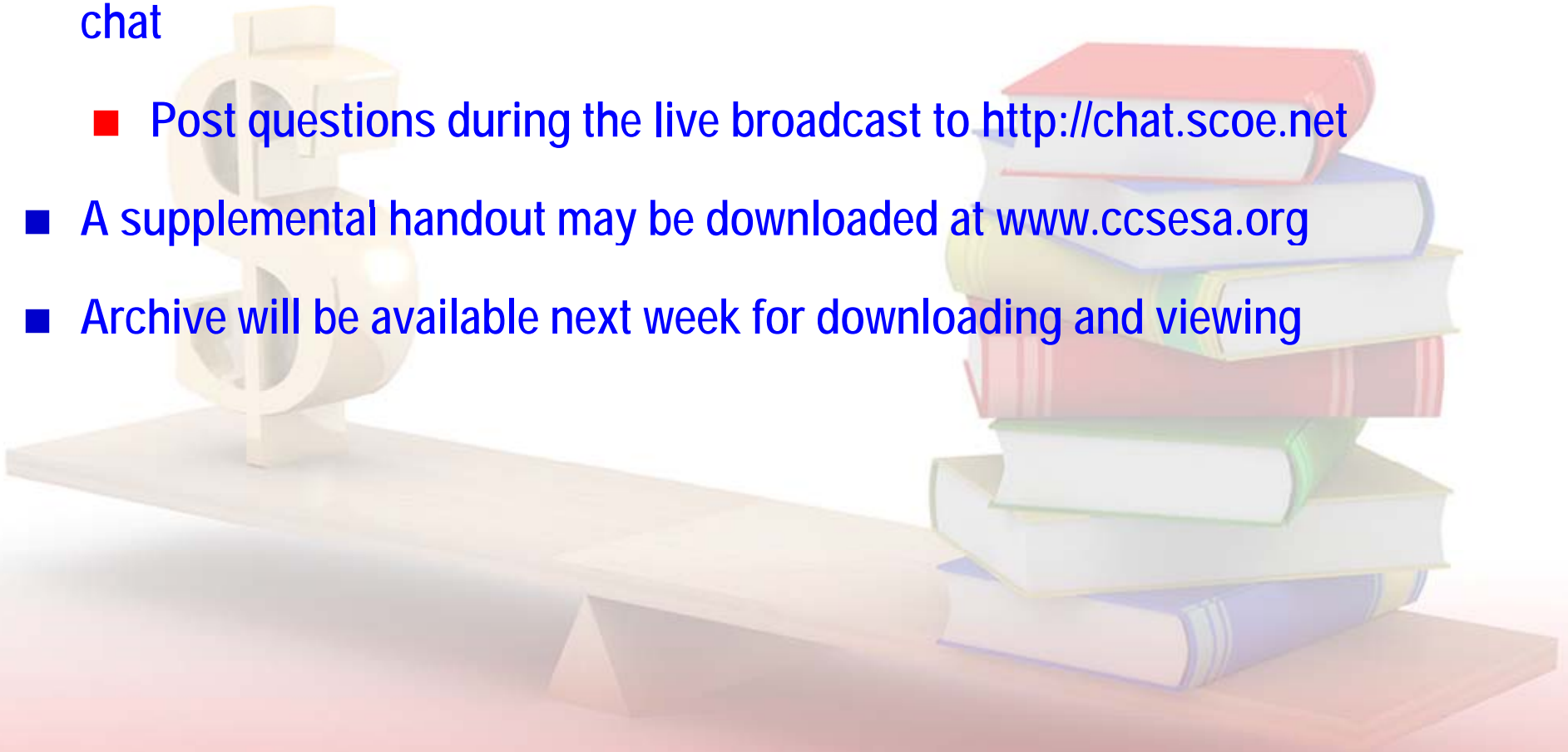
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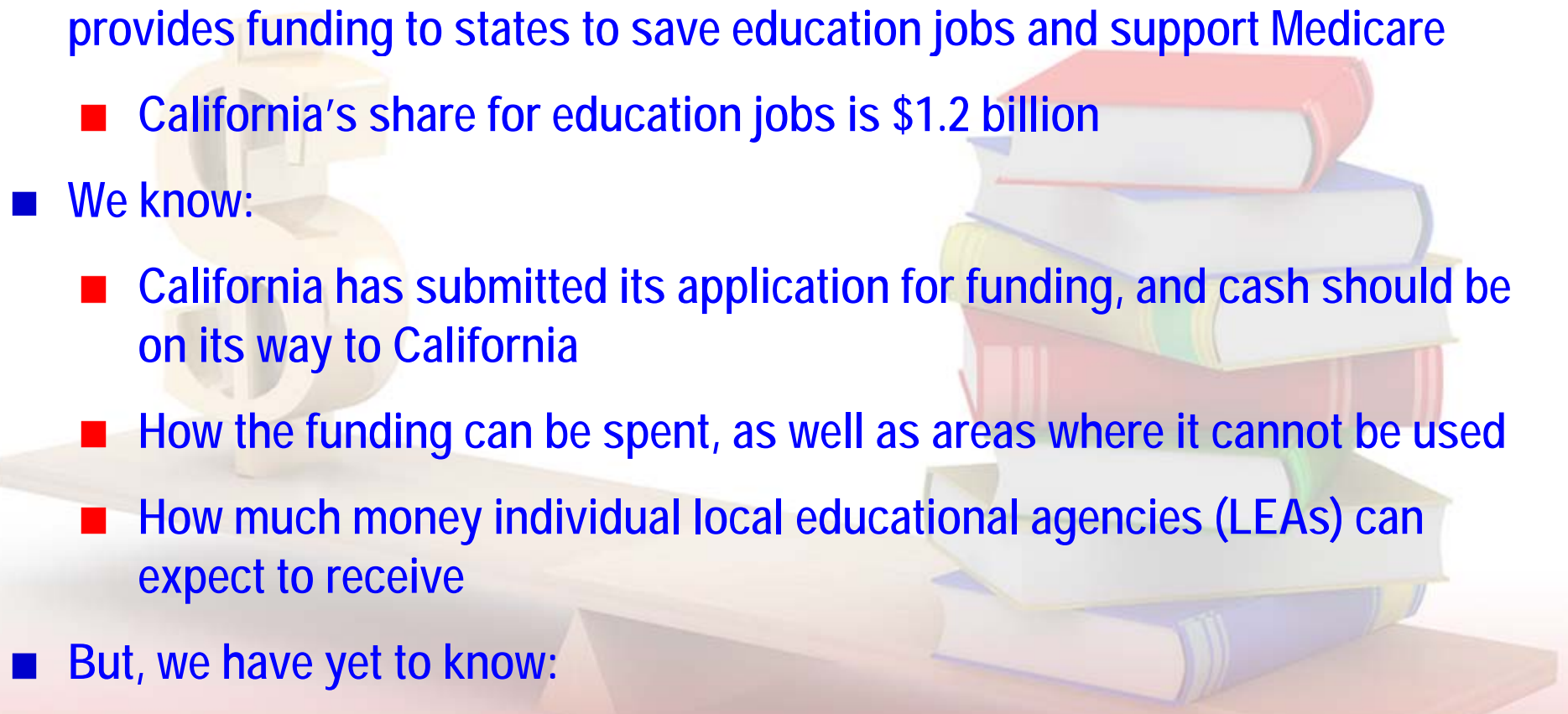
Webcast Logistics

- One-hour webcast with time allowed to answer questions submitted via chat
 - Post questions during the live broadcast to <http://chat.scoe.net>
- A supplemental handout may be downloaded at www.ccsesa.org
- Archive will be available next week for downloading and viewing

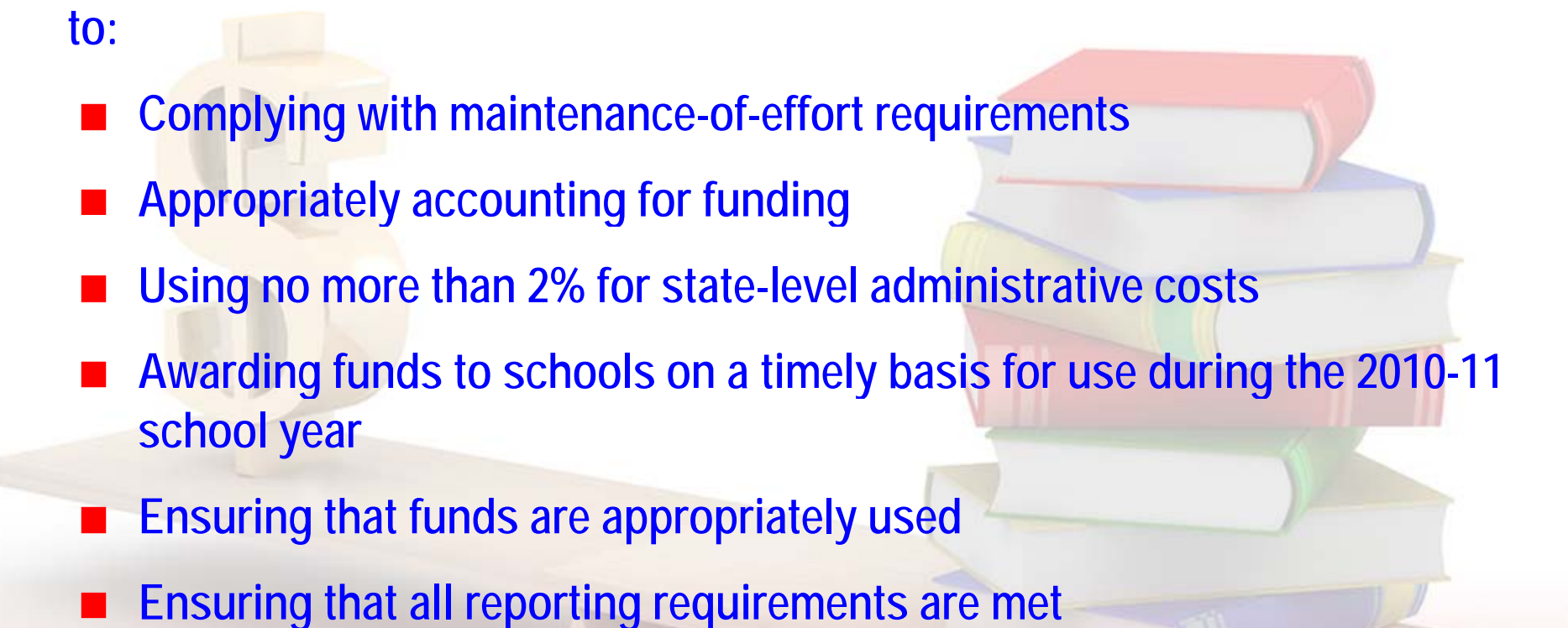




Federal Jobs Funding for California Schools

- 
- On August 10, 2010, House of Representatives (H.R.) 1586 was passed, which provides funding to states to save education jobs and support Medicare
 - California's share for education jobs is \$1.2 billion
 - We know:
 - California has submitted its application for funding, and cash should be on its way to California
 - How the funding can be spent, as well as areas where it cannot be used
 - How much money individual local educational agencies (LEAs) can expect to receive
 - But, we have yet to know:
 - When the Governor will sign legislation authorizing the state to issue funds to LEAs

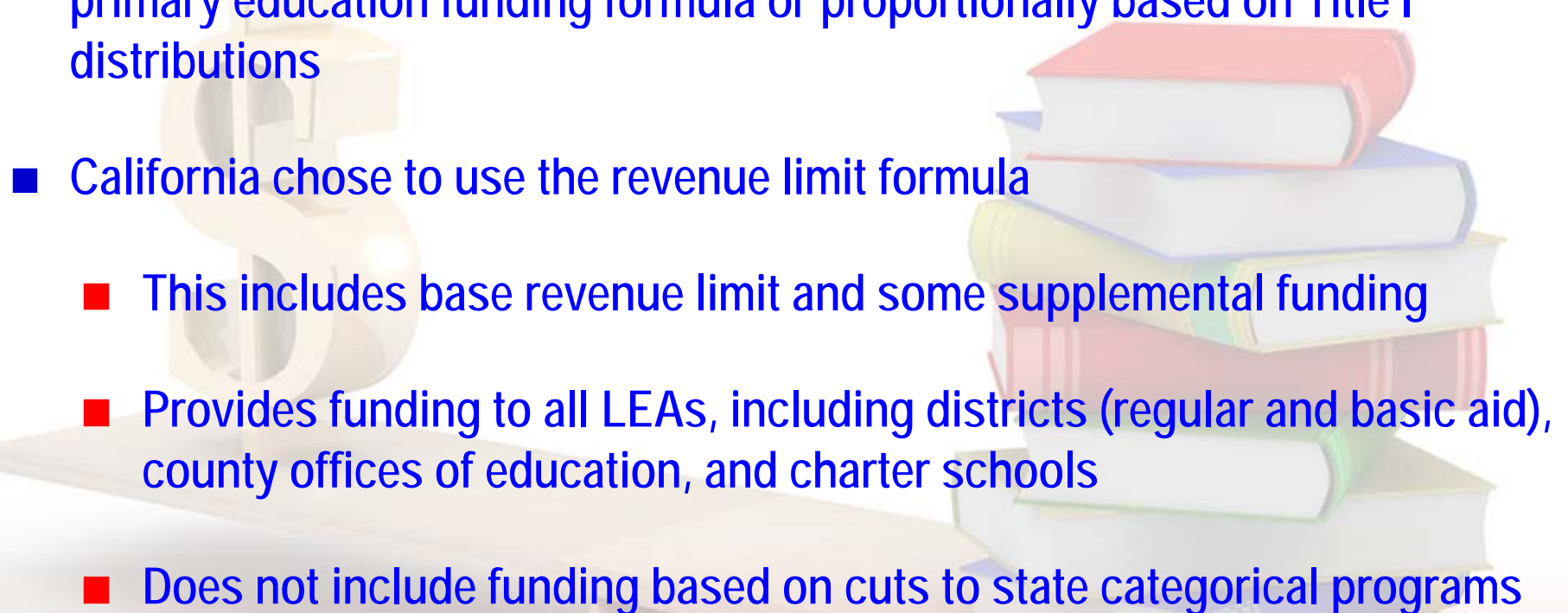
Application and Assurances

- California has agreed to meet several requirements, including, but not limited to:
 - Complying with maintenance-of-effort requirements
 - Appropriately accounting for funding
 - Using no more than 2% for state-level administrative costs
 - Awarding funds to schools on a timely basis for use during the 2010-11 school year
 - Ensuring that funds are appropriately used
 - Ensuring that all reporting requirements are met
- 

When Will the Funds Arrive?

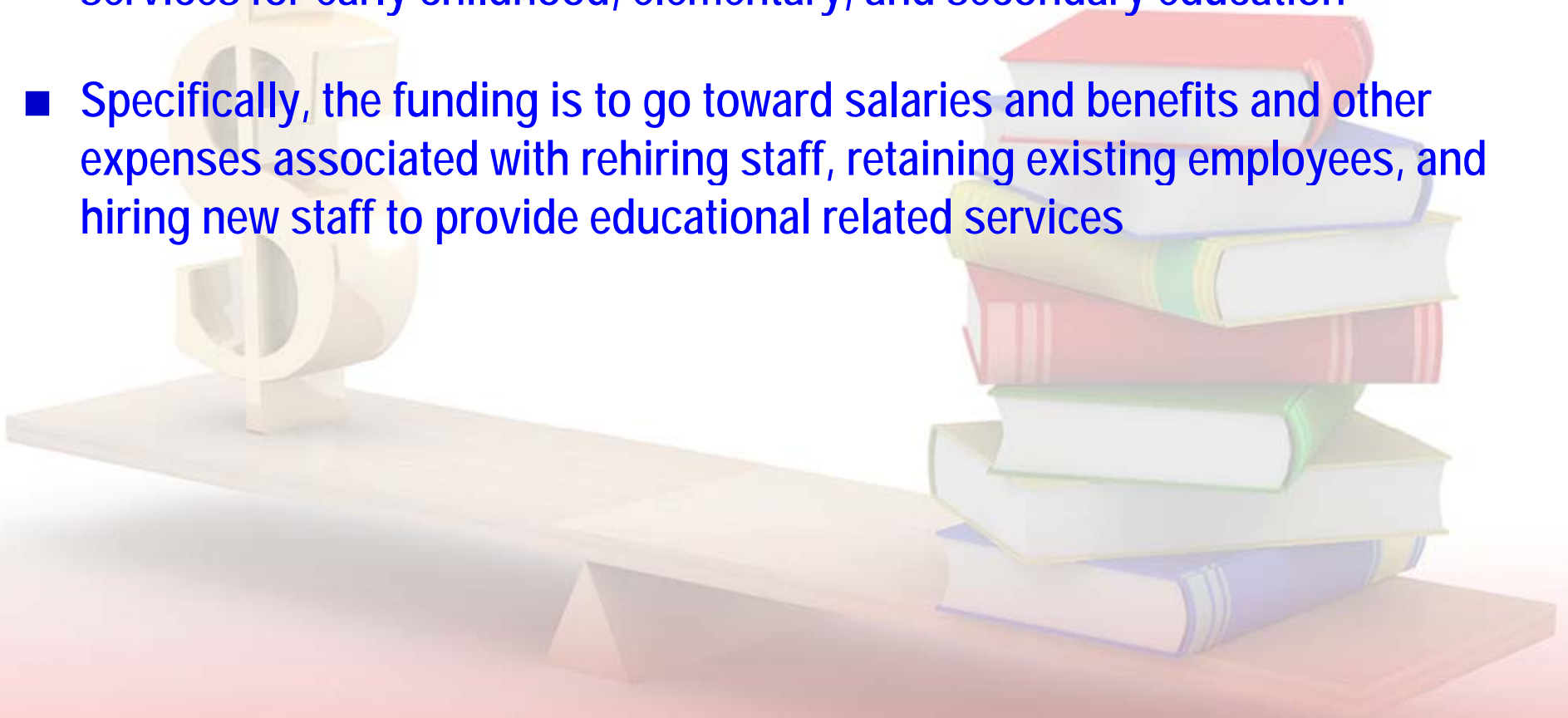
- California submitted its application as soon as applications were made available on August 13, 2010
- The U.S. Department of Education (USDE) has reviewed and approved California's allocation plan after some minor changes
- The Legislature passed Senate Bill (SB) 847 on September 1, 2010, to authorize California to spend the funding, but because it appropriates funding, it is subject to a special process whereby the Governor must request this bill for signature
 - The Governor must sign this bill or other legislation authorizing the release of funds for LEAs to receive any funding

Who Receives Funding?

- The federal rules require that California distribute the funding using its primary education funding formula or proportionally based on Title I distributions
 - California chose to use the revenue limit formula
 - This includes base revenue limit and some supplemental funding
 - Provides funding to all LEAs, including districts (regular and basic aid), county offices of education, and charter schools
 - Does not include funding based on cuts to state categorical programs
- 

How May the Funding be Used?

- The funding may be used to support educational programs and related services for early childhood, elementary, and secondary education
- Specifically, the funding is to go toward salaries and benefits and other expenses associated with rehiring staff, retaining existing employees, and hiring new staff to provide educational related services



Who is an Employee?

- Teachers
- Employees supported with program funds
 - Principals and Assistant Principals
 - Academic coaches
 - Inservice teacher trainers
 - Classroom aides
 - Counselors
 - Librarians
 - Secretaries
 - Social workers



Who is an Employee?

■ Employees supported with program funds (continued)

- Psychologists, interpreters, physical therapists, speech therapists, and occupational therapists
- Information technology personnel
- Nurses
- Athletic coaches
- Security officers
- Custodians and maintenance workers
- Bus drivers
- Cafeteria workers



What is Allowed?

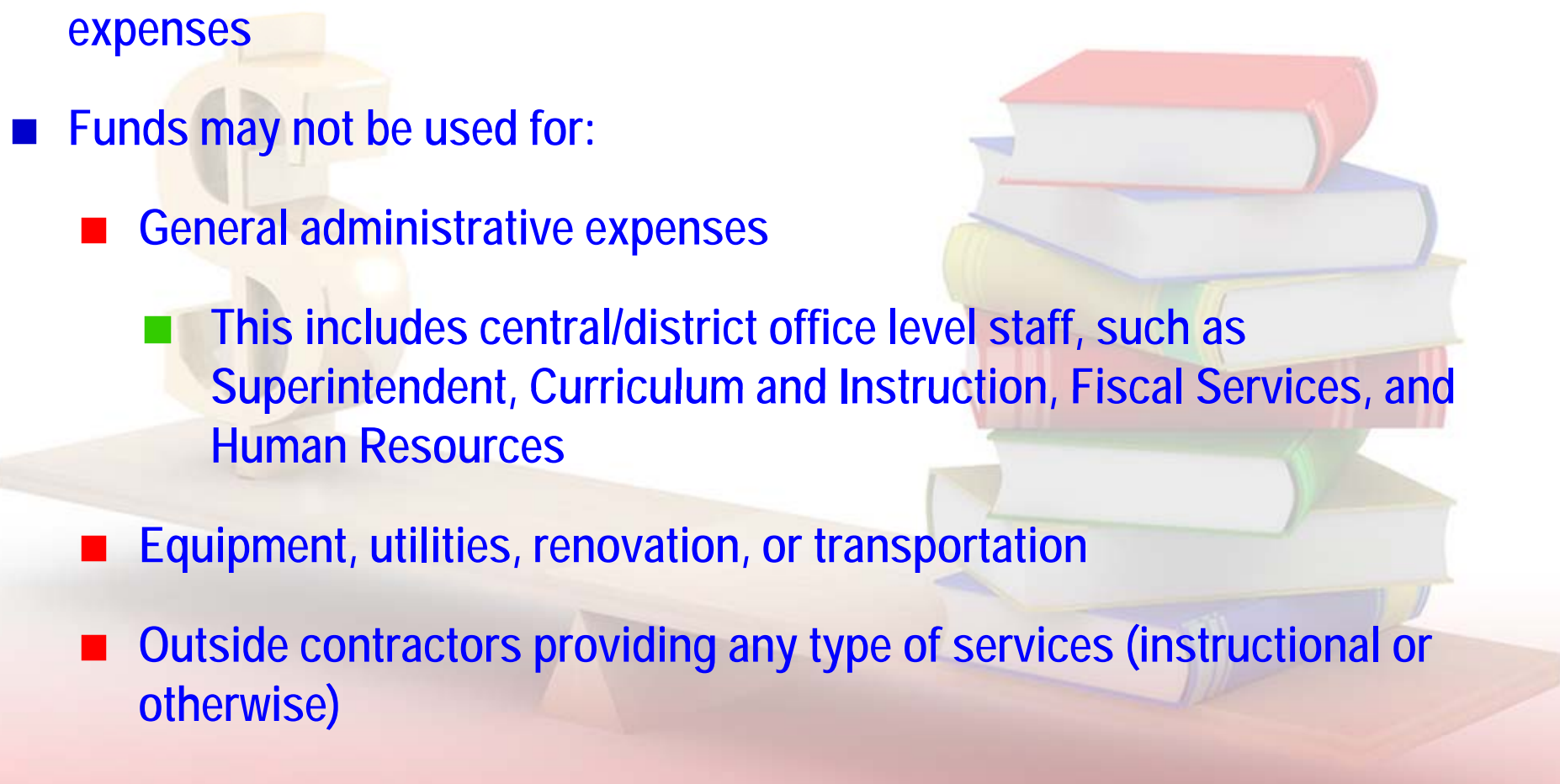
- Salaries and benefits include:
 - Regular compensation – base salary and benefits
 - Performance bonuses
 - Health insurance
 - Retirement benefits
 - Incentives for early retirement
 - Pension fund contributions
 - Tuition reimbursement
 - Student loan repayment assistance
 - Transportation subsidies
 - Reimbursement for childcare expenses



What is Allowed?

- In addition, there are several salary and benefit-related costs that the USDE has said are acceptable:
 - Restoration of salaries and benefits associated with the reduction or elimination of furlough days scheduled for 2010-11
 - Pension obligations associated with employee services for the 2010-11 fiscal year only
 - Extra duty or extended year – example, after school and professional development days

What is Not Allowed

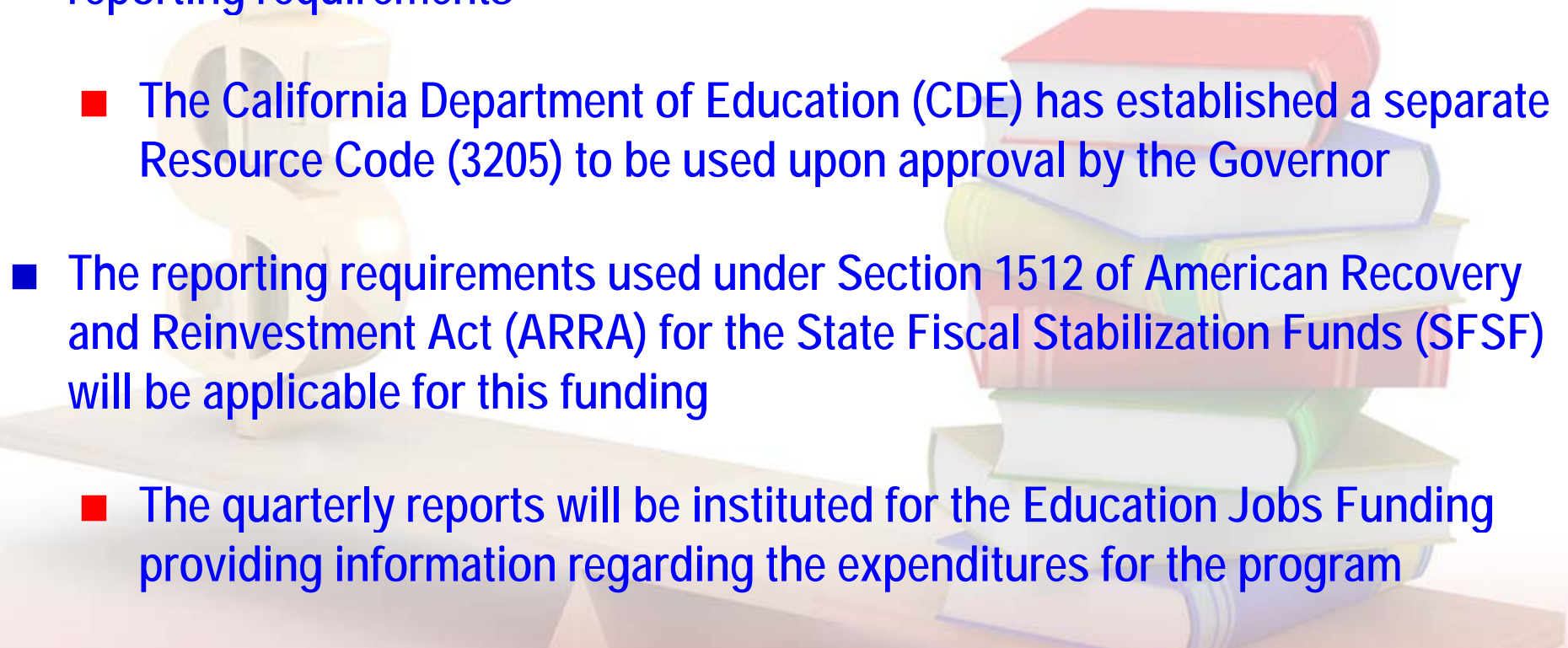
- The salaries and benefits that may be paid directly are limited to school-level expenses
 - Funds may not be used for:
 - General administrative expenses
 - This includes central/district office level staff, such as Superintendent, Curriculum and Instruction, Fiscal Services, and Human Resources
 - Equipment, utilities, renovation, or transportation
 - Outside contractors providing any type of services (instructional or otherwise)
 - Pension liabilities associated with prior years
- 

What is the Timeline for Spending and Receiving Funding?

- Funds may be spent for expenses incurred as of, but not prior to August 10, 2010
- All funds must be spent by September 30, 2012
- SB 847 requires that 90% of funds be distributed to LEAs within 14 days of notification of award of funding
 - Interest in excess of \$100 per quarter earned on advances must be returned to the USDE



Resource Management

- The state must track revenues and expenditures separately to meet the reporting requirements
 - The California Department of Education (CDE) has established a separate Resource Code (3205) to be used upon approval by the Governor
 - The reporting requirements used under Section 1512 of American Recovery and Reinvestment Act (ARRA) for the State Fiscal Stabilization Funds (SFSF) will be applicable for this funding
 - The quarterly reports will be instituted for the Education Jobs Funding providing information regarding the expenditures for the program
 - There will be additional reporting under this program related to the number of personnel impacted by the program, which will be submitted to the federal government on an annual basis
- 

Operational Reminders

- While welcomed, these funds are one-time funding with the direction to pay what is typically viewed as an ongoing expense – salary and benefits
 - Avoid ongoing commitments
 - It is an option to avoid cuts now or preserve some positions in 2011-12
- Avoid ongoing commitments in bargaining agreement
 - The availability of these funds may make it difficult to negotiate concessions this year
- Be sure to take stock of impact in the out years
- Remember that saving jobs can mean avoiding further cuts, and it could also mean adding staff support with increasing the number of positions
 - If there is no rehiring that takes place, then the funds can be used for an after school program to pay for salaries and benefits to support instructional activities

Thank You for Joining Us

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