

Strategically Investing Non-Recurring Federal Funds

Major components of the stimulus package have been described as one-time increases in federal funding designed to avoid state and local budget cuts and to spur investment during the national recession. In making decisions about how to spend stimulus funds, school districts are advised to consider that the following direct grants have a specific and limited time horizon:

1. One-time grants to school districts provided out of the State Fiscal Stabilization Fund
2. Increase in Title I funding
3. Increase in IDEA (special education) funding
4. Increase in Title II-D (educational technology) funding

Academic Investment	Funding Stream			
	Title I	SFSF*	Title II-D	IDEA
Online Learning	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

* State Fiscal Stabilization Fund (SFSF) sub-grants

The use of Title I funding is limited to Title I buildings or specifically to buildings designated as “school-wide” Title I participants. The use of IDEA funds is restricted based on whether eligible students with disabilities are being served by the expenditure.

Stimulus funding for major education programs

School districts will want to begin planning now for the estimated funding that they will receive directly as a result of the stimulus bill. Estimated direct funding to school districts should be plugged into the **worksheet below**. Please note that the table reflects the Administration’s proposed allocation of the State Fiscal Stabilization Fund; areas noted with an asterisk (*) may change when your state legislation appropriating these funds is finalized.

Funding stream	How it can be used	Timeline for district use	Approximate direct allocation for all school districts and other LEAs
Total direct aid to districts			
State Fiscal Stabilization			FY2009-10: FY2010-11:
State Fiscal Stabilization* - Grants to school districts distributed using the Title I formula	<ul style="list-style-type: none"> • Modernization, renovation and repair of facilities • Basic education • Special education • Career and technical education • Adult and family literacy 	July 1, 2009 until September 30, 2011	
Education for the disadvantaged (Title I)	Improving reading and math instruction in high-poverty schools	Spring 2009 until September 30, 2011	
Special education (IDEA) Provided through the Intermediate Units	Providing special education programs and services to students with disabilities	Spring 2009 until September 30, 2011	
Technology upgrades (Title II-D)	Integrating technology into the school curriculum and providing related professional development	Fall 2009 until September 30, 2011	

This table does not include competitive grants and other non-direct aid that will be awarded by the state or federal Department of Education. For more information on these resources, please see the “Other Stimulus Investments in Education” section of the Pennsylvania handbook enclosed in your folder. In addition, Title I allocations awarded under the stimulus package are required to be targeted to LEAs with 5% or more census poverty – which is different than the traditional Title I requirements.

Note: Content above has been modeled after the *Pennsylvania School District Guide to the Federal Stimulus Education Investments* as prepared by the Pennsylvania Department of Education, March 2009.