



Announcement- State Fiscal Stabilization Funds or ARRA Education Stabilization Fund-Spring

To: Local Education Agencies (LEAs)
From: J. Apperson
Date: April 14, 2010
Re: FY 2010 State Fiscal Stabilization Funds-Spring

Award

Title XIV of the American Recovery and Reinvestment Act of 2009 (ARRA) provides more than \$48 billion for states to stabilize their budgets. The State Fiscal Stabilization Fund (SFSF) is a formulaic grant awarded to the State of Arizona, the Governor's Office of Economic Recovery by the U.S. Department of Education. The Governor is pleased to announce that on Tuesday, March 23, 2009 our SFSF Phase II was approved providing K-12 education with the opportunity to partially restore state aid to school districts and charter schools. A total of \$151,648,362.19 is being distributed through an application process to K-12 education. The purpose of this memo is to 1) give LEAs information regarding the application process so that you may receive funding and 2) distribute the local allocation amounts which LEAs are eligible to apply for.

Application

Federal law requires each LEA to complete an application to receive federal funds. The same rules and regulations for expenditures apply as in the last SFSF Application. Funding can be used for any activity authorized by the following: Elementary and Secondary Education Act (ESEA), the Individuals with Disabilities Education Act (IDEA), the Adult Education and Family Literacy Act (Adult Education Act), or the Carl D. Perkins Career and Technical Education Act of 2006 (Perkins Act). Funding cannot be used for facility maintenance costs, capital costs for stadiums or vehicles or office space, nor fund aquariums, zoos, golf courses, or swimming pools.

The application can be accessed through the Department of Education's Grants Management System. LEAs will have to identify how they intend to use the funds by object code with a brief description. LEAs will have to make certain federally required assurances are followed which includes funding, accounting and reporting requirements.

Applications are open NOW on the Grants Management Enterprise System and are due by April 20, 2010 at 5:00pm. View the fund alert by clicking here: [FUND ALERT FY 2010 ARRA Education Stabilization Fund-Spring](#).

Funding

State Fiscal Stabilization Funds are ARRA monies and therefore were provided to states with the intent of immediately being expended. Arizona's State Fiscal Stabilization Funds may be used to assist LEAs with reductions in their budgets made at the state level. This allocation of State Fiscal Stabilization Funds are to be used to help supplement the May state equalization payment.

Individual district and charter school award amounts have been calculated based on state aid payments. For-profit charter schools are not eligible to receive SFSF dollars. Attached are the allocations that eligible LEAs are allotted through this application process. When completing the application, please make sure that the application amount matches the award amount. Also, please ensure that all requested projects have a completion date within the current fiscal year.

Federal cash management laws apply to these funds and each LEA is responsible for complying with these laws. LEAs may want to use the funds to reimburse prior expenditures as it may aid you in simplifying cash management requirements. Funds will be distributed through the Department of Education's Grants Management Enterprise. As with all other federal grants, funding will be distributed on the first of each month. Therefore, the earliest LEAs can receive funds is May 1, 2010. LEAs that submit applications after April 21 will receive funds on or after June 1, 2010.

Further instructions, rules and regulations are located in the application. Detailed information regarding SFSF can be found here: [ARRA Recipient Reporting Requirements](#) and [Governor's Office of Economic Recovery-SFSF](#). If you have technical questions regarding the Grants Management System please contact Enrique Duron at 602-542-3695 or grants@az.ed.gov. If you have questions regarding allocations, allowable expenditures or the State Fiscal Stabilization Fund grant please contact the Governor's Office of Economic Recovery at 602-542-3464 or azrecovery@az.gov.