

STATE FISCAL STABILIZATION FUND APPLICATION

**PART 1: APPLICATION COVER SHEET
(CFDA Nos. 84.394 and 84.397)**

<p>Legal Name of Applicant (Office of the Governor): Executive Office of the Mayor</p>	<p>Applicant's Mailing Address: 1350 Pennsylvania Ave. NW Suite 316 Washington, DC 20004</p>
<p>State Contact for the Education Stabilization Fund (CFDA No. 84.394) Name: Dr. Kerri L. Briggs Position and Office: State Superintendent Contact's Mailing Address: 441 4th St, Suite 350N, NW Washington, DC 20001 Telephone: 202-724-7874 Fax: 202-727-2019 E-mail address: kerri.briggs@dc.gov</p>	<p>State Contact for the Government Services Fund (CFDA No. 84.397) <i>(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)</i> Name: Position and Office: Same Contact's Mailing Address: Telephone: Fax: E-mail address:</p>

To the best of my knowledge and belief, all of the information and data in this application are true and correct.

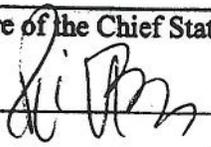
<p>Governor or Authorized Representative of the Governor (Printed Name):</p>	<p>Telephone:</p>
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<p>Signature of Governor or Authorized Representative of the Governor: </p>	<p>Date: March 2, 2010</p>
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Recommended Statement of Support from the Chief State School Officer (Optional):

The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.

<p>Chief State School Officer (Printed Name): Kerri L. Briggs</p>	<p>Telephone: 202-724-7874</p>
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<p>Signature of the Chief State School Officer: </p>	<p>Date: 8 Mar 10</p>
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PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

SPECIAL NOTES:

- A State has some flexibility in determining the “levels of State support” for MOE purposes. For example, for the purpose of the elementary and secondary education MOE requirements, a State may use the level of support that the State provides through its primary elementary and secondary funding formulae, or it may use other relevant data. See Appendix C – Instructions for Part 4: Maintenance of Effort.

1. Levels of State support for elementary and secondary education (the amounts may reflect the levels of State support on either an aggregate basis or a per-student basis):

FY 2006	\$743,285,940 Actual
FY 2009*	\$849, 502,051 Proposed
FY 2010*	\$762,847,647 Proposed
FY 2011*	Data not Available'

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(* Provide data to the extent that data are currently available.)

2. Levels of State support for public institutions of higher education (enter amounts for each year):

FY 2006	\$61,266,493
FY 2009*	\$62,070,000
FY 2010*	\$62,070,000
FY 2011*	Data not Available

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(* Provide data to the extent that data are currently available.)

3. Additional Submission Requirements: In an attachment to the application –

- (a) Identify and describe the data sources used in determining the levels of State support for elementary and secondary education; - and -

Please see addendum #2

- (b) Identify and describe the data sources used in determining the levels of State support for public IHEs.

Please see addendum #2.

PART 5, SECTION A: STATE USES OF THE EDUCATION STABILIZATION FUND

SPECIAL NOTES:

- Section A of Part 5 requests data on the Education Stabilization Fund (CFDA No. 84.394). In completing this portion of the application, please refer to Appendix D – Instructions for Part 5: State Uses of Funds.
- At a later date, the Department will collect data on the levels of State support for elementary, secondary, and postsecondary education in FY 2011.
- These data may differ from the data in the levels of support for maintenance-of-effort purposes. See instructions in Appendix D.
- The term “postsecondary education” refers to public IHEs.

1. Levels of State Support for Elementary, Secondary, and Postsecondary Education

Provide the following data on the levels of State support for elementary, secondary, and postsecondary education:

- | | |
|---|---------------|
| (a) Level of State support for elementary and secondary education in FY 2008 provided through the State’s primary elementary and secondary education funding formulae | \$801,808,655 |
| (b) Level of State support for public IHEs in FY 2008 | \$62,769,786 |
| (c) Level of State support for elementary and secondary education in FY 2009 provided through the State’s primary elementary and secondary education funding formulae | \$849,502,051 |
| (d) Level of State support for public IHEs in FY 2009 | \$62,070,000 |
| (e) Level of State support for elementary and secondary education in FY 2010 provided through the State’s primary elementary and secondary education funding formulae | \$762,847,647 |
| (f) Level of State support for public IHEs in FY 2010 | \$62,070,000 |

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Additional Information: Did the State, prior to October 1, 2008, approve formula increases to support elementary and secondary education in FY 2010 or 2011, or to phase in State equity and adequacy adjustments?*

Yes No

* See Appendix D Worksheets for further guidance on how such increases affect a State’s “use of funds” calculations.

2. State's Primary Education Funding Formulae

Additional Submission Requirement: In an attachment to the application, identify and describe each of the State's primary elementary and secondary education funding formulae that were used in determining the calculations provided above for the levels of State support for elementary and secondary education.

PLEASE SEE ADDENDUM #2

3. Data on State Support for Postsecondary Education

Additional Submission Requirement: In an attachment to the application, identify and describe the specific State data sources that were used in determining the calculations provided above for the levels of State support for public IHEs.

PLEASE SEE ADDENDUM #2

4. Restoration Amounts

Based on the Worksheets included in Appendix D, calculate and provide the amount of Education Stabilization funds that the State will use to restore the levels of State support for elementary, secondary, and postsecondary education in FYs 2009 and 2010. As explained in the Instructions in Appendix D, a State must determine the amount of funds needed to restore fully the levels of State support for elementary, secondary, and postsecondary education in FY 2009 before determining the amount of funds available to restore the levels of such support in FY 2010.

SPECIAL NOTES:

- At a later date, the Department will collect data on the amount of funds, if any, that remain available to (1) restore the levels of State support for elementary, secondary, and postsecondary education in FY 2011, and (2) award subgrants to local educational agencies (LEAs) based on their proportionate shares of funding under Part A of Title I of the ESEA.
- The calculations for these data must be based on the State's total Education Stabilization Fund allocation as reflected in Appendix A and not on the State's initial Education Stabilization Fund award.
- Although the State must follow the Instructions in Appendix D, in order to determine the amount of funds that LEAs and IHEs will receive under the program (i.e., the "restoration amounts"), the Governor has discretion in determining when to release these funds to LEAs and IHEs.

- (a) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2009 \$0
- (b) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2009 \$699,786

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Restoration Amounts (continued)

- | | |
|--|-----------------|
| (c) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for elementary and secondary education in FY 2010 | \$71,830,583.20 |
| (d) Amount of the State's total Education Stabilization Fund allocation to be used to restore the level of State support for public IHEs in FY 2010 | \$580,074.80 |
| (e) Amount of funds, if any, remaining after restoring State support for elementary, secondary, and postsecondary education in FY 2009 and FY 2010 | N/A |

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5. Process for Awarding Funds to Public IHEs

Additional Submission Requirement: In an attachment to the application, describe the process that the State will use to determine the amount of funding that individual public IHEs will receive from the funds that the State sets aside to restore the levels of State support for these institutions.

**PART 5, SECTION B: STATE USES OF THE
GOVERNMENT SERVICES FUND**

SPECIAL NOTES:

- Section B of Part 5 requests data on the Government Services Fund (CFDA No. 84.397).
- In this section, provide preliminary estimates of the percentage of the Government Services Fund that the State intends to spend under various broad categories (to the extent such estimates are available). The total percentages in the chart should equal 100 percent.
- To the extent such estimates are available, the estimated percentages must be based on the State's total Government Services Fund allocation and not on the State's initial Government Services Fund award.

Uses of the Government Services Fund

Category	Estimated Percentage of Funds to Be Used
Public Safety	
Elementary and secondary education (excluding modernization, renovation, or repair of public school facilities)	60%
Public IHEs (excluding modernization, renovation, or repair of IHEs)	
Modernization, renovation, or repair of public school facilities	
Modernization, renovation, or repair of IHEs	
Medicaid	
Public assistance	
Transportation	
Other: Metropolitan Police Department	40%
Undetermined	
TOTAL	100%

KSA 3/8/10



Office of the State Superintendent of Education

DISTRICT OF COLUMBIA
MAYOR ADRIAN M. FENTY

April 9, 2010

The District of Columbia submitted an initial application for State Fiscal Stabilization Funds (SFSF) to the Department of Education on May 21, 2009. Four key changes have since been made which affect the District's allocations and therefore require the District to submit a revised application. First, the Department of Education determined the District could not expend the designated \$17.9 million in SFSF Education Stabilization Funds to restore funds to elementary and secondary education in FY2009. The Department underscored the need to maintain equity when allocating SFSF funds: SFSF requires that all Local Education Agencies (LEAs) be awarded funds according to the same schedule. As the District's Public Charter LEAs had already received the entirety of their FY 2009 local payments by the time the District was awarded SFSF funds, no SFSF payments could be made to the District of Columbia Public Schools (DCPS). In turn, the District was required to reallocate the \$17.9 million in Education Stabilization Funds to FY 2010.

Secondly, the budget data informing the District's SFSF May application changed significantly in July 2009 when the District's 2010 budget was ultimately approved. The District's initial SFSF application was based on the most current available funding information for FY2010 which at the time was the proposed FY2010 budget. Between May and July, the Mayor and District Council made amendments to the budget to address newly identified FY 2009 and FY 2010 revenue shortfalls. The District Council subsequently adopted a budget-balancing plan on July 31, 2010 which required decreasing local funding support for elementary and secondary education in FY2010. To fill this budget shortfall, the District allocated \$71.8 million in SFSF Education Stabilization Funds to restore funds to local education agencies.

The revised elementary and secondary education shortfall across FY2009 and FY2010 exceeded the District's SFSF award amount and therefore directly affected the proportional amount of restoration funds available to institutions of Higher Education. Per the Department of Education's directive, "If a State has insufficient funds to restore fully, in a given fiscal year, the levels of State support for both elementary and secondary education and public IHEs, it must use Education Stabilization funds to support elementary and secondary education and public IHEs in proportion to their relative shortfall in accordance with section 14002(a)(2)(B) of the ARRA." Since the District did not enact, prior to October 1, 2008, elementary and secondary education formula increases for FY 2010, the SFSF guidelines required the District to allocate the remaining Education Fund dollars to elementary, secondary, and postsecondary education based on their respective percent of the total shortfall. As a result, the District revised the amount of restoration funds allocated to the District's IHE in FY2010 from \$699,786 to \$580,075.

Finally, the District's revised SFSF application includes a change to one of the Government Services Fund's sub-recipients. The Mayor's Office has elected to award the portion of Government Services monies previously allocated to the Department of Housing and Community Development to the Metropolitan Police Department.

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State Fiscal Stabilization Fund for the District of Columbia

	FY 2009		FY 2010		Total
	Amount Allocated to Restore Funds to Elementary and Secondary	Amount Allocated to Restore Funds to IHEs	Amount Allocated to Restore Funds to Elementary and Secondary	Amount Allocated to Restore Funds to IHEs	
Approved Application (June 2009)	\$17,875,000	\$699,786	\$0	\$699,786	\$19,274,572
Amended Application (March 2010)	\$0	\$699,786	\$71,830,583	\$580,075	\$73,110,444

District of Columbia Maintenance of Effort			
Elementary and Secondary Education	Approved Application (June 2009)	Amended Application (March 2010)	
FY 2006	\$7,307.47 (per-student)**	\$743,285,940 (Actual)	
FY 2009	\$8,770.00 (per-student)**	\$849,502,051	
FY 2010*	\$8,945.00 (per-student)**	\$762,847,647	
FY 2011*	Data not available	Data not available	

District of Columbia Maintenance of Effort			
Higher Education	Approved Application (June 2009)	Amended Application (March 2010)	
FY 2006	\$61,266,493	\$61,266,493	
FY 2009	\$62,070,000	\$62,070,000	
FY 2010*	\$62,070,000	\$62,070,000	
FY 2011*	Data not available	Data not available	

*Provide data to the extent data are currently available.

**The District of Columbia reports projected annual elementary and secondary education budgets in terms of per-student expenditures and approved budgets at the aggregate level. The District's State Fiscal Stabilization Fund (SFSF) Phase I Application submitted to the Department of Education in June 2009 was based on proposed budget information (per-student level), whereas the revised March 2010 application reflects approved budget figures (aggregate level).

Revised April 21, 2010

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