

ARRA Webinar II

May 12, 2009

The Northwest Regional Comprehensive Center (NWRCC) sponsored a webinar to discuss implications for SEAs of the American Recovery and Reinvestment Act. This discussion focused on Title I funds and the Race to the Top program. Along with 16 representatives from Idaho, Montana, Oregon, Washington, and Wyoming; four representatives from the U.S. Department of Education joined us—Sandy Brown and Susan Wilhelm providing expertise on Title I and Josh Bendor and Marisa Bold of the Office of the Secretary discussing the Race to the Top program.

The following transcript was made from the WebEx webinar recording which is available for viewing on the NWRCC website.

Moderator: Seymour Hanfling

Participants

US Dept of Education

Sandy Brown, Program Analyst—OESE Title I
Susan Wilhelm, Director of Policy Coordination Grants—OESE Title I
Josh Bendor and Marisa Bold (Office of the Secretary)

Wyoming

Tim Lockwood, Public Information Officer and Federal Liaison

Washington State

Janell Newman, Assistant Superintendent for District and School Improvement
Mary Schrouder, Coordinator of Professional Development
Gayle Pauley, Director of Title I and LAP (Learning Assistance Program)
Yvonne Ryans, Program Supervisor of Title I and LAP

Alan Burke, Deputy Superintendent K–12 Education

Oregon

Tryna Luton, Director of School Improvement and Accountability
Brad Capener, School Improvement and Accountability
Carla Wade, School Improvement and Accountability
Janet Bubl, School Improvement and Accountability
Phyllis Guile, Director of Learning Opportunities and Options and Supports
Rob Larson, Federal Liaison
Jan McCoy, Title I, School Improvement and Accountability
Pat Burk, Chief Policy Officer, Office of the Superintendent

Montana

B.J. Granbery, Title I Director and Division Administrator for Educational Opportunity and Equity
Joan Anderson, Assistant Superintendent for Operations
Sunni Deter, Title I Part A Accountant

Start of ARRA Webinar II (Audio = 83:33 minutes)

(audio starts suddenly)

Seymour Hanfling: That process of recording the call right now.

(00:10) Seymour Hanfling: I'd like to now move to our next slide, and to let you know that our slides are similar to, the order of the slides is very similar to what I sent out yesterday but I added a slide in the middle, and when we get there I'll let you know so your numbering may be off from what you see on the screen.

We've gone through our meeting logistics and let me add the point, if you want to ask a question, you can go over to the little hand that is below the participant's window and raise your hand, and we can see you. But I think this group will be small enough so that when we ask if anyone has a question you'll be able to just speak on the phone and let us know that you have a question.

(00:59) Seymour Hanfling: I'd like to begin with our introductions and we're going to begin with our friends at the US Department of Education. So, Sandy, I'm going to turn it over to you.

(1:11) Sandy Brown: Good afternoon, I'm Sandy Brown. I'm a program analyst in the Student Achievement (**inaudible**) Programs office, aka, the title. With me also is Susan Wilhelm, who is the—directs the Policy Coordination grant.

So we're the chumps here in terms of the Title I questions and we're here to be stumped, so to speak. Hopefully we'll be able to respond to your questions in an intelligent manner. So I want to thank everyone for coming and hope everyone is having a good afternoon.

I think what will happen is that I will go ahead. What I'd like to so is sort of give an overview of Title I and ARRA has done, **what will** have to do. And then go in for the questions. And we'll have, Susan is with me and so she will chime in wherever necessary to keep me on the straight and narrow, so to speak.

So with that, like to talk about a little bit, as you know Congress has ...

(2:21) Seymour Hanfling: Sandy, this is Seymour. I'd like to finish the introductions.

Sandy Brown: Forgive me, go right ahead.

Seymour Hanfling: And also I'd like to suggest to all of you, that unless you're speaking, if you're not on mute, could you please put your phone on mute? That will help us hear everyone who is speaking clearly.

The second group from US Department of Ed, Josh Vendor, and Marissa Coles, sent me a message earlier today saying they had a meeting with the Secretary of Education and they

expected to come on to the call late. So I think this will work out well. We'll have Sandy first talking about Title I and then we'll be able to get to Josh and Marissa.

But what I'd like to do is go around our region and find out who has joined us and I'm going to do it in reverse alphabetical order. So I'd like to start with Wyoming and find out if we have anyone from Wyoming on the call. Please let us know what your role is, if you are on.

(3:26) Tim Lockwood: Yes, this is Tim Lockwood. I'm the Public Information Officer and Federal Liaison, and I'm also kind of the go-to person for all ARRA stimulus funding for Wyoming education. And Dr. McBride is on the road, so he asked me to join in the call.

Seymour Hanfling: Wonderful, thank you very much, Tim.

Let's move to Washington. I see a few folks here from Washington. Let's start with Janell, and tell us who you are and if anyone is with you.

(3:55) Janell Newell: Assistant Superintendent for District and School Improvement. And I believe Mary Schrouder is also on the line.

Seymour Hanfling: Okay, Mary, are you on?

Mary Schrouder: Yes, I am, I'm here with Gayle Pauley, and with Yvonne Ryans. Gayle?

(4:15) Gayle Pauley: We're here.

Seymour Hanfling: Gayle, why don't you let everyone know who you are, I mean, what you do.

Gayle Pauley: This is Gayle Pauley, the Director of Title I and ****LAP**** for Washington State. And Yvonne Ryans is also with us.

Yvonne Ryans: Supervisor for Title I and LAP.

Seymour Hanfling: Wonderful. Is there any other sites in Washington that are on?

(4:36) Alan Berkadebi: This is Alan Berkadebi, Superintendent of (****inaudible****) and I'm more interested in ****Race to the Top****, but I'll be listening to the Title I as well.

Seymour Hanfling: Very good, thanks for joining us, Alan. Let's move on to Oregon, Tryna?

(4:47) Tryna Luton: Hello, I'm Tryna Luton, and I'm Director of School Improvements and Accountability. Have several No Child Left Behind programs on my team. And I have several other people here from the agency. We'll just do a quick round-robin, starting with Brad.

(5:07) Brad Capener: I'm Brad Capener, I'm School Improvements and Accountability.

(5:11) Carla Wade: Carla Wade, same team.

Janet Bubl: Janet Bubl, same team.

Phyllis Guile: Phyllis Guile, Director of Learning Opportunities and Options.

Rob Larson: Rob Larson, Federal Liaison.

Jan McCoy: Jan McCoy, and I work with Title I as well.

(5:30) Seymour Hanfling: Great. Let's move to Montana.

B.J. Granbery: Hi, Seymour, this is B.J. Granbery, Title I Director and Division Administrator for Educational Opportunity and Equity. I'm also serving as federal liaison now. And with me I have Joan Anderson, Assistant Superintendent for Operations. Miss Sunni Deter, the Title I Accountant.

Seymour Hanfling: Thanks very much.

And do we have anyone on from Idaho? Well, then I think we'll go on. We're expecting someone from Idaho but we'll see how this goes. The only other message I can say is that we are recording this so it will be available to any of your staff who wish to listen to the call and could not make it.

Next slide. Here is our agenda. We'll begin with Sandy, who will give us an introduction. Then we're going to go through the questions that we sent out yesterday. Sandy has requested that as he finishes a question, as he and Susan finish discussing it, if you have any specific follow-up to that question, ask him at that point. If you have other questions that come to your mind, we'll wait until he's gone through his questions.

We'll have discussion at the end of Sandy's questions, or Sandy's answers, I should say. By that time I'm hoping that Josh and Marisa will be on so that we can talk about the Race to the Top and some of the other funding opportunities.

Just to give you an idea of our purpose, which is pretty clear and we sent this out, but just to let you know that really the goal is for a discussion here. We have people who are going to answer questions but we really do want you to be able to ask any other questions that you have.

I'd like to just remind everybody, not that I think that you need it, but here are the guiding principles that really are affecting most of the work that all of you are doing right now. And that this is sort of the over-arching principles that are driving a lot of the work that is taking place under ARRA.

So I think now we're going to move on to Sandy. And Sandy, why don't you give us your overview, and then we'll go to the questions.

(7:57) Sandy Brown: All right, thanks a lot. Good afternoon, everyone. Again, I'm Sandy Brown, in the Title I office. And with me is Susan Wilhelm, also in the Title I office.

What I'd like to do is take about, oh, 5 to 10 minutes to kind of give an overview of Title I and ARRA, just to set the context of what we're talking about.

Obviously if you know, Congress appropriated \$24 billion for Title I Part A, for fiscal year 2009. Of that \$24 billion, **\$14.5** billion were made available through the regular appropriation. These funds made available under the regular appropriation were allocated to states and LEA's through all 4 of the Title I formulas.

In addition, ARRA provided \$10 billion in Title I Part A funds. These funds are distributed through the targeted and education finance and **SINA** grants only.

I don't think we need to, I don't want to belabor this too much, but I think it's pretty clear that ARRA money **provides** an unprecedented, one-time investment in Title I, with a huge increase (**inaudible**) dollars come great expectations. States and localities are expected to use these Title I funds thoughtfully, to provide intensive and effective interventions aimed at serving at-risk kids, improving our lowest performing schools. At the same time, states and localities are expected to spend these funds quickly, and ensure transparency and accountability.

So the bottom line here is that states and LEA's have to strike a balance between using Title I funds as quickly as possible, yet ensuring that the activities supported with these funds prove effective in helping at-risk kids and turning around low-performing schools.

So, since Title I is, ARRA funding is really kind of a short-term investment, states and LEA's have to look at activities that provide lasting results in order to avoid the so-called "Cliff Effect" when these funds expire 2 years from now.

Of course this means that LEA's have to maximize long-term and short-term investments with lasting results for students in building capacity, for teachers, school, and district improvement. Then minimize unsustainable and ongoing commitments. Also integrate coherent improvement strategies that align with their core performance reform goals.

More specifically, we in the department are really encouraging LEA's to use their Title I ARRA funds to build capacity for data-driven decision-making, provide specific services to certain subgroups such as English Language Learners, the Disabled, etcetera. Increase the capacity in Title I schools, drive needed reforms, take advantage of the temporary resources to ratchet up the quality and intensity of services, particularly for school in **improvement**.

(10:58) With this in mind, it's really critical to note that Title I Part A funds made available through the regular fiscal year 2009 appropriation ARRA are subject to all applicable requirements in the elementary and secondary education, the Title I regulations, and any other applicable laws and regulations, such as **GAPA** and things like **OMD Circular A87** which related to the general cost principles.

Critical fiscal requirements such as supplement (**inaudible**) and comparability apply, it can't be waived. So you have to remember that Title I funds are not general funds that can be used to carry out functions that an LEA would otherwise need to carry out in the absence of (**inaudible**) funds.

So that's kind of my spiel. My overall thing about, you know, this is sort of a standard thing that I think everyone here in the department has been saying. What I want to right now look

at is kind of look at the, you know, look at the tasks that the department has done, sort of my list that we have completed. And then we have tasks for, lists of things that we have to do.

On our list of things that we have done, is that first off we've released final state and district Title I Part A ARRA allocations and preliminary allocations for funds made available under the regular fiscal year 2009 appropriations. We did this on April 1.

We also awarded 50% of the Title I ARRA funds on April 1. Now we will award the remaining (12:32) **ARRA** (**inaudible**) for September 30, pending receipt of additional information from the states, more on that later.

The Department expects, or we expect to announce final allocation of funds made available under the regular fiscal year 2009 appropriation at the end of May. My colleague, Todd Stevenson, and I, are working on this even as we speak. Well, not right now, I'm doing this. But we're working on it.

We will award approximately 25% of the funds that are made available under the regular appropriation on July 1, and remaining funds will become available on October 1. This basically is the same process that we've been using for the last 10 years for making regular Title I funds available.

The Department has issued guidance on Title I Part A ARRA funds on April 1. This guidance clarified, at least we hope it clarified, certain technical requirements related to ARRA funds and fund made available under the regular appropriation.

Also of note is that OMD issued on April 1, a federal register notice, outlining the data requirements to use in complying with the reporting requirements in Section **15.12** of ARRA. The period for submitting comments to these—this notice closed on May 1. I'm hoping that many of you, if you had comments on this, submitted comments. I'm afraid, the deadline is past but I'm hoping that where you have issues about what needs to be done in terms of reporting requirements, you made those known to OMD.

The Department **don't have** much, don't have any control over this because this is a governmentwide reporting requirement. It's just not something that the Department is imposing on you just to annoy you.

All right, that is our list of things that we've done. Here is our list of things that we have to do, and there are quite a few. First thing is the waiver guidance. I think it's fair to say this is the Department's first priority, and the next item that we expect to release, hopefully in a very—hopefully very soon.

This guidance will address, for example, the 14-day **school** choice notification issue, the (14:53) (**inaudible**) set aside for choice in FDS, districts and schools in need of improvement to be able to have them apply to the FEA to be an SES provider. Also would address the average per pupil expenditure requirement for SES. Also it would address maintenance of effort and how to deal with that, and also the carryover of Title I funds.

Next thing that we need to deal with is guidance on information states need to submit to the department to receive the second half of their Title I ARRA funds. I'm afraid the only thing I can say on that is that 'we're working on it.'

(15:31) Susan Wilhelm: We're actually waiting, we have to get the OMB final determinations about what the governmentwide reporting requirements are going to be, and then we'll translate those to what it means for Title I purposes.

(15:51) Sandy Brown: The next thing that we needed that's on our to-do list is to provide guidance on Title I ARRA reporting instructions. As most of you are aware, perhaps painfully, each LEA must file with the SEA a school-by-school listing of, for pupil education expenditures from state and (16:13) **local** sources for FY2008–09. The SEA must then (16:18) **inaudible** this information to the secretary.

Now, we're working on developing instructions that reflect congressional intent, while still being sensitive to state and local capacity. We realize that many LEA's don't have expenditure data readily available at the school building level. Something we're trying to work through here at the Department level, I think this is something we will also be consulting with the states about once we get a little bit further down the line. We're hoping to get this out, again, (16:52) **with everything** else, we're trying to get this out as soon as possible, because we know that states and LEA's are rather nervous about this requirement. And face it, summer is coming on and a lot of the people who could provide you with this kind of information, are probably going to be away. So we would like to at least try and get this ball rolling, if you will, before the summer begins.

A final thing that we need to deal with that relates directly to Title I, is the application package and guidance on the Title I ARRA—Title I Section **100.3** school improvement grants that become available through ARRA. As you know, ARRA provides \$3 billion for this activity, this is in addition to the \$564 million made available for this activity under the regular fiscal year 2009 appropriations.

This will require a new application. I know we have a team right now that is currently trying to develop an—it's developing an application package for making decisions on the schedule. And decision-making is also underway on the reporting requirements.

That's kind of it for my overview in terms of where we are generally, and then some things that we've done, and the things that we have to do. I think at that point, I think we'll go ahead and start to look at the questions. And I think most of these questions are probably on your screens. And I'm not sure I'll—let's—somebody is just calling in on the phone, I'll basically just **inaudible** with the general question, or the general question, and then just, you know, what the issue is, and then sort of try and respond to some of the issues that were raised.

I think the first question has to do with MOE. You know, there basically appears to be 3 MOE, you know, there is 3 MOE provisions. There is one for FF funds, there is one for IDEA, and then there is one for Title I Part A and the other (18:58) **ESDA** programs.

I think the question is, can't the Department develop a single MOE requirement that serves all 3? I think unfortunately the MOE requirements are separate statutory requirements and so the Department is not in a position to develop a single MOE requirement that applies to each of these programs.

But I'd like to note that the MOE requirement for Title I Part A, in IDEA, ****predates**** passage of ARRA. And these requirements aren't new, they've been around for a while. So this shouldn't take you by too much of a surprise.

Now as you know the Title I MOE requirement is one in which an ****LEA**** must maintain education expenditures for the preceding fiscal year, at a level that's at least 90% of the amount an LEA spends on education for the second preceding year.

An LEA can demonstrate compliance with the MOE requirements either on an aggregate or per-pupil basis. And of course if a school district fails to maintain effort, the state has to, is required to reduce its allocation, not only for Title I but for the other covered ESEA programs in exact proportion to the amount that it failed to maintain 90% of the prior year's amount.

So for 2009 allocation purposes, for the money that's available under ARRA right now and for funds that became available, that will become available on July 1, the comparison years are school year 2007–2008, compared to school year 2006–2007.

We think at this point that (20:49) ****inaudible**** of effort is not going to be quite the issue this year because the economic turn-down—downturn hasn't really hit yet. My guess is this will really come home to roost, if you will, probably next year with the FY2010 allocations.

As most of you are SEA's, of course you are the (21:13) ****ones**** who examine the expenditure data to determine whether an LEA has maintained ****effort****. And of course we in the Department can waive the MOE requirement or grant an extension if there has been an exceptional or uncontrollable (21:28) ****circumstance**** or precipitous decline in financial resources.

One thing I do want to note is that section ****14.12****, or 14.012D of ARRA, adds a wrinkle to the MOE requirement as it applies to Title I and other federal programs. And this was done in order to provide a little bit more flexibility in meeting the MOE requirements and perhaps reduce the need to seek an MOE waiver.

Basically ARRA allows with the approval of the secretary, for a state or LEA to treat its ****SSFS**** money as non-Federal elementary and secondary funds for purposes of meeting the MOE requirements for Title I and other federal programs.

The idea here is to allow school districts to substitute expenditures from the stimulus money for local expenditures that may have gone down because of the downturn in the economy in order to maintain ****efforts****. However, that is contingent upon meeting certain criteria that we outlined in C6—question C6 of the Title I guides.

Basically a state has to meet the—has to have MOE requirement and also the stimulus funds and LEA is using as a substitute for local funds must be used in the same way as the local funds the stimulus funds are replacing.

This is another thing I guess I should have added to the to-do list. The Department intends to issue further guidance on the process for obtaining the secretary's "prior approval" to use SSFS funds to meet the MOE requirements for Title I's and other programs.

I don't know, I've talked a lot about MOE. Are there any questions at this point people want to add? Or if not I'll go on to the next question.

(23:26) B.J. Granbery: Sandy, this is B.J., in Montana. So, by your saying that there is additional guidance on how to seek the secretary's approval for LEA's to use SSFS as general fund for purposes of Title I Maintenance of Effort, the governor can go ahead and submit the application for SSFS without that request being contained in there, since we don't know your guidance yet on how to seek that approval?

(24:02) Susan Wilhelm?: There must be something that you can do with that, because I know they've been approving plans. That would be a question that we would have to address to the folks that are working on the SSFS funds. We can't address that, B.J.

(24:12) B.J. Granbery: Okay. I'm just going to kind of assume that since some have been approved, that their SSFS has been approved, that we can seek this approval later, is what I'm thinking.

(24:24) Susan Wilhelm?: I'm going to have to give that question to Jim Butler and ask, let him get him get back to you on that.

B.J. Granbery: Okay, thank you.

Seymour Hanfling: Are there any other follow-ups on this question for Sandy?

Okay, let's go to the next one.

(24:44) Seymour Hanfling: This is going to be an easy one for me to answer or respond to, because we're talking about MOE and Early Intervention work under IDEA, especially in regard to quarterly financial reporting expectations. That's one I'm going to have to punt on, that's an IDEA question. We'll have to talk to the Office of Special Education programs, to answer that.

(25:09) Susan Wilhelm?: Yes, and you guys will have to go to IDEA to get that answer. We would like to be able to help you on this but the volume of questions that we're trying to field, we just can't—we're drowning with just the Title I ones.

The next one on our list is #3. And Seymour, I think you said you might have changed the order of these, so if we've got them a little bit out of order, we're using the version from yesterday.

The question is, is it possible to allow districts to set aside adequate funds to meet local demands for SES and Choice, then reallocate the remaining 20% of the Title I funds?

And there are 3 parts to this answer. And it's all contingent on what we mean by 'adequate.' The Department would consider it being, if a district, a small district, doesn't have very many

kids in—or any schools in improvement, so there are very few students that they have to offer Choice and SES to, if a district can reserve an amount that would allow them to provide services to every eligible child for Choice and SES in the district, and they still wouldn't be spending the 20% because there are so few kids that are in schools that would be eligible, in that scenario, that's the only case when they could just unilaterally go ahead and reallocate the additional resources.

They'd have to clearly document that they were reserving an amount equal to what it would take to serve every eligible kid, and then they could go ahead and use the rest of Title I money for other purposes.

In terms of the ARRA money, you can ask for a waiver to have ARRA money excluded from the base amount used to calculate the set-aside for Choice and SES. However, if you're in a situation where you have a district that maybe has 1,000 kids eligible for Choice and SES, but normally maybe 500 kids participate, you can't reserve funds just for that 500 kids, assuming that in the future that's going to be your participation rate and roll money over.

The only way you can do that is in accordance with the regulations in 200.48D. These are the regs that were published in October of last year. And there are 4 conditions that have to be met. You have to (**inaudible**) partner with outside groups, you have to ensure that eligible students and their parents have a genuine opportunity to sign up and transfer (27:40) **or pay** an SES. And you have to ensure that eligible SES providers are given access to school facilities using a fair and open project. And on the same process, I'm sorry, on the same basis in terms as they're available to other groups.

So even if you have a waiver to exclude ARRA money from the base that you're using to calculate your 20% and you still want to use less than the 20% to provide SES or Choice, then you've got to, the only way you can do it is in compliance with 200.48D.

Are there any questions about that? Okay.

(28:21) Sandy Brown: Okay, the next question deals with the requirement to spend 85% of your Title I funds during the 2009–2010 school year. Having that waived to a more balanced, practical approach taken by IDEA (**inaudible**) rule that the funding be expended over years.

I mean I think, yes, there is a requirement that 85% of your Title I funds be obligated in the first year that they're available. Of course the state may waive the 15% carryover limitation once every 3 years if it determines such a waiver is reasonable and necessary, or a supplemental appropriation such as ARRA becomes available.

This provision should allow most LEA's to plan for these additional funds over a 2-year period. Now, in cases where an LEA has received carryover waiver from the state within the past 2 years, the secretary may waive **that** one in 3 year provision. And of course as I indicated before, the department is expected to issue guidance concerning waivers soon. We realize this is of the essence, time is of the essence.

So I mean, I think the fact that you have the capacity to waive this, and I think that's going to help you in doing a little bit longer-term planning.

(29:47) Susan Wilhelm?: Let me just add one more detail to this, traditionally we have seen waiving the carryover if something happens toward the end of the year. And we really discourage plan carryover, primarily because it undercuts our justification for asking for increased funding for the program when that happens.

One of the things that we're looking at is that we understand that because of the large amounts of money that are involved with these ARRA allocations, that there may be (30:15) ****situations**** where it does make sense to do a more, a planning where you'd use the money over a longer period.

And what we're exploring, and one of the things that will be addressed one way or the other in the guidance, is the possibility of waiving carryover earlier in the process. We're not there yet at this point.

(30:33) Sandy Brown: Yes, I would only add that we understand that this is an extraordinary situation because of the unprecedented increase in the amount of funds. But just to give you a little bit of history of this, this requirement came about as a result of a situation in ****a**** state that was reported in a newspaper where a large urban school district carried over more than half of their money. And I mean, as a result of that. And as a result of that, ****vision makers**** (****inaudible****) and in Congress felt that that was an abuse of carryover limitation, or abuse of that carryover situation, and limited the carryover to 85%, thinking that that was reasonable. And most years that is probably a reasonable assumption to make. But because of this year, because of the extraordinary increase in the Title I funds, this is something that the Department is considering.

(31:32) Susan Wilhelm: And this is one of those areas where, as Sandy mentioned in the beginning of his comments, that there are 2 purposes in this money that's going out. One is to save jobs, and the second is to promote reform. And it's a balancing act. And this is one of those questions where that balancing act is something that's being looked at.

(31:55) Sandy Brown: Which kind of is a segue into our second question, because it's going to be a short answer is, what is the current status and timeline of the waiver guidance? Is it possible to have a working draft out to help districts who are currently planning for next year?

As we've kind of said, I'm sorry I'm sounding like a broken record. This is the next piece of guidance the Department expects to release, and we hope to have it soon. We understand your concern. We have a draft in clearance, however in addition to receiving internal Department clearance it has to be cleared by OMV, who have the good guidance process that we have to go through.

So it's going to be difficult to predict how long this will take.

(32:43) Susan Wilhelm: One thing, though, that you might want to do in the interim is, whatever waivers, however we handle waivers, the requirements in ****Title IX**** of the ESEA would apply in terms of the types of information that would be submitted. And so you might want to be looking at the current waiver statutory provisions and thinking about how that may or may not work in your district. You have to make it work because those requirements do apply.

We hope to have in the guidance, folks who address some things that might make it—would be helpful for people to use to address those reporting requirements but that's right now the best thing that you could look at if you're sort of trying to get a heads-up of what might be coming in the future.

(33:28) Sandy Brown: And I think, I can't remember, I answered this. You know, there was also a question about giving you some sort of idea of how the waiver process might work. And again we're not in a position to give really very specific comments, but what we can say is that we're looking at ways to streamline the process in order to shorten the decision-making—the decision-making procedure.

One thing we're looking at for example are ways to possibly process multiple waiver requests that come in on a single issue in one fell swoop. That's one of the things that we're looking at. But other than—I can't be more specific than that at this point.

(34:12) Susan Wilhelm: I think, though, that the critical thing is that we all, as Sandy mentioned earlier, we understand that you've got districts right now that are in their planning process for next year, and for these waivers to be useful, they have to be managed in some way that lets people know what they're going to do and to move forward, to finish their planning before school starts, and we're sensitive to that. Any questions? All right.

(34:37) B.J. Granbery: This is B.J. again, in Montana.

Susan Wilhelm: What's going on, B.J.?

(34:39) B.J. Granbery: I was just going to confirm with you if I could, how the years, how you count the years on those waivers, the once every 3 years? So, let's say since school year 2009–2010, the upcoming year where we have the additional money, is where a district may seek their next waiver of the 15% limit. And they had a waiver last, on the allocation for the 2005–2006 school year. I think they could have one because then we will have passed 2006–2007 as one year, 2007–2008 is the second year, and 2008–2009 is the third, so they would be eligible again for 2009–2010? Am I counting that right?

(35:25) Sandy Brown: I would agree with that. I remember I went through this years ago counting it on my fingers. So what I would look at is, you know, you have a 3-year period, let's say, 2007–2008, that would be one year. 2008–2009 would be another year. 2009–2010. And if you have not had a waiver in the last 2 years, then you're okay.

B.J. Granbery: Oh, in the last 2?

(35:51) Sandy Brown: Right, because you're looking at a 3-year period. Your 2007–2008, 2008–2009, and 2009–2010. That's a 3 year period. So what will happen is, if you have a waiver in 2009–2010, then you're not going to be able to get one in 2010–2011 without a waiver of the (36:15) (**inaudible**).

B.J. Granbery: Okay, thank you.

(36:24) Susan Wilhelm: Okay, the next question is, what is the USDOE planning to do to reduce or streamline the reporting requirements? Is there any help in funding for states that might meet additional obligations related to data requirements?

The reporting requirements have (36:38) (**inaudible**). When ARRA was first enacted, everyone was talking about how there were going to be lots and lots of reporting requirements. And then as Sandy mentioned, on April 1 OMB published for comments, sort of the framework that they were going to use for reporting. And it was significantly less data than folks had really anticipated in the beginning.

And our job once they finalize their requirements will be to help translate that in terms of what it means for Title I. But I have to caution you that, and many of you know this as you work with your state legislatures, this data reporting requirement, it's not over until it's over. So, we know where things stand right now but until we get some further guidance from OMB we cannot tell you any more than that.

In terms of additional funding, the ARRA does give the department the ability to regulate, to give states additional money related to ARRA data reporting requirements and that's under discussion in the department as we speak.

(37:50) Sandy Brown: I would only add that if the department goes in that direction, it requires regulation. And under regulations you have to go through the comment and response process required under the Administrative Procedures Act (38:04) (**inaudible**).

(38:06) Susan Wilhelm: There is one piece of free advice that we can give you if you're not already doing that, and that is every day, go onto our **ed.gov** website and click on the 'recovery' icon. That's where, some stuff that is happening here so quickly that we don't even know about it, so we've been checking on a daily basis to see what's going on. I know Zolly will send out things on a list service that happen, but I would also strongly encourage you if you're not already doing that, to monitor the web page closely.

And in that regard, I want to go off topic for a moment and make sure you know about 2 things that are on the website. On April 24, the department issued a sort of, a multi-page document about the types of things that they were hoping that people would think about using the ARRA Title I and IDEA funds for.

And it's a good thing to look at in terms of thinking about the types of reform activities that the administration is talking about, when they talk about ratcheting up the intensity and quality of interventions that are made with Title I funds.

The reason that I want to flag it for you, and for the other part (39:13) (**inaudible**) closely at the guidance. It says that you can use stabilization money for everything that's on that list, but you may be able to use Title I or IDEA funds depending on the (39:25) (**inaudible**) requirements.

And it's important that you know that, because your district people may be looking at those things and say, you know how people miss the footnotes and the details sometimes. So you want to, somebody may call you and say, well there is this thing on the website, it says we

can do X with recovery money. And it's going to be crucial for you to remember, as Sandy said at the beginning, that all the Title I requirements apply to the Title I money.

So maybe on those things that are up there, stabilization money clearly can be used for that but Title I is going to take a little more work to make sure. In some cases it won't be an issue, in other cases it might. So I want to flag that for you.

And also on that same web page, the department is (40:05) (**inaudible**) documents that have been put out by outside entities, suggesting (40:11) (**inaudible**) uses for stabilization money. The same caution applies to that. There are some terrific ideas (40:17) (**inaudible**) stabilization money can be used for all of it, and that you will just need to make sure that if anybody is looking at one of those things with a Title I bent in mind, that they're consistent with the Title I requirements.

(40:33) Sandy Brown: All right, this next question we're going to talk about, actually came from, they've identified themselves. It's from Washington State.

There is a significant need for aligned mathematics materials for the rapidly growing number of districts in improvement.

And I think the question is, what funds can be combined by SEA's and LEA's to ensure that their neediest kids have aligned instructional materials, and embedded assessments, and robust professional development across the state over the next (41:08) [2 years].

As we currently understand it (41:12) (**inaudible**) Washington, and Washington is on the line, correct us if we're wrong. The state is implementing this new math curriculum, however because of budgetary shortfalls there is not enough really, state funds, to purchase the textbooks and other curriculum materials for all its schools. And the question becomes, are there Title I—are there federal funds that could be used to help meet this need?

Now, as we're (41:39) **understanding** the issue, we're not sure the Title I funds could be used for this purpose (41:44) (**inaudible**) an LEA uses Title I funds to, say, implement a new curriculum in Title I schools, and then use this Title I, or use the state and local funds to implement the curriculum in non-Title I schools, because we think that presents a supplanting issue.

There is also the issue of using Title I funds to implement a state-mandated curriculum as well. However, I think your SSFS funds could certainly be used because there are no supplanting requirements associated with those funds.

I'm not sure if Susan has anything else to really add on that, but I think that's, I think that's where we come down on that issue.

(42:24) ?: Are you able to speak to whether the possibility on 1003G guidance might allow for that in these circumstances?

(42:38) Susan Wilhelm: We can't address that right now. We would still have an issue with it being a state-mandated curriculum, but we'll take that back and look at it. The problem that we would still have is that no districts implement a curriculum just in a Title I (42:54)

****school**** it's going to implement the curriculum across the board. And so, but we'll take it back and look at it.

(43:01) ?: And just to be clear, we don't have state-mandated curriculum in Washington State. So it isn't required that they use that, just that many of them have old materials and don't have the funds to purchase materials.

(43:17) Susan Wilhelm: But didn't the state enact new math standards or something that is prompting this change to the new curriculum?

(43:21) ?: Yes, we do have state standards. We just don't have state-mandated instructional material.

(43:30) Susan Wilhelm: Okay, that's an important thing for us to know. And you think that implement is (****inaudible****) among the local level and their Title I schools, and not in their non-Title I schools, so they'd have (****inaudible****)?

(43:41) ?: No, we're looking at the number of districts that are out, that are Title I districts that are out in their ****all-category**** so across their district they're out. Might there be a school that's not Title I? That's very possible. But the majority of their kids in all grade levels are not meeting the math standards.

(44:04) Susan Wilhelm: (****inaudible****) have a problem on a districtwide basis because the only authority right now on the statute to use Title I money across the district, it's the case of districts that are in improvement and they can use the 10% professional development money in both Title I and non-Title I schools. But the general rule that you can't use Title I money in non-Title I schools unless it is specifically authorized. But we'll take it back and take another look at it.

?: Thank you.

(44:33) Susan Wilhelm: (****inaudible****) telling you is what our best understanding of the circumstances at the moment.

(44:45) Sandy Brown: All right, move on to question 9. I'm afraid this answer is going to be fairly short. Basically, could you provide any examples of creative guidance other states are providing on the use of Title I ARRA funds, as well as any way states may be incentivizing targeted use of funds?

Fortunately, no. I mean programs funded with ARRA are just getting underway, so we don't have any examples of creative guidance that ****states**** are providing. But we're always on the lookout, and to the extent that you have some ideas that you think would work, we would love to hear from you.

(45:21) Gayle Pauley: Hey, Sandy, this is Gayle Pauley. Have you seen Lori's guidance that she is putting out in South Dakota? I haven't seen it yet but I just saw an email from Rich that said she had some new ****pieces****, or has anybody on the line seen that?

(45:38) Sandy Brown: No, I had not seen that. We'll have to take a look at that.

Gayle Pauley: Thank you.

(45:49) Sandy Brown: The final question that we have here is, at least as it relates to Title I, can you elaborate on the quarterly funding expectations, especially related to finance?

Again, the only guidance we can provide concerning reporting financial reporting expectations is that which is contained (46:07) ****in the**** notice that OMB issued on April 1.

One thing I do understand at this point is that the due date for the first quarterly report has been moved until October 10. That gives you a little bit of breathing room, that's my understanding. And with that we'll open it up to any other questions you have, issues or other ****inaudible****).

(46:37) Gayle Pauley: This is Gayle again. I have another one. We are working on our application right now. And I'm looking at the regular Title I assurances, and those are fine, we know what those are, we do those every year.

But I was wondering if there are additional assurances under ARRA that we should add into the Title I assurances section?

(46:59) Sandy Brown: Well, I think certainly the stuff about making sure you collect the data. One of the things you might want to (47:07) ****inaudible**** the—are attachment ****T's**** in the grant awards, which kind of outline a lot of the information that states are expected to assure that they ****provide****. And I would think you would want to make sure that your LEA's provide the same kind of ****inaudible****).

(47:22) Gayle Pauley: Sandy, I'm sorry, I didn't hear you. Which attachment?

(47:24) Sandy Brown: Attachment 'T,' as in Tom. It's a part of our grant award document that we sent out on April 1. I could certainly send you a copy of it if you need it.

Gayle Pauley: I can probably find it, thank you.

(47:36) Sandy Brown: ****inaudible**** some conditions. And some of them, and a couple of those conditions are that you have to collect certain types of data and those sorts of things.

(47:52) Susan Wilhelm: I was also wondering, like the 4 component parts, you know, the first 2 in particular where we're looking at retaining and hiring educational staff. And then also support of those schools and districts in improvement for low-achieving kids.

So I was thinking about adding those, too. Does anybody have any comment on that?

(48:20) Sandy Brown: That certainly is consistent with (48:23) ****inaudible**** is so I don't think ****inaudible**** wrong with that.

?: Thank you.

(48:28) B.J. Granbery: (**inaudible**) and we had not necessarily thought about adding that as assurance, but that's not a bad idea. We're mostly focusing on how are we going to collect that information.

(48:42) Susan Wilhelm: That's always a problem, B.J.

(48:46) Sandy Brown: This is one where we actually feel your pain.

B.J. Granbery: Thank you.

(48:56) Seymour Hanfling: Are there other questions for Susan and for Sandy?

(48:58) Tim Lockwood: Yes, this is Tim Lockwood in Wyoming. I have a real quick one, and I probably should have asked this when we were talking about the carryover waiver. I was just curious, on the Title I funds, now the ARRA timeline talks about having to have things obligated by September 30, 2011. But then you talk about needing to spend these funds and if you don't spend them fast enough then you need to get a carryover waiver.

Which timeline are you working with? I mean, do the Title I funds fall subject to the September 30, 2011, or—because, the reason I ask is, in Wyoming, we're running about a year behind. The deficit that is going to hit us is going to be in 2010–2011 school year, not this one right now. So we're looking at trying to preserve those funds to assist school districts when the deficit hits them or hurts them the most.

(49:53) Sandy Brown: To answer your question, the Title I funds are available under the **Pidings** Amendment, until September 11, 2011. However, that is subject to the carryover limitation. So for example, a non-Title I funding, there is no issue with the carryover limitation. It's available for the whole time and you don't have to worry about how much you obligate the first year versus the second year.

With Title I, there is that requirement section, **11.27**, that my school district must obligate at least 85% of its funds by September 30, 2011. In other words, notwithstanding the fact that you have a full 2 years plus to obligate the money, you have to obligate 85% of that the first year. That's a special provision put into Title I. It's been in there since the late '80's.

(50:53) B.J. Granbery: Sandy, this is B.J. in Montana. So, what you're saying is, the first 85% should be obligated by September 30, 2010. And then you have your 12-month carryover period before it all expires.

(51:09) Sandy Brown: That is correct.

Tim Lockwood: Thank you.

(51:26) Seymour Hanfling: Are there other questions for Sandy and Susan?

Well, I would like to thank you Sandy, and Susan, very much for participating and for being on this call. And Sandy, as I have told you over the phone I have sat in on a couple of the Title I calls and I appreciate your explanations, and your honesty in saying hanging in there because decisions haven't been made yet.

So you're more than welcome to stay on the call because I have noticed that Josh Bendor has logged on. I think you have, Josh, you have very good timing. So I'd like to just let Josh and Marisa know, if she is with you, that ...

(52:05) Marisa Bold: Yes, we are both here.

(52:09) Seymour Hanfling: We have 4 of our 5 states. We have representatives from: Wyoming, Montana, Oregon, and Washington. We have about 16 or 17 people on, that range from deputy superintendents to those who run Title I programs, to federal liaisons. And we have just finished going through the discussion on Title I, and we're going to turn this over to you. If you'd like to give an introduction and an overview of the Race to the Top and some of these other funds before you go to the questions, please feel free to do so.

Whatever works for you. I know that people are real interested. We'd like, as you do respond, we know that people will have questions for you. So I'm going to turn this over to you right now.

(52:55) Marisa Bold: Great, thank you.

(52:58) Josh Bendor: Great. And, yes, thanks so much. Josh here and Marisa also. And I guess we're going to be working through these questions, taking follow-ups you have together (**inaudible**).

(53:13) Marisa Bold: Sure, absolutely. We thought Seymour, to your point, that a super-quick overview and a framing of these and then we'll dive into specific questions that you guys shared, and share as much information that we're able to and is available at this point in time.

The first thing that I would just say is that all of the information sharing is preliminary. We're excited to be able to talk to you guys, to hear from you guys, especially to hear the questions that are out there. And everything that we're saying right now are definitely just options that we're considering. They're not final decisions.

But we wanted to give you a sense of that thinking, so that it can be helpful wherever possible. And I think as everyone on the phone knows, you know, the purpose here is really driving substantial student achievement gains. And our goal is supporting states and making dramatic progress on that, particularly in the key (54:03) **reform** areas mentioned in ARRA, you know, the 4 reform goals and effectively using all of the ARRA funding toward the state's comprehensive goals for improving student achievement.

The fiscal stabilization fund as you guys know and have probably been looking at in-depth, gives money and really emphasizes transparency on those 4 reforms. Or I should probably say 5, when we include the maintenance (54:31) (**inaudible**) requirements.

And then Race to the Top, the way it's being envisioned, is really looking at supporting states in going far beyond that, and really leading the way nationwide in making dramatic progress. So, we're excited to be able to support you guys in that effort.

I would say, too, we're going to be looking at ways to get input during the process as well. So, we'll continue to have these kinds of conversations as well as think about other opportunities for doing that.

And this last point I would say in an overall way is that, you know, what you guys have probably heard, (**inaudible**) saying, you know, heard the secretary saying, heard the president saying, is that this is envisioned as a competitive process. So the bar will likely be quite high and we're excited to see what states come forward with terms of bold and innovative approaches to really having a Race to the Top and really looking at dramatic impact in the key areas. Josh?

(55:38) Seymour Hanfling: Marisa, this is Seymour. I'd just like to interrupt. I think someone has their phone off of mute, so if you could make sure that everything is on mute, we're getting a little feedback on it. Sorry for the interruption.

(55:48) Marisa Bold: Oh, not at all. We hear a little bit of it in the background.

(56:00) Josh Bendor: Okay, and I think that's a terrific overview and sets the stage.

We're diving into the questions that you guys had. The first one whether consortium of states applying together would have an advantage over a single applicant?

And reiterating Marisa's point, this is preliminary, but what we're saying is (**inaudible**) we're not expecting a consortium of states an advantage **for** a single state applicant.

We are looking at ways to have lots of states work together on standards and assessments. For example, but it's not likely that it will (56:36) (**inaudible**) priority for them to submit one application in (**inaudible**) though of course if you're able to learn from each other and you have a stronger application for that reason, that, you know, it's always better to have a stronger application however you get there.

Any follow-up on that? Does that make sense to folks?

(57:04) Pat Burk: This is Pat Burk in Oregon. Could you clarify whether or not it is the intention that states be limited to one Race to the Top application, or multiple Race to the Top applications?

(57:19) Marisa Bold: Say more about that, because the way you—we might have read that differently in the question. Pat, say more when you say 'one or more.'

Pat Burk: There are 2 different versions of this question. One is that states are limited to only one application for a Race to the Top grant. Secondly that some, that states will be invited to submit a Race to the Top application based on their prior performance, and I've also heard on one call that more than one Race to the Top application could be submitted from any given state. And I'm trying to clarify which of those 3 positions is the most accurate.

(58:02) Marisa Bold: Yes, I don't know, and I'll let Josh (**inaudible**). I don't know that any of those right now are actually accurate, so I'll let Josh speak to that and then we can keep

going through, because I know that question is in the list, too, so that we don't confuse people by moving off the PowerPoint. But we can speak to that one now.

(58:15) Josh Bendor: Yes, I mean, at this point, and this is something that we have said, that the tentative thinking is there is likely to be 2 different phases, 2 different dates which states could apply. And it's likely that they could apply at either of those dates. So if you didn't get it the first time around, or maybe even if you did, you could try the second time, learning from the first time.

But there hasn't, the point about states being invited based on their progress, I would not expect that that's how we're going to do things. I think states will have to demonstrate in their application, the statutory requirements, that they have made progress. But I would not expect that's something we're going to do on the front end, and then invite states to do, and not invite other states to do.

(59:12) Marisa Bold: Yes, I think that's definitely (**inaudible**).

Josh Bendor: Any other follow-ups on that, because it seems there is some—there are rumors swirling around out there.

(59:28) Marisa Bold: Great, okay. Sure, so next question that we saw submitted, also from Washington was, whether or not the proposals have to address reforms in all 4 assurance areas. And right now, we recommend planning for that. There definitely is, in terms of the statute and in terms of the goals, a focus on the 4 assurance areas and, you know, building on the fiscal stabilization as well, so we do recommend that you think about it in the context of all 4.

(60:04) Josh: Any follow-up to that? So the next question was whether—yes, go ahead.

(60:14) Seymour Hanfling: This is Seymour. Those 4 assurances are fairly broad, and so to say that an application needs to respond to all 4 of them, is there an assumption that some of those will be a limited part of the overall proposal, as opposed to sort of equally distributed?

(60:38) Marisa Bold: So there will definitely be further guidance in terms of specificity of what might be looked for, or evaluated, prioritized. What might, as you guys have a lot of experience with the absolute priorities, versus competitive priorities in kind of relative areas of emphasis within that. And that's something that future guidance will definitely provide clarity on, in terms of where, you know, how you think you got it in a comprehensive way and then where are there particular aspects that the Race to the Top applications would be evaluated based on.

And so I would say that's when we're, it's too preliminary at this point to comment on, but that future guidance will absolutely be available in terms of greater specificity. Is that helpful, Seymour?

Seymour Hanfling: Yes, thank you.

Marisa Bold: Great.

(61:24) Josh Bendor: Anything else on this topic before we move? Okay, cool.

So the next question we had, also from Washington, was whether the Race to the Top money is going to be limited to K–12 programs.

We certainly haven't finished the balance of priorities for the RFP, but—and so we don't, you know, so we haven't determined finally whether non-K–12 will be, which—whether K–12 will be prioritized. But states will be able to use their funds toward early learning or post-secondary goals that fit with their comprehensive plans for improving student achievement in the 4 reform areas. So, I wouldn't say the money is definitively limited to K through 12 programs (**inaudible**).

(62:27) Marisa Bold: And that's a question we were looking at that's different in some of these, in terms of the use of funds, versus the prioritization in the applications. And actually what we're talking about there is in the use of funds, we don't anticipate that it would be limited in that way at all.

(62:43) Seymour Hanfling: Thanks, let's move on to the next question.

(62:46) Marisa Bold: Great. So, can money be distributed to LEA's on an RFP format? So this is one that I imagine that many of you have read, according to the statute, half of the grants that states get must be distributed to LEA's using the Title I formula, but not necessarily the Title I program requirements. I know you have just spent a lot of time talking in-depth about that.

And so in this case, in terms of further allocating that money based on an RFP, there may be an opportunity for states to set criteria for the distribution of funds, to ensure in particular, that LEA's are using those funds toward the 4 reform areas. And the state is going to, and the governor in particular, is going to be signing for responsibility to deliver on the commitments in terms of the grant application. And so there may be some flexibility for the state to set some criteria for those LEA's that are participating. But we would just say, too, within that it's a balance of kind of speed of making use of the funds toward meaningful reform is something that is important as well, and so balancing what that looks like and how the states worked on distributing that funding within the requirements that the 50% go to the LEA's based on that Title I formula.

And also that at least 50% goes, there—we'd just recommend that you balance that. But there will be more guidance in the application about criteria that states can use to help ensure that the LEA's that are getting funding are helping the state make progress toward those commitments on the 4 assurances.

Seymour Hanfling: Are there any questions, follow-ups on that?

(64:43) Marisa Bold: And the only other thing I would add to that, too, is that it's not the state that would be limited only in that 50%, either. Because it's at least 50% going to the LEA's, so the state could determine, or more of that money goes to the LEA's as well.

(64:58) John Bendor: So, for examples, states could determine that they wanted to give 10% of their funding, in addition to that 50%, to LEA's using an RFP, okay?

Hearing no questions, the next question ...

Marisa Bold: Right, although I would say using an RFP it depends. We would have to see, the application will provide guidance in terms of the funding (**inaudible**) if there are any restrictions on that, but we don't anticipate that.

(65:26) Josh: Yes. So, the next question was about whether the funds can be used to purchase materials [that will] form a common curriculum?

And basically, we don't have that level of specificity to share at this point. So, don't want to mis-lead.

(65:41) Marisa Bold: Is there anything else in particular? Because we did hear a little bit of the end of the Title I conversation. Is there anything that you guys would want to clarify in that question for us, too, just as we're going forward? If there were any intricacies embedded in it that you would want to make sure that we knew? Great.

Josh Bendor: Question 6 I guess we basically answered.

So, there was also a question about, given the timeline will states be able to submit more than one application? And just to elaborate on what we said earlier, part of the idea of having 2 application dates is making it possible, both for states that are ready to go sooner, and for states that need more time, to think about their application and do the things necessary to be ready to apply. So, trying to have a structure that is flexible enough for those to (**inaudible**).

And we're thinking, I just want to emphasize, that conversations here at the department, it's very present in our conversations, thinking about the making this program feasible for states.

(67:06) Pat Burk: This is Pat Burk in Oregon. Let me try just one more time to clarify this question. I understand that there are 2 possible application periods. That wasn't my question. My question was, in either round, is the state limited to a single application, or could more than one application be submitted simultaneously?

So let me be specific. If another entity, say the university system, or a coalition of school districts in a certain region of the state, or a coalition of university and school districts working on a particular project, if they had an interest in submitting a Race to the Top application that is independent of an application developed by the State Department of Education, is that allowable?

And I have heard 2 different answers to that question. It's been my understanding that the only application to be submitted is the application with the signature of the Chief State School Officer and the governor, and that that represents the application for Race to the Top.

I'm trying to clarify whether or not any other application is allowable under the guidance that would govern this project.

(68:41) Marisa Bold: Your later conception, Pat, is the one that is accurate to the, based on the information we have. We have not seen anything that would allow other entities. Like you

said, it is per the statute. It is the state that is applying. It is the governor that signs. And like you said, potentially a few other key (**inaudible**) like the Chief State School Officer or the State Board of Education.

But absolutely, it is a state application submitted by the governor.

Pat Burk: Very helpful, thank you.

(69:09) Rob Larson: This is Rob Larson. Can I follow up on that and just take a slight twist on that? For about states collaborating and states submitting applications on their own.

Would it be appropriate for a state to simultaneously submit a joint proposal with a collaborative of other states, and one that would be unique to their own state, a single application under the signature of the governor and the chief?

(69:42) Marisa Bold: I think that's one that we will put out guidance on at a later date, so that's one we wouldn't be able to speak to now. But I do hear your question and it's not one where we have a definitive answer now. But Rob, we'll make (**inaudible**).

(69:58) Rob Larson: Another one is just a piffy, straightaway one, states are the only eligible applicants for the Race to the Top funds, correct?

Marisa Bold: Yes.

(70:10) Rob Larson: Okay, that's helpful to get that clarification. That's what I've heard in meetings in DC and I just wanted to clarify that because I think there is some confusion here, because then the innovation, what works, that is the collaborative of the LEA's with private sector colleagues?

Marisa Bold: Exactly. That is different. That is where there are LEA's that can apply nonprofits, etc. Different combinations in that one, versus the state being the eligible applicant for Race to the Top, yes.

(70:44) Rob Larson: While I'm by the phone here, let me take the liberty of now tagging the question previously into the innovation piece, if that's appropriate. And that is, would a district be able to join multiple collaboratives in a state to submit an innovation grant? Or would the district only be eligible to be attached to one?

(71:09) Josh Bendor: That's a good question. And we work less focused on the innovation grants, so we'll pass that onto the folks who do.

Marisa Bold: Yes, and Seymour, if we get that answer to you, will that be something you'll be able to get out to the group?

Seymour Hanfling: Absolutely.

(71:26) Marisa Bold: Great, so we'll follow up on that. Thanks, Rob. Okay, any others?

Last one in terms of the things that we'll probably be able to share the specifics on, this is a big one we know, too, is the question of the timelines that builds into the last question that we were talking about, the phase structure.

And right now the current thinking is that there will—are likely to be 2 phases, for the reasons that Josh articulated earlier. And in terms of the timing of that, this is just general, but we want to give people a general sense so that there isn't, you know, we know there ****is**** some kind of people working really diligently right now, and that there is enough time, information will be coming out. And we expect the RFP to be coming out later in the summer, with the submissions to be in the fall, and awards later in the winter, for the first round, should there be a first round.

And for the second round, that one is a bit more definitive, in the sense that the RFP is likely to go out early next year, probably early spring. But—maybe even before that. But with submissions by mid-2010 and awards in the late summer/early fall.

And with that one, all awards will absolutely be made, as you guys probably all know, by September 30, 2010. And so that is the date that we're ****backmapping**** from for that Phase II. So that's a much more clear timeline and you'll know that the funds will be obligated by then for sure.

(73:06) Rob Larson: Can I interrupt? This is Rob Larson again. At what point, as you said, the applications will be out in late summer, that's a bit of a bummer in that we wouldn't be able to use summer to plan.

But at what point might you anticipate the posting in the Federal Register for any comments on this program?

(73:23) Marisa Bold: So this is the first year of grant competition, so no posting in the Federal Register is required for this. We are going to be looking at avenues for public input absolutely, and so there may be a process that is able to be more accelerated in terms of getting information out to the states, because we're balancing that with the opportunities for input as well. We know there is clamoring for that information to come out.

So, more information, we will be looking at opportunities for input, which you'll be hearing about and trying to get that out as early as possible. I think that's a great point that we'll bring back to the team, too, as we're looking at the timelines in terms of trying to get it out with some time for summer planning, too. So thanks, Rob, that is helpful, too.

(74:15) Rob Larson: So you're under, if I understand what you said, you're under no statutory obligations for posting for public comments, but if you follow that tradition of allowing for public comment, it would probably be within 30 to 60-day comment period, I would imagine?

(74:32) Marisa Bold: Please don't read anything into that. Absolutely not. There is no—we are looking at the options right now and we're trying to create more opportunities than there have been in other competitions in the first year, absolutely. But, in terms of what that looks like yet, that's still—that's still very much under consideration.

Rob Larson: I'll step aside and not read anything into my comments.

(Laughter)

(74:57) Marisa Bold: Great, thanks. But we are looking at ways to do that whereas other programs in the past have, it's absolutely not a requirement, it's not—and so we are looking at ways to bridge the pace with also the opportunity to get input. And so kind of juggling the multiple needs that we're hearing from the states.

Josh Bendor: Any other questions on that topic or on others?

(75:30) Seymour Hanfling: This is Seymour. I have a question on the second phase of this. If the award is made by September 30, 2010, will all funds need to be expended by September 30, 2011?

Marisa Bold: Great question.

(75:46) Josh Bendor: Yes, that's a really good question. And the answer is 'no.' And, you know, we'll talk with our general counsel and we'll be able to set the project period for how long the funds can be used, and we want to make, you know, we're very conscious that it's going to take time to do some really serious reforms and get some results.

So it's not going to be just a year, definitely it will be more than that, and exactly how long, we haven't determined. But it won't be just a year.

Seymour Hanfling: Thank you.

Marisa Bold: And looking more toward multiple years.

Josh Bendor: We don't want to artificially limit it in a way that would hamper your ability to actually use these funds to help kids.

Seymour Hanfling: I think that's very helpful. Are there other questions?

(76:36) Rob Larson: Yes, Seymour, this is Rob again. And I apologize for hogging the mic here, but just another question.

Could you, Marisa, or John, could you elaborate on elements of the larger picture here? I mean, the President, the Vice President, the Secretary, have all expounded upon how the SSFS dollars, and the Title I IDEA, plus the competitive grants, all leading toward putting cards on the table for administration priorities regarding reauthorization and whatnot.

Is there any advantage at all, do you see, for states and districts in collaboration with one another, for simultaneous, or related Race to the Top and innovation grants that kind of come together under a coherent package from states, and districts, and NGO's?

Have you thought about what that might look like in—down the road as certainly the priorities through the assurances in guiding principles are really suggesting some pretty serious priorities for the administration.

How likely is it, or how much emphasis might be given to coherence between Race to the Top and ****What Works****?

(77:54) Marisa Bold: I would say in terms of the way that, there won't necessarily be a particular priority that says, you know, how are you using What Works, and you get more points for that, and vice-versa? But there is absolutely a focus on the comprehensiveness of the plan, how you're using other ARRA funds, all funds, you know, federal, state, local, etcetera, toward reform.

Of course being cognizant, I don't want to scare anyone, we know this is a dire financial situation. So, within those bounds. But, to your point, Rob about, how—what is that comprehensive plan? How are you looking at all the different funding sources, other competitive grant programs. You know, there is TIF, the Teacher Incentive Fund. There is Teacher Quality Enhancement that I think has a different word than enhancement now potentially.

But there is the State Data System grants, there are Title I School Improvement money that's coming from ARRA and, you know, there are many other funding streams. And I think there will definitely be an emphasis on what is the state's comprehensive plan? How are they looking at using all of the different sources of funding toward aligned goals and amplifying that impact, as well as to your point about other partners, you know, how is the state engaging key stakeholders? And whether that be the LEA's, and districts, nonprofits, NGO's, and others, to really amplify and have the best opportunity for making that dramatic progress.

So I do think everything you said from that perspective will be prioritized, but not necessarily saying, did you win X grant program as a criteria for Y grant program? But, what's your plan for how you use those funds in an aligned way?

(79:48) Josh Bendor: Just to piggyback on that, maybe a way to put it that will help think about it is, kind of think of Race to the Top as the big picture grant program. So this is supposed to be looking at what you're doing in your state's education system in a lot of different ways and putting a lot of different pieces together. And so it's not supposed to be sort of silo'ed.

And so that will include thinking about different funding sources, thinking about different stakeholders.

(80:19) Rob Larson?: Great, thank you very much, you spared the group from my other question. You've already answered it.

Seymour Hanfling: On that note, are there other questions?

Well, I would like to thank Josh and Marisa. I would like to say thanks to Sandy, and Susan. I would like to thank all of you who have participated.

We are going to be looking at next steps and rather than taking the time right now in the call, I'll send out a message to everyone to ask whether looking at another Webinar, and what topics there might be for them to continue this process, to look at whether there is, whether

people are interested in talking with each other electronically and whether we should set up a list or something of that nature, if any of these things will be helpful for this.

So I'd like to thank all of you for participating. We'll send out information to get feedback from you and suggestions for the future. Are there any final comments that any of you would like to make?

(81:34) Marisa Bold: I guess I would just say 'thank you' on behalf of the department. We appreciate having the opportunity to talk. We know that as time moves forward we'll have more that, more answers and more questions that get generated from that, so we just appreciate the sharing of the questions and the opportunity to talk like this. And look forward to doing the same thing in the future as we move forward in the process.

(81:55) Gayle Pauley: Seymour, this is Gayle Pauley and our team.

Thank you to everyone that's answered questions for us. And we are anxiously awaiting the wavier guidance.

Marisa Bold: We hear you.

Gayle Pauley: Thank you.

Seymour Hanfling: I would also just like to thank all of our colleagues at the Department of Education. We know how hard you guys have been working and how many things you've been juggling, and trying to deal with a lot of unknowns. And it's not a great position to be in many times.

But I'd like to thank you for participating and for sharing what you know and for making the suggestions that you feel you can. I think it's very helpful to all of us. And to our friends around the region, thanks for taking the time, for dialing in. Let me know of any other questions that you have. We'll try to continue this dialogue in ways that make sense and that are efficient for all of us.

ALL: Thanks, everyone. Thank you. Bye-bye.

End of ARRA Webinar II (audio = 83:33 minutes)

Transcriptionist: Barb Senarath, 5/19/09