

# IDEA Money Watch

*because we need to know where the money goes*

## COMPARISON OF FY09 AND ARRA IDEA PART B 611 FEDERAL FUNDING

	FY09	ARRA
<b>Authority</b>	Omnibus Appropriations Act of 2009 (P.L. 111-8)	American Recovery and Reinvestment Act of 2009 (ARRA) (P.L. 111-5)
<b>Amount (Part B 611 Only)</b>	\$11.5 billion	\$11.3 billion
<b>Availability to States</b>	25% July 1, 2009 75% October 1, 2009	50% April 1, 2009 50% by September 30, 2009
<b>Conditions</b>	State assurances as required by IDEA [20 U.S.C. §1412]	<ul style="list-style-type: none"> <li>• First 50%: No additional information or application required</li> <li>• Second 50%: Contingent on States submission and approval of information that addresses how the state will meet the accountability and reporting requirements of Section 1512 of the ARRA</li> </ul>
<b>Allocations to States</b>	<ul style="list-style-type: none"> <li>▪ Base Payment – Amount equal to the STATE allocation for 1999</li> <li>▪ Any remaining Funds – <ul style="list-style-type: none"> <li>- 85% - <i>relative share of children within the jurisdiction ages 3-21</i></li> <li>- 15% - <i>relative share of children living in poverty</i></li> </ul> </li> </ul>	
<b>State Reserve</b>	As permitted by IDEA [20 U.S.C. §1412]	No reserve for state activities allowed
<b>Allocations to LEAs</b>	<ul style="list-style-type: none"> <li>▪ Base Payment – Amount equal to the LEA allocation for 1999</li> <li>▪ Any remaining funds – <ul style="list-style-type: none"> <li>- 85% - <i>relative number of children within the jurisdiction</i></li> <li>- 15% - <i>relative number of children living in poverty</i></li> </ul> </li> </ul>	
<b>Availability</b>	<ul style="list-style-type: none"> <li>• States and LEAs can obligate from July 1, 2009 to Sept. 30, 2011</li> </ul>	<ul style="list-style-type: none"> <li>• LEA should obligate the majority of ARRA funds during school years 2008-09 and 2009-10 and the remainder during school year 2010-11</li> <li>• LEAs must obligate all ARRA funds by Sept. 30, 2011</li> <li>• Costs are allowable beginning Feb. 17, 2009</li> </ul>
<b>Accountability</b>	None	Quarterly Reports of all revenue and expenditures due to USED no later than 10 days after the end of each calendar quarter.

**Flexibility –**

*Use of IDEA Part B funds for Coordinated Early Intervening Services (CEIS)[(618 (d))]*

LEAs may choose to use up to 15 percent of the total of the LEA's FY09 and ARRA Part B Grants to States and Preschool Grants (619) to implement CEIS to students in kindergarten through grade 12 who have not been identified as needing special education and related services, but who need additional academic and behavioral support to succeed in a general education environment. The funds set aside for CEIS may be used by the LEA in FY 2009 or in both FYs 2009 and 2010, as long as the FY 2009 funds are obligated by September 30, 2011.

**REPORTING:** Each LEA that implements CEIS must report to the State on the number of children who received CEIS and the number who subsequently receive special education and related services under Part B of IDEA within two years after receiving CEIS.

**LIMITATIONS TO ABOVE:**

If an LEA seeks both to set aside funds for CEIS and to take advantage of the flexibility to reduce its local expenditures for special education under section 613(a)(2)(C) (BELOW), the LEA must ensure that the amount it uses for CEIS does not exceed the maximum amount that could be set aside for CEIS (i.e., 15 percent of the total of its Part B allocations) minus the amount by which it seeks to reduce its MOE. Alternatively, the LEA may choose to take full advantage of the flexibility to reduce its MOE and use the freed-up local funds for early intervening services for children at risk of school failure without additional support.

In any fiscal year that an LEA's grant allocation exceeds the amount that the LEA received in the previous fiscal year, that LEA may reduce the level of local, or state and local, expenditures otherwise required by the LEA MOE requirements (in IDEA, section 613(a)(2)) by up to 50 percent of the increase in the LEA's subgrant allocation. The LEA must spend the 'freed-up' local or, state and local, funds on activities that are authorized under the Elementary and Secondary Education Act (ESEA) of 1965.

**LIMITATIONS TO ABOVE:**

- LEAs that have received a determination by the state as "Needs assistance," "Needs Intervention" or "Need Substantial Intervention" under the OSEP monitoring system cannot reduce their maintenance of effort as provided under IDEA section 613(a)(2)(C).
- LEAs that are required to use 15 percent of its IDEA Part B allocation on Coordinated Early Intervening Services (CEIS) because the SEA identified the LEA as having significant disproportionality under 34 CFR §300.646, will not be able to reduce local MOE under IDEA section 613(a)(2)(C). LEAs must use the CEIS funds to particularly, but not exclusively, serve children in the over identified group.
- If the SEA has taken responsibility for providing a FAPE in the LEA because the LEA is unable to establish and maintain programs of FAPE, or the SEA has taken action against the LEA under IDEA section 616, no reduction is allowed.

*Reduction in local level of special education expenditures – "Maintenance of Effort" or "MOE" [613(a)(2)(C)]*



***A not-for-profit organization dedicated to services and projects that work to improve the lives of children, youth and adults with disabilities.***

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