



State of Wisconsin Department of Public Instruction

Elizabeth Burmaster, State Superintendent

March 31, 2009

Dear District Administrators:

As you know, the American Recovery and Reinvestment Act (ARRA) offers needed economic stabilization funds for our schools. The Department of Public Instruction (DPI) is working with national and state leaders to ensure we maximize Wisconsin's share of new federal grants and provide timely and informed guidance to our school leaders. This letter is to provide you with information on how DPI will keep you updated on the availability of these funds.

We have a dedicated webpage linked on the DPI home page (<http://www.dpi.wi.gov/>). Simply click the button on the right hand side entitled *Economic Recovery & Reinvestment* for up-to-date information on the following funding opportunities:

Title I, Part A and IDEA Funding

These are the two largest pots in the economic stimulus package that will be distributed to Wisconsin districts. They are based on formula and adhere to existing requirements in these programs. We anticipate district allocations will be available no later than the end of April 2009. This is 2009-10 funding, but districts will have the ability to use the funds as soon as they receive them (end of April) and to use in the 2010-11 school year. This funding is in addition to annual federal allocations that will be available for the 2009-10 school year. All ARRA funds must be obligated by September 30, 2011.

School Lunch Equipment

The School Lunch Equipment Grants provide \$1.3 million to be distributed on a competitive basis to eligible Wisconsin schools. Districts received an announcement of application on March 30, 2009; and equipment grant applications and instructions are posted to our website.

Education Technology

Wisconsin is projected to receive \$9,170,493 in Education Technology funding to be distributed to school districts. Guidance from the U.S. Department of Education (ED) is expected by May 1, 2009, with funding available in the fall of 2009.

Homeless Children and Youth

DPI is anticipating approximately \$800,000 over the next two years (2009-10; 2010-11). Until DPI receives official guidance from ED, it is not certain if the money will be distributed through a formula or competitive grant process, but these funds will only aid a handful of districts.

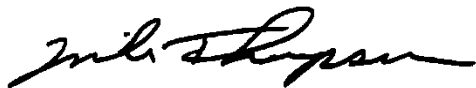
Qualified School Construction Bonds and Qualified Zone Academy Bonds

The Qualified School Construction Bonds (QSCB) provide tax credits, in lieu of interest, to lenders who issue bonds to eligible school districts. Because the federal government provides for the “interest” payment, the district is only responsible for repayment of the bond principal. The federal Qualified Zone Academy Bond (QZAB) program allows school districts with low-income populations to save on interest costs associated with financing school renovations. In both cases, the federal government covers all of the interest in the form of tax credits on these bonds, resulting in savings up to 50 percent of the cost of these renovation and improvement projects.

We are anticipating additional guidance from ED this week on several of these fund sources and will keep you up-to-date through our webpage. We anticipate working with CESAs and other education organizations to make sure we can provide the latest guidance and information through a number of vehicles, including webinars and frequently asked questions documents over the next several weeks.

As these funding opportunities continue to unfold, please do not hesitate to contact program staff with specific questions. Their contact information is listed on our webpage for each of the ARRA programs.

Sincerely,



Michael J. Thompson, Ph.D.
Interim Deputy State Superintendent
Office of the State Superintendent

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c: CESA Administrators