

ARRA Facilities & Energy Funding Opportunities

ARRA funding opportunities for school facilities and energy efficiency.

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Education Stabilization Funds (81.8 percent)

State or Federal Contact	<p>California Department of Education</p> <ul style="list-style-type: none"> • American Recovery & Reinvestment Act (ARRA) Information Page • School Fiscal Stabilization Fund - request for applications Application must be completed by May 4, 2009. <p>US Department of Education</p> <ul style="list-style-type: none"> • General Policy - American Recovery & Reinvestment Act of 2009 (Outside Source) • Guidance on School Fiscal Stabilization Funds (Outside Source; PDF; 275.7 KB; 53 pp.)
Total Allocation	\$39.7 billion
Estimated State Allocation	\$4.9 billion includes higher education
Overview	To elementary, secondary, and higher education. These funds must be used first to restore state support of primary, secondary, and higher education through 2011 to the greater of 2008 or 2009 levels, through state's primary funding formulae and must allow existing formula increases for elementary and secondary fiscal support for 2010 and 2011. If the funds are inadequate to restore the State cuts to both sectors, the funds will be distributed proportionately. If there are any funds remaining the State must distribute the funds based on district's share of Part A Title I. LEAs have flexibility in determining when to use funds within statutory requirements. Funds must be obligated by September 30, 2011.
Facility Uses	Funds may be used for any activity authorized in ESEA, including the Impact Aid general assistance program (including non-impact aid districts). Funds can be used for school construction, modernization, renovation, and repair. Must comply with the use of American iron, steel and manufactured goods used in the project. No payment of maintenance costs; stadiums or other facilities primarily used for athletic contests; purchase or upgrade of vehicles; improvement of stand-alone facilities whose purpose is not the education of children; modernization that is inconsistent with state law; no swimming pools. Encouraged to engage in modernization, renovation, and repairs that are consistent with green-building rating.

Comments	Awards will be provided in two phases. 67 percent of a State's SFSF funds will be provided within two weeks of receiving an approvable Phase I application. LEAs must also apply with specific assurances to the State for funding. The State application has been approved. The LEA application is available on the CDE Web Site. In order to be eligible for the first round of funding the application must have been completed by May 4, 2009. Phase II (33 percent) will be awarded after the US Department of Education approves the State's comprehensive plan for making progress in the four education reform areas for which it provided assurances in Phase I. Davis Bacon Act applies.
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Government Services Fund (18.2 percent)

State or Federal Contact	US Department of Education <ul style="list-style-type: none"> • General Policy - American Recovery & Reinvestment Act of 2009 (Outside Source) • Guidance on School Fiscal Stabilization Funds (Outside Source; PDF; 275.7 KB; 53 pp.)
Total Allocation	\$8.8 billion
Estimated State Allocation	\$1.1 billion
Overview	To support any public safety or other government service, including education. States have total discretion in the use of these funds, so long as their use is for some government service and is not otherwise prohibited by law.
Facility Uses	Funds may be used for school construction, modernization, renovation, and repair. Must comply with requirements relating to the use of American iron, steel, and manufactured goods used in the project. No stadiums or other facilities primarily used for athletic contests, no sectarian facilities, no casino, gamin establishment, aquarium, zoo, golf course or swimming pool.
Comments	California is utilizing these funds for Public Safety only. There is no funding available for facilities. The Governor must commit funds within two years of receipt of these funds. Funds are being awarded to the States in two phases. Funds are available for obligation through September 30, 2011. Davis Bacon Act applies.

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IDEA Part B

State or Federal Contact	California Department of Education <ul style="list-style-type: none"> • Chris Essman US Department of Education <ul style="list-style-type: none"> • Guidance on IDEA Part B (Outside Source; PDF; 374 KB; 22pp.)
Total Allocation	\$11.3 billion
Estimated State Allocation	\$1,226.9 million
Overview	Provides an opportunity for states and LEAs to implement innovative strategies to improve outcomes for children and youth with disabilities. SEAs and LEAs need to account separately for these funds.
Facility Uses	Possible use of funds for construction. Section 605 of IDEA authorizes the Secretary to allow use of IDEA funds for construction or alteration of facilities if the Secretary determines the program would be improved by allowing funds to be used for this purpose. States need to obtain prior approval from the Secretary, and LEAs need to obtain prior approval from the State.
Comments	Funds must be obligated by September 30, 2011.

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State Incentive Grants - Race to the Top

State or Federal Contact	US Department of Education <ul style="list-style-type: none"> • General Policy - American Recovery & Reinvestment Act of 2009 (Outside Source)
Total Allocation	\$4.35 billion
Estimated State Allocation	Not applicable. US Secretary has discretion to award grants.
Overview	The Secretary of Education has discretion to award grants in FY 2010 to states that make significant progress in fulfilling and improving upon the goals identified in Allocation Assurances 2 through 5 (State application). States that receive incentive grants must give at least 50 percent of the grants to LEAs in subgrants based on the LEAs relative shares of funding under Part A of Title I of ESEA.
Facility Uses	The US Department of Education will issue guidance at a later date.

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Innovation Funds - Invest in What Works

State or Federal Contact	US Department of Education <ul style="list-style-type: none"> • General Policy - American Recovery & Reinvestment Act of 2009 (Outside Source)
Total Allocation	\$650 Million
Estimated State Allocation	Not applicable. US Secretary has discretion to award innovation grants.
Overview	Secretary of Education has discretion to award innovation grants to LEAs or partnerships between non-profit organizations and LEAs or schools, so the grantees can expand their work, partner with private sector and philanthropic community organizations, and document best practices. To be eligible an entity must (1) have made significant gains in closing the achievement gap (2) have exceeded the state's annual objectives from Section 1111(b)(2) of the ESEA for two consecutive years or have increased student achievement for all student groups described in that section through another measure (3) have made significant improvements demonstrated by data in other areas such as graduation rates or teacher recruitment and (4) demonstrate partnerships with private sector or philanthropic groups which agree to match the innovation grant funds.
Facility Uses	The US Department of Education will issue guidance at a later date.

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Enhancing Education Through Technology

State or Federal Contact	California Department of Education <ul style="list-style-type: none"> • Cliff Rudnick • Enhancing Education Through Technology Grants Information
Total Allocation	\$650 million Funds will not be released until the Fall of 2009.
Estimated State Allocation	\$70 million
Overview	The primary goal is to improve student academic achievement through the use of technology in elementary schools and secondary schools. Every student to be technologically literate by the time the student finishes the eighth grade.
Facility Uses	Funds can be used for school facilities and costs would be limited to expenditures that are directly related to technology if included in the education technology plans. Plans may be amended. The plans must be tied to teaching and learning.
Comments	Half of the funds will be distributed by formula and half by a competitive application.

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Impact Aid

State or Federal Contact	US Department of Education <ul style="list-style-type: none"> • Impact Aid Construction Grants - Factsheet (Outside Source)
Total Allocation	\$100 million
Estimated State Allocation	<ul style="list-style-type: none"> • All Tribes Charter School \$16,968 • Central Union SD \$421,053 • Kashia SD \$2,484 • Klamath Trinity USD \$181,165 • Round Valley USD \$49,501 • San Pasqual Valley USD \$163,087 • Silver Valley USD \$569,829 • Two Rock Union SD \$24,287
Overview	Impact Aid districts – impacted by military dependent children and Indian children living on federal lands.
Facility Uses	Awards must be used for construction activities, including the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, repairing, or extending school facilities; and inspecting and supervising the construction of school facilities.
Comments	40 percent of the funds have been distributed by formula, 60 percent will be distributed through competitive grants due in July 2009 to the US Department of Education.

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Head Start

State or Federal Contact	US Department of Health and Human Services <ul style="list-style-type: none"> • National Head Start Resource Center - Facilities (Outside Source)
Total Allocation	\$1 billion
Estimated State Allocation	\$82 million
Overview	Provides child development services to economically disadvantaged children and families, focus on helping preschoolers develop early reading and math.
Facility Uses	Facility construction and renovation for Head Start Programs.

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Early Head Start

State or Federal Contact	US Department of Health and Human Services <ul style="list-style-type: none"> • National Head Start Resource Center - Facilities (Outside Source)
Total Allocation	\$1.1 billion
Estimated State Allocation	\$112.2 million
Overview	Provides child development services to economically disadvantaged children from birth to age 3.
Facility Uses	Facility construction and renovation for Early Head Start Programs.

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Child Care and Development Block Grant

State or	US Department Health and Human Services
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Federal Contact	<ul style="list-style-type: none"> • Child Care & Development Block Grant program instructions, guidance and funding (Outside Source) California Department of Education <ul style="list-style-type: none"> • Child Development Division
Total Allocation	\$2 billion
Estimated State Allocation	\$222 million
Overview	Increases funds for subsidized child care and development programs.
Facility Uses	Section 658F(b)(1) – no funds made available under this subchapter shall be expended for the purchase or improvement of land, or for the purchase, construction, or permanent improvement (other than minor remodeling) of any building or facility.

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Brownfield Projects

State or Federal Contact	US Environmental Protection Agency <ul style="list-style-type: none"> • Brownfields Program Activities under the Recovery Act (Outside Source) California Department of Toxic Substances Control (Outside Source)
Total Allocation	\$100 million
Estimated State Allocation	Competitive nationwide grants
Overview	The EPA currently administers grants to states, local governments, land clearance authorities, and regional authorities. Grants may be used for Brownfields revitalization projects. Brownfields revitalization projects restore land and other natural resources into sustainable community assets.
Facility Uses	Funds will be awarded to eligible entities through revolving loan funds and cleanup grants.

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National School Lunch Program

State or Federal Contact	US Department of Agriculture <ul style="list-style-type: none"> • Food & Nutrition Services National School Lunch Program (NSLP) (Outside Source) California Department of Education <ul style="list-style-type: none"> • NSLP Equipment Grants
Total Allocation	\$100 million
Estimated State Allocation	\$12.8 million
Overview	Additional funds for improvements in program equipment – states must distribute the funds via competitive grants to local school food authorities, with priority given to those schools in which at least 50 percent of the students are eligible for free or reduced lunch.
Facility Uses	No construction. Funds may be used for new equipment, renovation of equipment, or replacement of equipment.
Comments	LEAs are encouraged to spend the NSLP assistance grants within three months of the award. These funds cannot be commingled with other program funds, and must be tracked and reported separately.

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Broadband Technology Opportunities Program

State or	US Dept of Commerce's National Telecommunications and Information Administration (NTIA)
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Federal Contact	<ul style="list-style-type: none"> • NTIA's ARRA Information Page (Outside Source) • Broadband Technology Opportunities Program (Outside Source) US Department of Agriculture <ul style="list-style-type: none"> • Rural Utility Service (Outside Source)
Total Allocation	\$4.7 billion
Estimated State Allocation	No estimated state allocation currently available.
Overview	Wide range of projects, including acquisition of equipment, training, and support for schools, libraries, health care providers, community colleges, and other community institutions; construction of broadband infrastructure; ensuring access for vulnerable populations. 75 percent of the area to be served by the loan or grant is rural and without sufficient access to broadband service.
Facility Uses	Construction of broadband infrastructure.

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Qualified Zone Academy Bond

State or Federal Contact	US Dept of the Treasury - Internal Revenue Service <ul style="list-style-type: none"> • Guidance on ARRA Bond Provisions (Outside Source) California Department of Education <ul style="list-style-type: none"> • Qualified Zone Academy Bond (QZAB) information page
Total Allocation	<ul style="list-style-type: none"> • \$1.4 billion for 2009 • \$1.4 billion for 2010
Estimated State Allocation	<ul style="list-style-type: none"> • 2008 authorization \$44,364,000 • 2009 authorization \$155,275,000
Overview	Tax credit for school modernization, renovation, and repair bonds
Facility Uses	Modernization, renovation, repair of school facilities.
Comments	Davis Bacon Act prevailing wage rules apply to projects. The bond proceeds must be spent within three years.

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Qualified School Construction Bond

State or Federal Contact	US Dept of the Treasury - Internal Revenue Service <ul style="list-style-type: none"> • Guidance on ARRA Bond Provisions (Outside Source)
Total Allocation	<ul style="list-style-type: none"> • \$11 billion for 2009 • \$11 billion for 2010
Estimated State Allocation	2009 allocation \$1,355,491,000 <ul style="list-style-type: none"> • 40 percent (\$581,966,000) allocated to certain large school districts. <ul style="list-style-type: none"> ○ Large school districts: <ul style="list-style-type: none"> ■ Bakersfield City Elementary \$15,720,000 ■ Compton Unified \$18,559,000 ■ Fresno Unified \$41,398,000 ■ Long Beach Unified \$37,905,000 ■ Los Angeles Unified \$318,816,000 ■ Oakland Unified \$26,326,000

	<ul style="list-style-type: none"> ■ Sacramento City Unified \$21,251,000 ■ San Bernardino City Unified \$27,790,000 ■ San Diego City Unified \$38,877,000 ■ Santa Ana Unified \$19,269,000 ■ Stockton City Unified \$16,055,000 <ul style="list-style-type: none"> ● 60 percent (\$773,525,000) allocated among the States according to children ages 5 to 17.
Overview	Tax credit for construction bonds.
Facility Uses	Construction, modernization, renovation, repair, and land purchase for school facilities.
Comments	Cost of issuance limited to 2 percent of proceeds. Subject to arbitrage rules, are not subject to yield restrictions, and are exempt from rebate. The construction proceeds of the bond must be spent within three years. Davis Bacon prevailing wage rules apply to projects. Issuers must complete Form 8038, Information Return for Tax Exempt Private Activity Bond Issues (in line 20C enter QSCB).

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Recovery Zone Economic Development Bonds

State or Federal Contact	US Dept of the Treasury - Internal Revenue Service <ul style="list-style-type: none"> ● Guidance on ARRA Bond Provisions (Outside Source)
Total Allocation	\$10 billion
Estimated State Allocation	No estimated state allocation currently available.
Overview	The bond proceeds must be expended on capital costs with respect to property located within a Recovery Zone, public infrastructure and construction of public facilities within a Recovery Zone, and expenditures for job training and educational programs within the Recovery Zone.
Facility Uses	Public infrastructure and construction of public facilities within a Recovery Zone, and expenditures for job training and educational programs within the Recovery Zone.
Comments	Recovery Zone – any area designated by an issuer as having significant poverty, unemployment, rate of home foreclosures, general economic district. The State sets the parameters.

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Qualified Energy Conservation Bond

State or Federal Contact	US Dept of the Treasury - Internal Revenue Service <ul style="list-style-type: none"> ● Guidance on ARRA Bond Provisions (Outside Source) ● Database of State Incentives for Renewables and Efficiency (Outside Source)
Total Allocation	\$3.2 billion
Estimated State Allocation	\$381 million
Overview	A tax credit bond designed to provide the issuer with a 70 percent interest subsidy.
Facility Uses	Qualified issuers are all types of State and local government. Qualified conservation purpose means capital expenditures incurred for purposes of reducing energy consumption in publicly owned buildings by at least 20 percent, implementing green community programs, rural development involving the production of electricity from renewable energy resources, or any qualified facility.
Comments	Davis Bacon Act prevailing wage rules apply to projects.

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Build America Bonds

State or Federal Contact	US Dept of the Treasury - Internal Revenue Service <ul style="list-style-type: none"> • Guidance on ARRA Bond Provisions (Outside Source) California State Treasurer's Office <ul style="list-style-type: none"> • \$5.23 billion of the new "Build America Bonds (BABs)" Sold (Outside Source; PDF; 74 KB; 2 pp.)
Overview	Any bonds issued in 2009 and 2010 will be treated as "Build America Bonds" provided that the bonds are 1) not private activity bonds, 2) otherwise tax-exempt under existing law, and 3) issued with no more than a de minimus amount of original issue premium. Issuers may elect to receive a direct federal cash subsidy with respect to "Subsidy Build America Bonds" in lieu of providing bondholders with a tax credit "Credit Build America Bonds".
Facility Uses	Permitted issuers are all types of state and local government issuers.
Comments	Tax exempt rules apply to Build America Bonds – e.g. arbitrage rebate. California issued \$5.23 billion in these bonds on April 22, 2009.

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New Clean Renewable Energy Bond

State or Federal Contact	US Dept of the Treasury - Internal Revenue Service <ul style="list-style-type: none"> • Guidance on ARRA Bond Provisions (Outside Source) • Database of State Incentives for Renewables and Efficiency (Outside Source)
Total Allocation	\$2.4 billion cap
Estimated State Allocation	No estimated state allocation currently available.
Overview	100 percent of the available project proceeds of such issue are to be used for capital expenditures incurred by qualified owners, including government bodies, public power providers, or cooperative electric companies, for one or more qualified renewable energy facilities; the bond is issued by a qualified issuer. Qualified issuer is a public power provider, a cooperative electric company, a governmental body, a clean renewable energy bond lender, or a not-for-profit electric utility that has received a loan or loan guarantee under the Rural Electrification Act. Governmental body means any State or any political subdivision thereof. Qualified renewable energy facility is a wind facility, a closed loop biomass facility, an open-loop biomass facility, a geothermal or solar energy facility, a small irrigation power facility, a landfill gas facility, a trash combustion facility, a qualified hydropower facility, or a marine and hydrokinetic renewable energy facility. 70 percent interest subsidy.
Facility Uses	The projects must be owned by a local municipal utility, a state or local government, or a cooperative electric company but may be leased to or operated by or its output sold to a private company
Comments	Applications to be filed by issuers with the Internal Revenue Service when the CREB window is opened. Expiration date of issuance December 31, 2009.

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State Energy Program

State or Federal Contact	California Energy Commission <ul style="list-style-type: none"> • State Energy Program (SEP) (Outside Source)
Total Allocation	\$3.1 billion
Estimated State Allocation	\$226 million
Overview	Funds are being proposed to go to green job development, state buildings revolving loan fund, and retrofit program for commercial and residential use.
Facility Uses	Currently there is no funding available for school use.

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Energy Efficiency and Conservation Block Grant

State or Federal Contact	California Energy Commission <ul style="list-style-type: none"> • Energy Efficiency and Conservation Block Grants (Outside Source) • Federal Guidelines (Outside Source)
Total Allocation	\$3.2 billion
Estimated State Allocation	\$49.6 million
Overview	Assist cities and counties in implementing projects and programs to reduce total energy use, reduce fossil fuel emissions, and improve energy efficiency in building and other appropriate sectors.
Facility Uses	Funds may be used to improve energy efficiency in public buildings.
Comments	Districts should check with their cities and counties for available funding.

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Leaking Underground Storage Tank Trust Fund

State or Federal Contact	US Environmental Protection Agency <ul style="list-style-type: none"> • UST/LUST Program Status In California (Outside Source) California State Water Resources Control Board <ul style="list-style-type: none"> • Division of Water Quality – Underground Storage Tank Program (Outside Source)
Total Allocation	\$200 million
Estimated State Allocation	\$15.6 million
Overview	LUST Recovery Act money will pay for activities at shovel ready sites to assess and cleanup underground storage tank petroleum leaks.
Facility Uses	Clean-up for underground storage tanks
Comments	Districts should check with the State Water Resources Control Board for available funding.

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ARRA General Provisions

1. Any recipient that receives recovery funds from a Federal agency shall submit a report to that agency that contains:
 - a. The total amount of recovery funds received from that agency;
 - b. The amount of recovery funds received that were expended or obligated to projects or activities; and
 - c. A detailed list of all projects or activities for which recovery funds were expended or obligated, including:
 - i. The name of the project or activity;
 - ii. A description of the project or activity;
 - iii. An evaluation of the completion status of the project or activity;
 - iv. An estimate of the number of jobs created and the number of jobs retained by the project or activity; and
 - v. For infrastructure investments made by the State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this ARRA, and name of the person to contact at the agency if there are concerns with the infrastructure investment.
 - d. Detailed information on any subcontracts or sub-grants awarded by the recipient to include data elements required to comply with the Federal Funding Accountability and transparency Act of 2006, allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of the Office of Management and Budget.

The US Department of Education will be providing further guidance on the quarterly ARRA reporting requirements and the annual Stabilization program reporting requirements.

2. All projects must use American iron, steel, and manufactured goods, unless, 1) there are insufficient quantities available, 2) such use harms the public interest, or 3) such use would increase the total cost of the project by more than 25 percent. A waiver is granted by the head of the federal agency or department distributing the funds used for the particular project. States and local governments cannot waive the requirement unilaterally. If the agency waives the provision, the agency head must public a detailed explanation of this decision in the Federal Register.

3. Projects must abide by the Davis-Bacon Act wage rates.
4. Projects must comply with any applicable environmental impact requirements or the National environmental Policy Act of 1970 (NEPA).
5. LEAs should consider facilities for early childhood education and the community.
6. An LEA may use funds for modernization, renovation, and repairs including modernization, renovation, and repairs that are consistent with a recognized green building rating system.

Resource

H.R. 1 Subtitle A, Transparency and Oversight Requirements Sec. 1512 (Outside Source; PDF; 1.08 MB;407pp.)

State Fiscal Stabilization (SFSF)

- The State will commit to advancing education reform in four specific areas:
 - Achieving equity in teacher distribution;
 - Improving collection and use of data;
 - Enhancing the quality of standards and assessments; and
 - Supporting struggling schools.
- Maintenance of effort and SFSF
 - An assurance that the State will comply with the Stabilization program MOE requirements;
 - If applicable, an assurance that the State meets or will meet the eligibility criterion for a waiver of those requirements; and
 - MOE baseline data.

Resources

- Guidance on the State Fiscal Stabilization Fund Program (Outside Source; PDF; 275.7 KB; 53 pp.)
- US Department of Education Recovery Web site (Outside Source)

Note: If the State uses funds for any infrastructure investment, the State will certify that the investment received the full review and vetting required by law and that the chief executive accepts responsibility that the investment is an appropriate use of taxpayer funds. This certification will include a description of the investment, the estimated cost, and the amount of covered funds to be used. The certification will be posted on the State's Web site and linked to Recovery.gov (Outside Source). A State or local agency may not use funds under the ARRA for infrastructure investment funding unless this certification is made and posted.

Infrastructure investment recipients will comply with the requirement regarding preferences for quick start activities.

Resource

H.R. 1 Subtitle A, Transparency and Oversight Requirements Sec. 1511 (Outside Source; PDF; 1.08 MB; 407pp.)

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