

Education Jobs Fund Program



Agenda

- Overview
- Application Process
- Uses of Funds
- Maintenance of Effort
- Accountability and Reporting

Education Jobs Fund (Ed Jobs) Program

- \$10 billion Federal grant program that provides assistance to local educational agencies (LEAs) to create and save education jobs in the 2010-2011 school year
- Over 160,000 education jobs will be protected
- Ed Jobs funds will help ensure that America's students are prepared to succeed in college and careers

Note: The Act contains some provisions that apply only to the State of Texas. For the convenience of that State and its LEAs, the Department has prepared separate technical assistance for Texas.

Fund Availability

- Funds must be available to LEAs for the 2010-2011 school year
- Funds must only be used for obligations made on or after August 10, 2010
- LEAs may use the funds through September 30, 2012

State Application Process

- Streamlined application process for Governors allows States to access their funds quickly
- Applications can be submitted now and are due no later than September 9, 2010
- Applications will be reviewed on a rolling basis
- Awards will be made within two weeks of submission of an approvable application
- Application is available at <http://www2.ed.gov/programs/educationjobsfund/index.html>

Application Assurances

- The State must comply with all programmatic and fiscal requirements
- The State must comply with the maintenance-of-effort (MOE) requirements and, within 60 days of the State's grant award, submit the most current applicable MOE data available
- The State will not use Ed Jobs funds, directly or indirectly, to establish, restore, or supplement a rainy-day fund

Awarding Funds

- The U.S. Department of Education will award funds to States by formula on the basis of:
 - Relative shares of individuals aged 5 to 24 (61%);
and
 - Relative shares of total population (39%)

State Use of Funds

- Each State may reserve up to 2 percent of its allocation for the cost of administering the program
 - States may not use reserved funds for any other purpose
- Each State must award the remaining portion of the allocation (at least 98 percent) to LEAs as soon as possible

State Distribution of Funds

- States must distribute Ed Jobs funds to LEAs on a timely basis
- State must distribute funds *either*:
 - Through the State’s primary elementary and secondary education funding formula(e) used in the SFSF program; *or*
 - On the basis of the LEAs’ relative shares of funds under Part A of Title I of the Elementary and Secondary Education Act of 1965 (ESEA) for the most recent fiscal year for which data are available

State Distribution of Funds (cont'd)

- A Governor may not direct how an LEA may use its Ed Jobs funds
- The State may not require an LEA to submit an application for Ed Jobs funds if the LEA has already submitted an SFSF application
- LEAs that have not submitted an SFSF application must submit an Ed Jobs application to the State to receive funds

Local Uses of Funds: Purposes of Funds

- Ed Jobs funds must be used only for school-level employee compensation and benefits and other expenses, such as support services, necessary to:
 - Retain existing employees;
 - Recall or rehire former employees; and
 - Hire new employees
- LEAs decide how to use Ed Jobs funds, consistent with provisions in the Act and other applicable requirements

Local Uses of Funds: Categories of Expenses

“Compensation and benefits and other expenses, such as support services” include, among other things:

- Salaries
- Performance bonuses
- Health insurance
- Retirement benefits
- Incentives for early retirement
- Pension fund contributions
- Tuition reimbursement
- Student loan repayment assistance
- Transportation subsidies
- Reimbursement for childcare expenses

Local Uses of Funds: Eligible Employees

- Teachers and other employees who provide school-level educational and related services
- “Other employees” may include:
 - Principals
 - Assistant principals
 - Academic coaches
 - In-service teacher trainers
 - Classroom aides
 - Counselors
 - Librarians
 - Social workers
 - Interpreters
 - Physical, speech and occupational therapists
 - Security officers
 - Maintenance workers
 - Nurses
 - Bus drivers
 - Cafeteria workers

Local Uses of Funds: Previous Contractual Agreements

- An LEA may use Ed Jobs funds to, among other things:
 - Restore reductions in salaries and benefits for the 2010-2011 school year
 - Implement salary increases for the 2010-2011 school year
 - Compensate teachers to eliminate previously scheduled furlough days

Prohibited Uses of Funds

- The statute prohibits LEAs from using Ed Jobs funds for general administrative expenses including administrative expenditures related to the operation of the superintendent's office, the LEA's board of education, and salaries and benefits of LEA-level administrative employees

Maintenance of Effort (MOE)

- State must maintain fiscal effort for education for fiscal year (FY) 2011
- Four possible methods are available for calculating MOE
- A State must meet the MOE requirement using the same method for *both* elementary and secondary education and for public IHEs

MOE (cont'd)

- States must submit the most current applicable MOE data available to the Department **within 60 days** of the grant award
- Ed Jobs MOE requirements may not be waived
- SFSF MOE requirements continue to apply

Calculating MOE

- Methods 1 and 2 are available to all States
- Methods 3 and 4 are *only* available to those States with State tax collections for calendar year 2009 that are less than State tax collections for calendar year 2006
 - State tax collections information is available at www.census.gov/govs/qtx/table_3.php
 - When using this data, a State must calculate the sum of relevant “quarterly State tax collections data”

Calculating MOE: Method 1

Available to all States

- Comparing FY 2011 dollar levels of support with FY 2009 levels
 - For FY 2011, the State will maintain State support for elementary and secondary education *in the aggregate or on the basis of expenditures per pupil* at not less than the level of such support for 2009; *and*
 - For FY 2011, the State will maintain State support for public IHEs at not less than the level of such support for 2009

Calculating MOE: Method 2

Available to all States

- Comparing FY 2011 percentages of support with FY 2010 percentages
 - For FY 2011, the State will maintain State support for elementary and secondary education at a percentage of the total revenues available to the State that is equal to or greater than the percentage for 2010; *and*
 - For FY 2011, the State will maintain State support for public IHEs at a percentage of the total revenues available to the State that is equal to or greater than the percentage for 2010

Calculating MOE: Method 3

Only available to States with State tax collections for calendar year 2009 less than calendar year 2006

- Comparing FY 2011 dollar levels of support with FY 2006 levels
 - For FY 2011, the State will maintain State support for elementary and secondary education *in the aggregate* at not less than the level of such support for 2006; *and*
 - For FY 2011, the State will maintain State support for public IHEs at not less than the level of such support for 2006

Calculating MOE: Method 4

Only available to States with State tax collections for calendar year 2009 less than calendar year 2006

- Comparing FY 2011 percentages of support with FY 2006 percentages
 - For FY 2011, the State will maintain State support for elementary and secondary education at a percentage of the total revenues available to the State that is equal to or greater than the percentage for 2006;
 - For FY 2011, the State will maintain State support for public IHEs at a percentage of the total revenues available to the State that is equal to or greater than the percentage for 2006

Accountability and Reporting

- States may only draw down funds for immediate expenditure needs (within 3 to 5 days)
- States and LEAs must maintain records that separately track and account for Ed Jobs funds
- States and LEAs must fulfill reporting requirements under section 1512 of ARRA

Accountability and Reporting (cont'd)

- States must develop and implement monitoring plans to ensure that LEAs comply with all applicable requirements
- The Department will be monitoring State implementation of the Ed Jobs program
- States will submit annual reports to the Department

Additional Information

- Additional information can be found at <http://www2.ed.gov/programs/educationjobsfund/index.html>
- If you have any questions or concerns, please email EducationJobsFund@ed.gov or call (202) 453-7500