

AVID Center
The American Recovery and Reinvestment Act of 2009 (ARRA)
Overview for States

Attachment 1:
State Funding under the American Recovery and Reinvestment Act of 2009

The *American Recovery and Reinvestment Act of 2009* (ARRA) provides approximately \$100 billion for education. Funds will be distributed to States through both formula and competitive programs. Formula funding is provided through supplements to Title I funding (\$13 billion), the Individuals with Disabilities Education Act (IDEA, \$12.2 billion), and the State Fiscal Stabilization Fund (SFSF, \$48.6 billion). ARRA also provides additional funding and Educational Technology State Grants (\$650 million).

The overall goals of the ARRA are to stimulate the economy in the short term and invest in education and other essential public services to ensure the long-term economic health of the nation. ARRA funds are to be used to improve student achievement. Four principles guide the distribution and use of ARRA funds: (1) Spend funds quickly to save and create jobs; (2) Improve student achievement through school improvement and reform; (3) ensure transparency, reporting and accountability; and (4) invest one-time ARRA funds thoughtfully to minimize the “funding cliff.”

In addition to formula grants, ARRA also includes a competitive grant program for states, the Race to the Top. This program will fund \$4.35 billion in competitive grants to states that are states making the most progress in improving student achievement. Grants will help states continue to close the achievement gap, help students from all backgrounds achieve high standards, and address four specific areas of reform:

1. Adopting rigorous standards and high quality assessments that *prepare students for success in college and the workforce*
2. Building pre-K to college and career data systems *data systems to track student achievement* and teacher effectiveness and foster continuous improvement
3. Recruiting and retaining effective teachers, especially in classrooms where they are needed most, and making *improvements in teacher effectiveness* and in the equitable distribution of qualified teachers
4. Providing *intensive support and effective interventions for the lowest-performing schools*.

Race to the Top grants will be made in two rounds, with competitions in late fall 2009 and in spring 2010. Phase one grants are projected to be awarded in March 2010; Phase 2 grants will be awarded in September 2010.

On April 24, 2009, the U.S. Department of Education published guidance on potential uses of ARRA funds. The U.S. Department of Education identified five key questions to use in framing a plan for the use of ARRA funds:

1. Will the funds drive improved results for students?
2. Will the funds increase educators' long-term capacity to improve results for students?
3. Will the funds advance state, district or school improvement plans and the reform goals encompassed in ARRA?
4. Will the funds avoid recurring costs and instead serve as "bridge funding" to help states, school systems and schools transition to more effective and efficient approaches?
5. Will the funds include approaches to measure and track implementation and results and create feedback loops to modify or discontinue strategies based on evidence?

The U.S. Department of Education recommended that educators and community leaders focus on a small number of related and reinforcing strategies that are consistent with their overall plan for increasing student achievement. They presented some examples of potential uses of funds, organized according to categories that reflect the priorities of ARRA:

- Adopting rigorous college- and career-ready standards and high quality assessments. Recommendations include increasing student participation in rigorous advanced courses (AP, IB, and dual-enrollment in postsecondary credit-bearing courses) with professional development for teachers and counselors; implementing formative and interim assessments; and implementing high-quality curriculum that is aligned with standards and comes with embedded assessments, and intensively train all teachers in effectively using curriculum with their students.
- Building data systems and using data systems for improvement. Recommendations include developing data systems that provide teacher access to information; training all staff to use data; tracking student completion of college credit after graduation; linking multiple data systems; and creating online Individual Education Plans for students with disabilities.
- Increasing teacher effectiveness and in the equitable distribution of effective teachers. Recommendations include creating school conditions that foster teacher effectiveness and retention such as excellent school leadership, time for collaboration, and a culture of continuous improvement; attracting effective teachers to low-performing schools; redesigning teacher professional development and school schedules to ensure that teacher learning opportunities are sustained, job-embedded, collaborative, data-driven, and focused on student instructional needs; providing intensive professional development over two years and additional training to highly effective teachers who will be able to serve as expert instructional leaders and coaches in the future; supporting new teachers with induction programs that include structured mentoring, teacher networks and extensive professional development; training school staff to partner with families to improve student learning (home

visits, family nights, parent training); developing principal training and recruitment systems; and overhauling compensation systems.

- Turning around low-performing schools. Recommendations include implementing new research-based instructional models, community schools, teacher bonuses for effective performance; 9th grade academies; comprehensive literacy programs; intensive summer institutes and ongoing support for teams of principals, teachers and counselors from low-performing schools to analyze data and develop specific action plans for improving student results; and data-driven approach to understanding school performance.
- Improving results for all students. Recommendations include strengthening early learning (K-3); extending learning time with after-school and summer learning programs; strengthening student preparation for college and careers; using technology to improve teaching and learning; modernizing school facilities; and conducting reviews, demonstrations and evaluations that enhance effectiveness.