January 9, 2018

Dear Colleague:

I am writing regarding the implementation of the School Improvement Grants (SIG) program under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the No Child Left Behind Act (NCLB), to follow up on the Dear Colleague letter (available at https://www2.ed.gov/programs/sif/sigdirapplicationltr3292016.pdf) sent on March 29, 2016, regarding the use of remaining SIG funds and to update you on SIG reporting requirements.

Use of remaining SIG funds

In the letter dated March 29, 2016, the U.S. Department of Education (Department) explained that a State must continue to comply with the SIG final requirements throughout the period of availability of any remaining SIG funds, including any extended period of availability pursuant to waivers of the period of availability of SIG funds. The letter also explained that a State could, but was not required to, use funds that it reserved in fiscal year 2017 and future years under section 1003(a) of the ESEA, as amended by the Every Student Succeeds Act (ESSA), to support full implementation of SIG awards initially made with prior-year funds.

Many States have contacted the Department to request additional flexibility regarding the use of remaining SIG funds. States have cited as reasons for their request waning interest from local educational agencies (LEAs) and schools in applying for or implementing SIG in light of the new requirements in ESSA, the large amount of remaining SIG funds and the States’ focus on fully transitioning to ESSA. Given these reasons, the Department supports States’ interest in increased flexibility for the use of SIG funds.

Accordingly, pursuant to the authority to ensure an orderly transition authority to the ESSA, a State may, at its discretion, use any remaining SIG funds either: (1) consistent with the SIG final requirements; or (2) consistent with the requirements of section 1003 of the ESEA, as amended by the ESSA. A State that decides to use some or all of its remaining SIG funds consistent with section 1003 of the ESEA, as amended by the ESSA, may, at its discretion, permit an LEA that is currently implementing SIG to transition to the requirements of section 1003 of the ESEA, as amended by the ESSA, with its remaining SIG funds.
**SIG reporting requirements**

The SIG final requirements require each State to submit a number of SIG-specific data and reporting elements for SIG schools to the Department on an annual basis. Because the SIG program is eliminated under the ESSA, it is no longer necessary for States to continue to meet those SIG-specific reporting requirements. Thus, consistent with the provisions of the ESSA that authorize the Secretary to ensure an orderly transition to the new law, the Department will no longer require a State to report SIG-specific data to the Department (see EDFacts C167 at [https://www2.ed.gov/about/inits/ed/edfacts/eden/non-xml/c167-12-0.doc](https://www2.ed.gov/about/inits/ed/edfacts/eden/non-xml/c167-12-0.doc)).

Should you need further clarification or have any questions, please contact your State program officer in the Office of State Support.

Sincerely,

/\s/  
Jason Botel  
Principal Deputy Assistant Secretary,  
Delegated the Authority to Perform the Functions and Duties of the Assistant Secretary of Elementary and Secondary Education