

American Recovery and Reinvestment Act of 2009 Overview of ARRA State Grants: \$48.6B



Frequently Asked Questions: ARRA State Grants

The State Fiscal Stabilization Fund is designed to provide states with financial resources to alleviate expected shortfalls in education revenues and to support education improvement efforts. The \$53.6 billion Stabilization Fund is a one-time appropriation from the federal government and is comprised of three funding opportunities, including the \$48.6 billion ARRA State Grant program.

What are the State Grants intended to accomplish?

The funds are intended to ensure that state elementary, secondary, and postsecondary education funding for FY 2009–2011 remain at a level equal to the greater of FY 2008 or 2009 funding levels. Once the grants are awarded to states, the bulk of the funds will be redistributed to school districts and institutions of higher education through existing state distribution formulas. At the district level and with several restrictions, funds can be used to undertake activities authorized under the Elementary and Secondary Education Act of 1965 (which includes the modernization, renovation, or repair of public school facilities), the Individuals with Disabilities Education Act, the Adult Education and Family Literacy Act, or the Carl D. Perkins Career and Technical Education Act of 2006.

Who is eligible to receive funding under the State Grants program?

The U.S. Secretary of Education will make the grants to Governors from the 50 states, the District of Columbia, and Puerto Rico. Working in coordination with the Governor's office and State Education Agency, the majority of funds will flow to school districts, institutions of higher education, and other entities to support K–12, higher education and, as applicable, early education programs.

How are the State Grant funds accessed?

Of the \$48.6 billion available nationally, the award size of each state grant will be determined by a formula based on state demographics and will be accessed through a two-phase application process.

During the first phase, states will be able to apply for 67% of the stabilization funds (totaling \$32.5 billion) by submitting a streamlined application to the U.S. Department of Education. To receive this first round of stabilization funds, states must commit ("provide assurances") to making progress on the four ARRA core education reforms.

The second phase of the state grant application process will award the remaining \$16.1 billion. This second round of awards will be contingent upon submitting a plan demonstrating that the state has employed strategies for addressing the four ARRA core education reforms and has met recordkeeping and other requirements that will be issued by the U.S. Department of Education at a later date.

When will the State Grant funds be made available?

It is expected that states will be able to apply for the first phase of State Grants (\$32.5 billion) at the end of March 2009. The U.S. Department of Education will review and approve the applications and disburse funds to states within two weeks of approval. The second phase of State Grants (\$16.1 billion) is expected to be made available to states between July 1 and September 30, 2009.

ACT's College Readiness System

Longitudinal Assessment, Instruction & School System Improvement

ACT provides a fully aligned, research-based system of solutions that help states and districts prepare every student for college and work. Our College Readiness Standards™ and College Readiness Benchmarks define college readiness based on what postsecondary educators indicate is important for students to know and based on actual student success in credit-bearing college-entry courses. The Standards and Benchmarks together represent a single academic expectation for all students, regardless of whether they go on to college or the workplace after high school.

The longitudinal assessment component of the system—EXPLORE®, PLAN®, and the ACT®—is directly tied to and aligned with the Standards and Benchmarks. These assessments allow states to monitor students' college readiness beginning in eighth grade so that necessary interventions can be made.

QualityCore®, the instructional improvement component, offers rigorous model high school courses. QualityCore course objectives focus on the course-level knowledge and skills needed for college readiness. As such, they are tied to the ACT College Readiness Standards measured by EXPLORE, PLAN, and the ACT.

For school systems, ACT and the National Center for Educational Achievement offer CoreWork Diagnostics—a school system improvement service designed to help K-12 educators set and attain higher standards as they work to improve college and career readiness.

