



American Recovery and Reinvestment Act (ARRA)

Summary for Massachusetts

Program	Funds (Federal and State)	Description
State Fiscal Stabilization Fund – Phase 1 Sources all accessible from: www.ed.gov/recovery	Federal Funds: \$36 Billion MA Share: \$725.8 million Amount Spent: \$618.3 million	Designed to both reduce the financial burden on state education budgets and fund potential reforms, Massachusetts has received to date 2/3 of the total funds distributed to the states based on a set formula. States were required to submit an application indicating how funds would address the following “four assurances”: <ul style="list-style-type: none"> • Teacher effectiveness and equitable distribution of highly qualified teachers; • Establishment of a longitudinal data system; • Enhancement of the quality of academic assessments and standards; and • Turnaround of lowest performing schools.
State Fiscal Stabilization Fund – Phase 2	Federal Funds: \$12.6 Billion MA Share: \$268.4 million (contingent on data infrastructure and policy commitments)	The final third of the Stabilization Funds are aimed at the same goals as Phase 1, but have more stringent application requirements. States must complete a second application detailing state plans to address data collection and dissemination. Final application requirements were released on November 10 th , 2009. These applications were peer reviewed and Massachusetts submitted its application January 8 th , 2010. The Commonwealth was awarded funds on February 18 th , 2010.
Concerns/Priorities	The State Fiscal Stabilization Fund is the largest pool of funds. Massachusetts was eligible for, and has been awarded \$994.2 million as of February 18 th , 2010.	The U.S. Department of Education Inspector General has reported that Massachusetts used Phase 1 funds to back-fill budget gaps and reduce higher education spending rather than maintain state budgets for education. State officials have objected to this characterization. It remains to be seen how Massachusetts will spend the remainder of its stabilization funds.

Program	Funds (Federal and State)	Description
<p>Race to the Top</p>	<p>Federal Funds: Round 1 - \$600 million Round 2 - \$3.4 Billion remains</p> <p>MA Share: In compliance with U.S. Department of Education binding budget guidance Massachusetts submitted an application for a grant of \$250 million</p>	<p>Race to the Top is the largest amount of federal funds ever competitively invested in education. Applications will be evaluated by independent review teams. Each state’s current accomplishments and future plans will be evaluated in the context of four central areas for education improvement:</p> <ul style="list-style-type: none"> • Adopting international benchmarked standards and assessments that prepare students for success in college and the workplace; • Recruiting, developing, retaining, and rewarding effective teachers and principals; • Building data systems that measure student success and inform teachers and principals how they can improve their practices; and • Turning around our lowest-achieving schools. <p>Additionally, judges will award points for district participation, state success in closing achievement gaps, and the strength of the state’s overall plan for reform. Preference will be given to applications that advance progress in Science, Technology, Engineering, and Mathematics (STEM) education.</p>
<p>Concerns/Priorities</p>	<p>Race to the Top is the largest of the competitive grants. Massachusetts is one of 15 states awarded \$250,000 from the Gates Foundation for its application preparation. The U.S. Department of Education has repeatedly stated that not all states will be awarded grants. Delaware and Tennessee were the only winners in Round 1.</p>	<p>Massachusetts has led the nation on many measures of reform and student achievement but cannot rely on past successes for a Race to the Top victory. Other states have eliminated barriers to a successful application and Massachusetts has increased its chances of winning the Race to the Top funds by raising its charter school caps and strengthening state authority to turn around failing schools. Massachusetts did not win in Round 1, but submitted an application for Round 2 on June 1st.</p>

Program	Funds (Federal and State)	Description
<p>Race to the Top: Assessment Program</p>	<p>Federal Funds: \$350 million</p> <p>MA Share: The winning Comprehensive Assessment System Consortia will receive up to \$160 million; the winning High School Course Assessment Program Consortium will receive up to \$30 million</p>	<p>The Race to the Top: Assessment Program is a competitive grant program supporting the development of college and career readiness assessments by multi-state consortia. The program is divided into two parts:</p> <ul style="list-style-type: none"> • The Comprehensive Assessment Systems Grant Program will support the development of assessment systems that measure student knowledge and skills, reflect good instructional practices, and will drive improvement in education. • The High School Course Assessment Grant Program will support the development of a high school course assessment program which promotes significant rigor in high school courses across a well-rounded curriculum.
<p>Concerns/Priorities</p>	<p>A portion of the \$4.35 Billion originally allocated for the Race to the Top program was set aside for this program in an effort to spur and support the efforts of groups of states to construct powerful college and career readiness assessments. State consortia must submit letters of “Intent to Apply” by April 29, 2010, with applications due on June 23, 2010. The winners will be announced by September 2010.</p>	<p>Massachusetts’ Round 1 Race to the Top application noted the state’s participation in two assessment consortia that may be eligible to compete in the Race to the Top: Assessment Program. Massachusetts’ experience in matching assessments to standards and outcomes will be a valuable asset to the consortia it participates in. As with the Common Core Standards Initiative, Massachusetts must work with other states to develop tools for preparing students for college and career, while not sacrificing its own high caliber standards and assessments.</p>

Program	Funds (Federal and State)	Description
Investing in Innovation (i3)	Federal Funds: \$650 million Competitive grants MA Share: Individual grants range from \$5 to \$50 million	<p>The Investing in Innovation grants will be awarded to individual or groups of school districts which may enter partnerships with non-profits. The grants will fund programs that are improving achievement, decreasing dropout rates, increasing graduation rates, and improving educator effectiveness. The funds will be granted at three levels:</p> <ul style="list-style-type: none"> • “Scale-up” grants of \$50 million for programs that have the potential to reach hundreds of thousands of students and have strong evidence of success; • “Validation” grants of \$30 million are for programs with a “good evidence” of their impact that are ready to expand and increase their evidence base; and • “Development” grants of \$5 million are available to support programs that have a high potential for success but need further study. <p>Successful applicants will be required to get a 20% matching contribution from the private sector.</p>
Concerns/Priorities	<p>The i3 grants will advance programs that are already helping students but need additional funding to evaluate their impact or scale up operations. The Department of Education issued a final request for proposals on March 12th, 2010. Applications were due May 12th.</p>	<p>The education stimulus package provides for competitive grant programs beyond Race to the Top. Scalable programs, operating successfully at the local level, may benefit more from an individual i3 grant application than from inclusion in Massachusetts’ Race to the Top initiatives. The emphasis on research and evidence means i3 grants will be expanding only programs that will get results. 75 Massachusetts districts and non-profits submitted “intent to apply” letters on April 1st.</p>

Program Name	Funds (Federal and State)	Description
<p>Statewide Longitudinal Data Systems</p> <p>Sources all accessible from: www.ed.gov/recovery and www.dataqualitycampaign.org</p>	<p>Federal Funds: \$245 million Competitive grants MA Share: Grants will range from \$2 to \$20 million</p>	<p>This fund will provide grants to states to design, develop, and implement statewide data systems capable of tracking, analyzing, and using student data from preschool through to post-graduate work and entry into the workforce. The grants are competitive and the longitudinal data system funds must be used to facilitate creation/expansion of a data system conforming with 12 elements including:</p> <ul style="list-style-type: none"> • A unique identifier for every student; • Student scores on college readiness tests • A way to identify teachers and to match teachers to their students; and • A system of auditing data for quality, validity, and reliability.
<p>Concerns/Priorities</p>	<p>Started in 2005, the Statewide Longitudinal Data Systems program received a funding boost as part of the stimulus. The deadline for applications is December 4th.</p>	<p>Establishment of a statewide longitudinal data system was one of the four assurances Massachusetts made as part of its State Fiscal Stabilization Fund application. Massachusetts' data system does have a unique identifier for every student, can track student data from kindergarten through college, and has a system for auditing data. However, as of 2008, Massachusetts' data system did not conform with all 12 essential elements. In order to be eligible for Race to the Top funds, the data system must comply with provisions of the Family Educational Rights and Privacy Act (FERPA).</p>

Program Name	Funds (Federal and State)	Description
Teacher Incentive Funds	<p>Federal Funds: \$437 million in combined ARRA and FY2010 appropriations</p> <p>MA Share: Competitive grants expected to range from \$5 to \$10 million for Main Competition and at least \$1 million for Evaluation Competition</p>	<p>States, districts and school-nonprofit partnerships will compete for grants to implement a performance-based compensation system in their schools. The system must include the following:</p> <ul style="list-style-type: none"> ● Consideration of growth in student achievement, ● Incorporate the results of classroom evaluations performed multiple times a year, and ● Provide educators with incentives to take on additional responsibilities and leadership roles. <p>Applications will also be evaluated based on their sustainability, ability to increase recruitment and retention of teachers at high need schools and in hard to staff subjects.</p> <p>A second competition, called the Teacher Incentive Fund Evaluation Competition, asks applicants to address the above priorities <i>and</i> to incorporate a minimum number of schools, with a minimum difference in performance based compensation. In return for addressing more stringent requirements, grant winners would receive at least \$1 million more in federal grant money over 5 years.</p>
Concerns/Priorities	<p>The final application was released on May 21st, with Intent to Apply letters due June 1st and final applications due July 6th, 2010.</p>	<p>A program for recruiting, developing, retaining, and rewarding effective teachers is a requirement for Race to the Top applications. Even if an alternative compensation system is part of Massachusetts' Race to the Top application, districts and nonprofits may still receive funding directly through the Teacher Incentive Funds grants for establishing their own models.</p>

Program	Funds (Federal and State)	Description
State Educational Technology Grants	Federal Funds: \$650 million MA Share: \$10.5 million Amount Spent: \$1.4 million	<p>The State Educational Technology grants are given to states on a formula basis, but then are distributed to school districts on either a competitive or formula basis (the U.S. Department of Education is strongly encouraging states to distribute the money competitively). The funds may be used to acquire new technology, and offer training and support for teachers.</p>
Concerns/Priorities	<p>Though not competitive at the national level, states have some discretion in targeting these district level expenditures.</p>	<p>These grants, if distributed competitively, can result in new approaches to technology, even in districts that eventually do not win funds, much as Race to the Top has generated reforms through its competitions on a national level.</p>

Program	Funds (Federal and State)	Description
Early Learning Challenge Fund	Federal Funds: Expected to be \$1 Billion per year for 8 years MA Share: TBD	<p>The proposed fund will provide grants to states that are improving or have improved the quality of their early childhood systems by:</p> <ul style="list-style-type: none"> • Providing a high standard of quality across all early learning programs; • Ensuring that a greater number of children participate in high-quality programs; and • Delivering the training and support needed to ensure that more children are prepared with the cognitive, social, and emotional skills necessary for kindergarten success.
Concerns/Priorities	<p>Though originally part of the education reforms included in the health care reconciliation bill, the Early Learning Challenge Fund was not passed as part of that legislation.</p>	<p>Significant funding for early education is spread throughout various stimulus initiatives including Child Care Development Block grants, Head Start and Early Head Start funding, and the Individuals with Disabilities Education Act.</p>

Program	Funds (Federal and State)	Description
Title 1, Part A	Federal Funds: \$10 Billion MA Share: \$163.3 million Amount Spent: \$37.5 million	Schools with high concentrations of students living in poverty receive Title 1 funds according to a federal formula, but local education authorities make decisions about how to spend the money within federal guidelines. Each state received a portion of economic stimulus funds according to the Title 1 formula, which amounts to \$163 for Massachusetts.
Concerns/Priorities	This formulaic supplement to regular Title 1 funding is not replicated in President Obama's plans for reauthorization of the Elementary and Secondary Education Act. States and districts may soon see a shift to more competitive programs like Race to the Top and I3 grants as sources of additional federal education funding.	The funding cliff created by this one-time investment requires that districts use these funds to invest in sustainable improvements instead of preserving the status quo. Since these funds go to districts with high-poverty populations, where most of the state's underperforming schools are located, the money represents an opportunity to turn around low-performing schools and raise graduation rates.

Program	Funds (Federal and State)	Description
Title 1 School Improvement	Federal Funds: \$3.546 Billion MA Share: \$58.6 Million (with grants to districts ranging from \$250,000 - \$1 million)	<p>These funds are granted to states for turning around its lowest performing schools – both elementary and secondary schools. The state and/or district’s approach to each school must fall into one of four models:</p> <ul style="list-style-type: none"> • Turnaround (replace the principal and at least 50% of the staff and adopt new instructional strategies); • Restart (close the school and re-open it under a charter or education management organization); • Closure (close the school and transfer students to higher-performing schools in the district); • Transformation (implement a comprehensive transformation strategy that replaces school leadership, reward educator effectiveness, adopt comprehensive instructional programs, extend time for students and staff, and provide operating flexibility and intensive support). <p>For districts with more than 9 underperforming schools, the Transformation model may only be used in half.</p>
Concerns/Priorities	<p>Grants will be made to states on a formula basis which will then make competitive grants to districts. Final application requirements were released on December 3rd, 2009 and with applications due on February 8, 2010. On July 12th, Massachusetts received approval of its application.</p>	<p>Turning around our lowest-performing schools is one of the requirements for Race to the Top and one of the four assurances Massachusetts made to receive State Fiscal Stabilization Funds. District leaders will need significant authority to implement the above strategies in their underperforming schools. The Title 1 funds will lessen the financial impact of school restructuring. Massachusetts is still waiting on approval of its application.</p>

Program Name	Funds (Federal and State)	Description
Individuals with Disabilities Education Act (IDEA), Part B Grants	Federal Funds: \$11.3 Billion MA Share: \$280.5 million Amount Spent: \$82 million	The Individuals with Disabilities Education Act (IDEA) grants give aid to state and local educational agencies to ensure that children have access to a “free appropriate public education” that meets each child’s needs and prepares him or her for further education, employment, or independent living.
IDEA, Part B – Preschool Grants	Federal Funds: \$400 million MA Share: \$10.2 million Amount Spent: \$2.4 million	The IDEA grants all focus on the goal above. The Preschool grants specifically address this commitment to children below kindergarten age.
IDEA, Part C - Funds for Infants with Disabilities and Families	Federal Funds: \$500 million MA Share: \$8.4 million Amount Spent: \$8.4 million	Part C grants help states to “implement statewide systems of coordinated, comprehensive, multidisciplinary interagency programs and make early intervention services available to infants and toddlers with disabilities and their families.
Concerns/Priorities	The state has successfully increased the speed of allocating funds with expenditures having increased 400% since this chart was first released.	Special Education represents a significant portion of the Massachusetts education budget. These grant funds can be used by the state to ensure that other, discretionary, funds are not allocated to fill budget gaps.