



Santa Clara County Office of Education

Charles Weis, Ph.D.
County Superintendent of Schools

Informational Bulletin

District Business & Advisory Services

Nimrat Johal: Director- DBAS: 408-453-6599

Cathy McKim, Manager-DBAS: 408-453-6588

Bulletin: 11-050

Date: June 3, 2011

To: District Fiscal Directors

From: Cathy McKim

Re: First Apportionment for the State Fiscal Stabilization Funds, FY 2010-11

The purpose of this e-mail is to notify you that the California Department of Education (CDE) has sent an apportionment to the State Controller's Office for payment. This apportionment, in the amount of \$242,208,759, is made to local educational agencies (LEAs) from federal funds provided to the state under the American Recovery and Reinvestment Act (PL 111-05).

I have attached a copy of the letter (see note below) and schedule of apportionment; however, it also available on the CDE's Categorical Programs Web site at <http://www.cde.ca.gov/fg/aa/ca/arra.asp>. From the link, please select State Fiscal Stabilization Fund 2010 Funding Results, First Apportionment.

****Please note the program's PCA number has been corrected on the apportionment letter for purposes of remitting interest payments to the U.S. Department of Education.**

Please share this information as deemed appropriate.

Approved by: Nimrat Johal- Director- District Business & Advisory Services

California Department of Education (<http://www.cde.ca.gov/fg/fo/r14/sfsf10apptltr1.asp>)
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CALIFORNIA
DEPARTMENT OF
EDUCATION

TOM TORLAKSON
STATE SUPERINTENDENT OF PUBLIC INSTRUCTION

May 10, 2011

Dear County Superintendents of Schools:

**NOTICE OF THE FIRST APPORTIONMENT FOR THE
STATE FISCAL STABILIZATION FUND OF THE
AMERICAN RECOVERY AND REINVESTMENT ACT (PL 111-05)
FISCAL YEAR 2010-11**

This apportionment, in the amount of \$242,208,759, is made to local educational agencies (LEAs) from federal funds provided to the state under the American Recovery and Reinvestment Act (ARRA) of 2009 (Public Law 111-05). These State Fiscal Stabilization Funds (SFSF) are one-time, with an intended use to avert layoffs of teachers and other personnel and further education reform in the key areas of teacher quality, standards and assessments, longitudinal data to improve instruction, and support struggling schools. The total amount of SFSF funds available to support kindergarten through grade twelve is \$3.19 billion and is made available for appropriation over three state fiscal year (FY) budget authorities; \$271 million is available for appropriation in FY 2010-11.

Only those LEAs that applied for SFSF funding, completed the ARRA Section 1512 quarterly report for the period ended March 31, 2011, and met federal cash management requirements are apportioned funds. Federal cash management procedures were implemented in order to reduce the time elapsing between the receipt and disbursement of federal funds, as required by federal statute and regulations. The amount paid to each LEA (from FY 2008-09, 2009-10, and 2010-11 funds) is equal to 25 percent of its total SFSF entitlement, less any unexpended funds as of March 31, 2011, based on the Section 1512 quarterly report. Any remaining amount payable this quarter after funds paid in the SFSF seventh apportionment of FY 2008-09 funds, and fifth apportionment of FY 2009-10 funds, is being paid in this apportionment.

Beginning in FY 2010-11 letters of apportionment from the California Department of Education's (CDE) School Fiscal Services Division are no longer mailed to the county superintendents of schools. Instead, county superintendents will be notified of each apportionment by e-mail. Accordingly, the CDE has sent an e-mail to each county superintendent, addressed to the county's CDEFisc e-mail address, to inform him or her of this apportionment. The e-mail contains a link to the CDE Categorical Programs, SFSF Web page at <http://www.cde.ca.gov/fg/aa/ca/arra.asp> where the letter and schedule for this apportionment is posted. The CDE requests that the e-mail be forwarded to all LEAs in the county, including direct funded charter schools, to immediately inform them of this apportionment.

Warrants will be mailed to each county treasurer within approximately two weeks from the date of this Notice. For standardized account code structure coding, use Resource Code 3200, ARRA – State Fiscal Stabilization Fund, and Revenue Object Code 8290, All Other Federal Revenue. The California sub-allocation (pass-through) number is Program Cost Account (PCA) 25008.

Entitlement Calculations

SFSF funding is provided to offset 2008-09 FY state general purpose (e.g. revenue limits) and categorical program funding reductions pursuant to Section 34 of Senate Bill 4 (Chapter 12, Statutes of 2009, Third Extraordinary Session, SBX3 4), Assembly Bill 3 (Chapter 3, Statutes of 2009, Fourth Extraordinary Session), as amended by Assembly Bill 56 (Chapter 31, Statutes of 2009, Third Extraordinary Session, ABX3 56) and a California Department of Finance letter issued under Control Section 28 of the Budget Act of 2009. Please note that reductions in state allocations are simply the basis of determining the distribution of SFSF funds. These are federal funds and the federal requirements described below govern their use.

An LEA's total SFSF entitlement is comprised of the state general purpose and categorical program reductions as described below:

Categorical Program Reductions – SBX3 4

Entitlements were calculated by determining the total reduction in each LEA's funding under the various categorical programs for which 2008-09 appropriations were reduced by Section 34 of SBX3 4.

State General Purpose Reductions – SBX3 4

Entitlements for school districts and county offices of education are calculated by determining the difference between the State Aid for Revenue Limits using the statutory deficit factor and what the Revenue Limit would have been with a deficit factor of 0.974987 as of the 2008–09 second principal apportionment (P-2). School District Revenue Limit State Aid was adjusted for a 5.7975 percent county office funds transfers increase to account for the deficit factor change. Charter School Block Grant Rates were recalculated by applying this same deficit factor; the revised rates are \$5,772 for kindergarten through grade three, \$5,860 for grades four through six, \$6,030 for grades seven through eight, and \$6,996 for grades nine through twelve. Charter school entitlements are the difference between the General Purpose Entitlements using these rates and the 2008–09 P-2 General Purpose Entitlement amount. Locally funded charter schools applied through their authorizing agency, and funding associated with the charter school is included in the authorizing district or county amount.

The general purpose entitlement amounts described above may differ from those posted for prior apportionments (released June 2010). General purpose entitlements were recalculated in February 2011 to allocate to LEAs the final 10 percent of California's grant award (known as Phase II) and to reallocate SFSF entitlements for LEAs that did not apply for SFSF funding.

Categorical Program Reductions – ABX3 56

Entitlements were calculated based on each LEA's share of funding reductions made to seven categorical programs for fiscal year 2008–09, totaling \$355 million, pursuant to ABX3 56 and Control Section 28.

Detailed spreadsheets showing the funding reduction in each of the categorical and general purpose programs are available at <http://www.cde.ca.gov/fg/aa/ca/arra.asp>.

For apportionment purposes, entitlements related to general purpose and categorical program reductions pursuant to SBX3 4 are paid from fiscal year 2008–09 and 2010–11 funding. Categorical program reductions pursuant to ABX3 56 are paid from FY 2009–10 funding, in a separate apportionment.

Use of Funds

SFSF funds may be used by LEAs for any activity authorized under the following:

(1) Elementary and Secondary Education Act of 1965, including Impact Aid, (2) Individuals with Disabilities Education Act, (3) Adult Education and Family Literacy Act, or (4) Carl D. Perkins Career and Technical Education Act of 2006. All LEAs should review the ARRA Web site at <http://www.cde.ca.gov/ar/>, U.S. Department of Education (ED) SFSF Guidance at <http://www.ed.gov/programs/statestabilization/applicant.html> (Outside Source), and Using ARRA Funds to Drive School Reform and Improvement <http://www.ed.gov/policy/gen/leg/recovery/guidance/uses.doc> (Outside Source).

Pursuant to SFSF Guidance, all SFSF funds are available for obligation until September 30, 2011.

LEA Reporting

LEAs are required to comply with assurances that were included in the SFSF application. This includes assisting the state in the areas of education reform and meeting annual reporting requirements (ARRA Section 1408).

LEAs must submit quarterly reports that cover cumulative activities from the beginning of the grant period. It is anticipated that the next report will cover the quarter ending June 30, 2011. At a minimum, LEAs should anticipate reporting: (1) the total amounts of ARRA funds received; (2) the total amount of ARRA grant funds expended on or obligated to projects or activities; (3) the name, description, and evaluation of the project or activity's completion status; (4) an estimate of the number of jobs that were saved or created with the ARRA funds; and (5) for infrastructure investments, the purpose, total cost, and rationale for funding the investment and the name and contact information of the person to contact regarding the project. We recommend LEAs review reporting guidelines issued by the Office of Management and Budget and the ED [Section 1512(c) and (f) of the ARRA].

Grant Award

The ED award number for this apportionment is S394A090005. The Catalog of Federal Domestic Assistance subprogram number is 84.394A (State Fiscal Stabilization Fund – Education Grants, Recovery Act).

Title 34 of the *Code of Federal Regulations* Section 80.21(i), requires that any interest earned by LEAs on federal dollars be returned to the ED promptly, but at least quarterly. LEAs may keep interest amounts up to \$100 per year for administrative expenses. LEAs should forward interest payments for remittance to the ED to:

California Department of Education
Cashier's Office
P.O. Box 515006
Sacramento, CA 95851

To ensure proper posting of payments, please include the program's PCA number (PCA ~~25006~~) [Note, the preceding information has been replaced by PCA 24997] and identify the payment as "Federal Interest Returned."

Each recipient and subrecipient awarded funds made available under the ARRA must promptly refer to the ED's Office of

Inspector General any credible evidence that a principal officer, employee, agent, contractor, subrecipient, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving those funds. Information about the Office of Inspector General Hotline is available at <http://www.ed.gov/about/offices/list/oig/hotline.html> (Outside Source).

If you have general questions regarding ARRA please contact the Government Affairs and Charter Development Branch by phone at 916-319-0821 or by e-mail at arra@cde.ca.gov. For questions related to this apportionment, or fiscal questions related to the reduction in categorical programs, please contact Thi Huynh, Fiscal Consultant, Office of Charter Apportionments and District Reorganization, by phone at 916-324-4555, or by e-mail at thuynh@cde.ca.gov. For SFSF fiscal questions related to the reduction in revenue limits, please contact Elizabeth Dearstyne, Fiscal Consultant, Office of Principal Apportionment and Special Education, by phone at 916-327-0398 or by e-mail at edearstyne@cde.ca.gov. For questions on the calculation of individual amounts shown in the State Fiscal Stabilization Fund Entitlements, please contact the person identified on the entitlement schedule.

Sincerely,

Jeannie Oropeza, Deputy Superintendent
Finance, Technology, and Administration Branch

JO:th

Last Reviewed: Thursday, June 02, 2011

**Schedule of the First Apportionment for the State Fiscal Stabilization Funds
American Recovery and Reinvestment Act (PL 111-5)
Fiscal Year 2010-11**

County Code	District Code	School Code	Charter Vendor Code	Charter No	Local Educational Agency	SFSF Entitlement-SBX 3 4 General Purpose & Categorical Programs	Apportionments from 2008-09 State Budget Authority	Allotment from 2010-11 State Budget Authority	Current Apportionment
SANTA CLARA									
43	10439				Santa Clara County Office of Education	\$3,760,547	\$3,466,262	\$294,285	\$294,285
43	10439	0102905	C611	0611	Leadership Public Schools - San Jose	\$156,825	\$142,708	\$14,117	\$14,117
43	10439	0106534	C615	0615	Bullis Charter	\$124,639	\$110,229	\$14,410	\$14,410
43	10439	0111880	C767	0767	Discovery Charter	\$182,014	\$161,190	\$20,824	\$20,824
43	10439	0113431	C844	0844	University Preparatory Academy Charter	\$125,679	\$111,497	\$14,182	\$14,182
43	10439	0113704	C850	0850	Rocketship Mateo Sheedy Elementary	\$132,740	\$118,593	\$14,147	\$14,147
43	10439	0116814	C972	0972	ACE Charter	\$45,453	\$41,252	\$4,201	\$4,201
43	69369				Alum Rock Union Elementary	\$5,629,186	\$4,907,146	\$722,040	\$576,975
43	69369	0106633	C628	0628	KIPP Heartwood Academy	\$162,938	\$146,583	\$16,355	\$16,355
43	69377				Berryessa Union Elementary	\$3,255,902	\$2,894,748	\$361,154	\$361,154
43	69385				Cambrian	\$1,316,639	\$1,132,872	\$183,767	\$9,285
43	69393				Campbell Union	\$3,310,213	\$2,987,078	\$323,135	\$323,135
43	69419				Cupertino Union	\$6,314,942	\$5,546,461	\$768,481	\$768,481
43	69427				East Side Union High	\$14,604,082	\$13,333,170	\$1,270,912	\$1,270,912
43	69427	0107151	C646	0646	Escuela Popular/Center for Training and Careers, Fam	\$323,079	\$292,246	\$30,833	\$30,833
43	69427	0116889	C976	0976	KIPP San Jose Collegiate	\$43,600	\$38,967	\$4,633	\$4,633
43	69427	4330668	C414	0414	Latino College Preparatory Academy	\$225,223	\$205,269	\$19,954	\$19,954
43	69427	4330676	C425	0425	San Jose Conservation Corps Charter	\$128,068	\$117,898	\$10,170	\$10,170
43	69427	4330726	C502	0502	Escuela Popular Accelerated Family Learning	\$142,412	\$128,662	\$13,750	\$13,750
43	69435				Evergreen Elementary	\$5,041,624	\$4,462,776	\$578,848	\$578,848
43	69450				Franklin-McKinley Elementary	\$4,035,044	\$3,609,093	\$425,951	\$425,951
43	69450	0113662	C846	0846	Voices College-Bound Language Academy	\$61,994	\$55,646	\$6,348	\$6,348
43	69484				Gilroy Unified	\$4,269,378	\$3,804,626	\$464,752	\$464,752
43	69542				Luther Burbank	\$206,378	\$181,758	\$24,620	\$24,620
43	69575				Moreland Elementary	\$1,456,250	\$1,282,933	\$173,317	\$173,317
43	69583				Morgan Hill Unified	\$3,525,857	\$3,118,944	\$406,913	\$406,913
43	69583	6118541	C363	0363	Charter School of Morgan Hill	\$193,003	\$170,843	\$22,160	\$22,160
43	69591				Mountain View Whisman	\$1,494,071	\$1,295,542	\$198,529	\$198,529
43	69617				Mt. Pleasant Elementary	\$1,143,971	\$1,016,588	\$127,383	\$127,383
43	69625				Oak Grove Elementary	\$4,917,984	\$4,407,673	\$510,311	\$510,311
43	69633				Orchard Elementary	\$329,992	\$290,729	\$39,263	\$39,263
43	69641				Palo Alto Unified	\$1,204,948	\$1,187,607	\$17,341	\$17,341
43	69666				San Jose Unified	\$19,865,685	\$18,177,101	\$1,688,584	\$1,688,584
43	69666	4330585	C287	0287	Downtown College Preparatory	\$247,094	\$225,809	\$21,285	\$21,285
43	69674	0116830	C978	0978	Downtown College Prep Alviso	\$38,781	\$34,957	\$3,824	\$3,824
43	69708				Union Elementary	\$1,662,453	\$1,414,163	\$248,290	\$117,823
43	73387				Milpitas Unified	\$4,794,935	\$4,355,817	\$439,118	\$439,118
COUNTY TOTAL						\$94,473,623	\$84,975,436	\$9,498,187	\$9,048,173