



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE DEPUTY SECRETARY

January 13, 2012

The Honorable Rick Scott
Office of the Governor, State of Florida
The Capitol
400 South Monroe Street
Tallahassee, Florida 32399

Dear Governor Scott:

I am writing to inform you that the U.S. Department of Education (Department) has approved Florida's request for a waiver of the State Fiscal Stabilization Fund (Stabilization) program maintenance-of-effort (MOE) requirement for fiscal years (FY) 2009 and 2010. This waiver is granted under section 14012(c) of the American Recovery and Reinvestment Act of 2009 (ARRA).

Under the Stabilization program, a State must maintain State support for elementary and secondary education, in each of FYs 2009, 2010, 2011, at least at the level that the State provided in FY 2006. Similarly, a State must maintain State support for public institutions of higher education (IHEs) (not including support for capital projects or for research and development or tuition and fees paid by students), in each of FYs 2009, 2010, and 2011, at least at the level of such support in FY 2006. The ARRA authorizes the Department to waive these MOE requirements if a State demonstrates that it has provided for elementary, secondary, and public higher education, for the fiscal year for which a waiver is sought, a percentage of the total appropriations or revenues available to the State that is equal to or greater than the percentage provided for that purpose in the preceding fiscal year.

Florida's application for a waiver indicated that its level of State support for elementary and secondary education in FY 2009 and FY 2010 and its level of State support for public IHEs in FY 2010 were less than the respective levels of support for FY 2006, thus necessitating a waiver of the FY 2009 and FY 2010 MOE requirement. Those levels of support are as follows:

www.ed.gov

400 MARYLAND AVE., SW, WASHINGTON, DC 20202

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

- \$9,125,618,593-- the level of State support for elementary and secondary education for FY 2006;
- \$8,556,433,157 -- the level of State support for elementary and secondary education for FY 2009;
- \$8,079,525,471 -- the level of State support for elementary and secondary education for FY 2010;
- \$3,268,590,344 -- the level of State support for public IHEs for FY 2006; and
- \$3,094,599,228 -- the level of State support for public IHEs for FY 2010.

In support of its waiver request for FY 2009, Florida submitted documentation indicating the following levels of State support for education and total appropriations:

- \$12,036,373,895-- the aggregate level of State support for elementary, secondary, and public higher education for FY 2009 (the year for which the waiver is sought);
- \$45,246,361,402-- the total appropriations available to the State (for education and other purposes) for FY 2009;
- \$13,441,014,030 -- the aggregate level of State support for elementary, secondary, and public higher education for FY 2008 (the preceding fiscal year);
- \$50,950,572,246 -- the total appropriations available to the State (for education and other purposes) for FY 2008.

These data demonstrate that proportion of total State revenues used to support elementary and secondary education and public IHEs, in the aggregate, for FY 2009 was 26.6 percent; the comparable proportion for FY 2008 was 26.38 percent.

In support of its waiver request for FY 2010, Florida submitted documentation indicating the following levels of State support for education and total appropriations:

- \$11,174,124,699 -- the aggregate level of State support for elementary, secondary, and public higher education for FY 2010 (the year for which the waiver is sought);
- \$40,318,967,686 -- the total appropriations available to the State (for education and other purposes) for FY 2010;
- \$12,036,373,895 -- the aggregate level of State support for elementary, secondary, and public higher education for FY 2009 (the preceding fiscal year);
- \$45,246,361,402 -- the total appropriations available to the State (for education and other purposes) for FY 2009.

These data demonstrate that proportion of total State revenues used to support elementary and secondary education and public IHEs, in the aggregate, for FY 2010 was 27.71 percent; the comparable proportion for FY 2008 was 26.60 percent.

To substantiate these data, the State provided financial statements that include line-by-line detail of expenditures for elementary and secondary education and public IHEs. For total final appropriations data, Florida submitted data from the State Legislative Appropriations System/Planning and Budgeting Subsystem (LAS/PBS). (The State's MOE waiver application and substantiating documentation will be made publicly available on the Department's website.) These documents corroborate total appropriations available to the State and expenditures for elementary and secondary education and public IHEs. Department staff and contractors reviewed and discussed the data with the State. The State has certified that that the data are accurate, valid, and reliable and that any subsequent revisions to the data will not affect the State's ability to meet the MOE waiver criterion.

After a thorough review of the documentation that the State submitted, the Department finds that Florida did not disproportionately cut support for education from one fiscal year to the next and meets the criterion for an MOE waiver.

If the Department determines through monitoring or an audit that Florida no longer meets the criterion for a waiver of the FY 2009 or FY 2010 MOE requirement, it will take appropriate enforcement actions against the State. Such actions may include, among other things, the recovery of Stabilization funds previously awarded to the State. We remind you also that the State must continue to meet the MOE requirements for FY 2011 or, if unable to do so, meet the criterion for a waiver of those requirements.

If you have any questions, please contact Jim Butler at (202) 260-9737 or James.Butler@ed.gov.

Sincerely,

//s//

Ann Whalen
Director, Policy and Program Implementation
Implementation and Support Unit