

IDEA Recovery Funds Fact Sheet

Philosophy

- Four principles guide the distribution and use of American Recovery and Reinvestment Act (ARRA) funds:
 - Spend funds quickly to save and create jobs.
 - Improve student achievement through school improvement and reform.
 - Ensure transparency, reporting and accountability.
 - Invest one-time ARRA funds thoughtfully to minimize the “funding cliff.”

Award

- Wisconsin was awarded \$218,027,899 in IDEA Recovery funds. Half of the funds were made available by the US Department of Education on April 1, 2009, and the remainder of the funds was made available on September 1, 2009.
- IDEA Recovery funds are awarded to LEAs in the same manner that IDEA entitlement dollars are awarded.
- IDEA Recovery funds include both the “flow-through” funds (covering children ages 3 to 21) and “preschool” funds (covering children ages 3 to 5).

Allowable Costs

- The IDEA Recovery funds must be used in accordance with both IDEA regulations and the American Recovery and Reinvestment Act and applicable requirements in GEPA and EDGAR. *GEPA* is the General Education Provisions Act and *EDGAR* is the Education Department General Administrative Regulations.
- IDEA Recovery funds must only be used for the excess cost of providing special education and must be used in accordance with the IDEA allowable costs and Wisconsin’s state statutes.
- LEAs are required to receive prior approval for equipment purchases. LEAs request this approval through the IDEA budget process.

Construction, Remodeling, Infrastructure Investments

- LEAs are required to receive prior approval from the DPI for all construction and facility alteration projects.
- In order to be approved, a project must improve the program for children with disabilities.
- For projects of \$100,000 or less, LEAs request approval through the web-based IDEA budget process.
- For projects over \$100,000, LEAs must mail a separate application to the DPI. The application is available on the DPI web site. <http://dpi.wi.gov/forms/doc/f3208.doc>. LEAs are notified by letter of project approval.

- Under section 1511 of the ARRA, all IDEA Recovery infrastructure investments, regardless of amount Recovery funds committed to the project, require certification by the State Superintendent. The section 1511 certification, including the name of the LEA, a brief description of the project, the amount of Recovery funds committed, and the total amount of the project, is posted on the DPI website and the Wisconsin Office of Recovery and Reinvestment website.

Timeframe

- IDEA Recovery funds are fiscal year 2009-2010 funding.
- The funding cycle for the IDEA Recovery Funds is February 17, 2009, (the date the Act was signed) through September 30, 2011.
- The IDEA Recovery budgets will not be “re-set” on July 1, 2010. After initial submission, IDEA recovery budgets will be in “amendment mode” until September 30, 2011.
- LEAs will have until September 30, 2011, to obligate the IDEA recovery funds.

Parentally-Placed Private School Students

- Districts must include the IDEA recovery funds in calculating the proportionate share that must be spent on parentally placed private school children. (34 CFR §300.133(a)).
- School districts must consult with private school officials and representatives of parents of parentally-placed private school students on the use of all IDEA funds, including IDEA Recovery funds.

Budget

- IDEA Recovery budgets and claims may not be submitted by a CESA or County Board through a cooperative. Individual LEAs will be responsible for submitting budgets and claims through the IDEA web-based budget software.
- IDEA Recovery funds must be budgeted, expended, and claimed separately from the fiscal year 2009-2010 IDEA flow-through and preschool entitlement funds.
- IDEA Recovery funds have different CFDA numbers and DPI project numbers assigned.

Claims

- All IDEA claims (both regular entitlement and Recovery funds) must be submitted using the IDEA web-based claim process through the Special Education Application Web Portal at <https://www2.dpi.state.wi.us/seportal/>.
- Individuals who submit claims on behalf must have a user name and password assigned to them to access the web-based software. LEA users are set up by the Director of Special Education.
- Claims are paid within 40 days of submittal.

Due Dates

- IDEA assurances and flow-through and preschool budgets for the regular IDEA entitlement and the IDEA Recovery funds were due by July 1, 2009.
- CEIS budgets are due November 1 for the 2009-2010 fiscal year.
- Even though the IDEA Recovery funds are available from February 17, 2009, to September 30, 2011, an LEA may not submit a CEIS budget after November 1, 2009, as part of their IDEA recovery or IDEA entitlement budgets. CEIS is short for Coordinated Early Intervening Services.
- IDEA Recovery claims are due each quarter on August 21 and November 20, 2009, and February 19, and May 21, 2010. Districts may submit claims for both IDEA Recovery and IDEA entitlement funds more frequently than the claim due dates. LEAs must meet the deadlines so that the required data is available to meet ARRA's transparency and reporting requirements.

Maintenance of Effort

- IDEA's maintenance of effort (MOE) provisions require LEAs budget the same amount of local and state funding for special education services as it expended in the previous fiscal year.
- If an LEA receives an increase in its IDEA flow-through allocation from one fiscal year to the next, the LEA may reduce its MOE obligations by half of the increased amount. (50% rule)
- If an LEA reduces its MOE through the 50% rule, existing special education costs funded with local dollars can be moved to IDEA funding, freeing up local dollars.
- The freed-up funds must be used to carry out activities that could be supported under the Elementary and Secondary Education Act (ESEA).
- IDEA funds expended on CEIS activities will substantially lower the amount an LEA could have reduced their MOE through the 50% rule. The use of IDEA CEIS funds does not increase an LEA's MOE obligation.
- A calculator is available to determine the impact of CEIS funds on an LEA's ability to reduce required MOE at http://dpi.wi.gov/sped/xls/moe_calculator.xls.
- The IDEA Recovery funds will only be awarded in the 2009-2010 fiscal year. If LEAs do not reduce their maintenance of effort in 2009-10, the option of utilizing the 50% rule against the IDEA recovery funds will be lost.
- An LEA is required only to maintain the new reduced MOE amount in subsequent years, until the LEA increases the level of special education expenditures, using local funds on its own.

Supplement Not Supplant

- Currently there is no requirement related to supplanting "particular costs" and if an LEA maintains local effort (MOE) it will not violate the supplement/not supplant requirements of the IDEA.

Transparency and Reporting

- Beginning in October 2009, the DPI must report quarterly on the use of IDEA Recovery funds to the White House Office of Management and Budget (OMB).
- The DPI will submit data to the Wisconsin Office of Recovery and Reinvestment, which will submit Wisconsin's report on the use of ARRA funds to the OMB.
- Reports include the amount of funds expended; the number of jobs created and retained; the names of vendors and the amounts paid to vendors (regardless of amount); and other detailed information about the use of Recovery funds.
- LEAs will be submitting information required for these reports through IDEA Recovery budget claims and jobs and vendor surveys. LEA administrators will be receiving information about the survey via e-mail.