

Application for Initial Funding under the State Fiscal Stabilization Fund Program

CFDA Numbers: 84.394 (Education Stabilization Fund) and
84.397 (Government Services Fund)



**U.S. Department of Education
Washington, D.C. 20202**

**OMB Number: 1810-0690
Expiration Date: 9/30/2009**

Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1810-0690. The time required to complete this information collection is estimated to average 17 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4537. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: State Fiscal Stabilization Fund Program, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Ave., S.W., Room 3E108, Washington, D.C. 20202-3118

APPLICATION INSTRUCTIONS

GENERAL INSTRUCTIONS

To receive the initial 67 percent of the State's allocation under the State Fiscal Stabilization Fund (Stabilization) program, a Governor must submit to the Department an application that provides the following information:

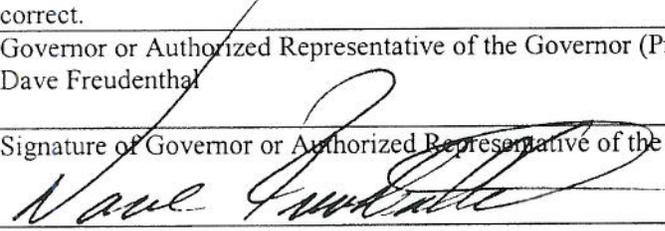
- A completed application cover sheet. *(Part 1 of the Application)*
- Assurances that the State will commit to advancing education reform in four specific areas:
 - (1) Achieving equity in teacher distribution;
 - (2) Improving collection and use of data;
 - (3) Enhancing the quality of standards and assessments; and
 - (4) Supporting struggling schools. *(Part 2 of the Application)*
- Confirmation that the initial baseline data identified in Appendix B of the application is acceptable for purposes of demonstrating the State's current status in each of the four education reform areas for which the State provides assurances, or submission of alternative initial baseline data. *(Part 3 of the Application)*
- The following maintenance-of-effort (MOE) information:
 - (1) An assurance that the State will comply with the Stabilization program MOE requirements;
 - (2) If applicable, an assurance that the State meets or will meet the eligibility criterion for a waiver of those requirements; and
 - (3) MOE baseline data. *(Part 4 of the Application)*
- A description of how the State intends to use the funds allocated under:
 - (1) The Education Stabilization Fund – CFDA No. 84.394; and
 - (2) The Government Services Fund – CFDA No. 84.397. *(Part 5 of the Application)*
- Accountability, transparency, and reporting assurances. *(Part 6 of the Application)*
- Other assurances and certifications. *(Part 7 of the Application)*

APPENDICES TO THE APPLICATION

- Appendix A – State Allocation Data
- Appendix B – Instructions for Part 3: Initial Baseline Data for Education Reform Assurances
- Appendix C – Instructions for Part 4: Maintenance of Effort
- Appendix D – Instructions for Part 5: State Uses of Funds
- Appendix E – Application Checklist and Submission Information

STATE FISCAL STABILIZATION FUND APPLICATION

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

Legal Name of Applicant (Office of the Governor): State of Wyoming Office of Governor Dave Freudenthal	Applicant's Mailing Address: State Capitol, 200 West 24 th Street Cheyenne, WY 82002-0010
State Contact for the Education Stabilization Fund (CFDA No. 84-394) Name: Lynne Boomgaarden Position and Office: Director, Wyoming Office of State Lands and Investments Contact's Mailing Address: Herschler Building, 3 rd Floor West Cheyenne, WY 82002 Telephone: 307-777-6629 Fax: 307-777-3524 E-mail address: lboomg@state.wy.us	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: SAME
To the best of my knowledge and belief, all of the information and data in this application are true and correct.	
Governor or Authorized Representative of the Governor (Printed Name): Dave Freudenthal	Telephone: 307-777-7434
Signature of Governor or Authorized Representative of the Governor: 	Date: 4/8/10
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.	
Chief State School Officer (Printed Name): Jim McBride, Ed.D.	Telephone: 307.777.7675
Signature of the Chief State School Officer:	Date:

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	\$ <u>837,436,062</u>
FY 2009*	\$ <u>1,357,122,684</u>
FY 2010*	\$ <u>1,433,153,192</u>
FY 2011*	\$ <u>1,461,981,346</u>

(* 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	\$ <u>230,690,941</u>	
FY 2009*	\$ <u>315,582,002</u>	
FY 2010*	\$ <u>283,133,596</u>	
FY 2011*	\$ <u>290,462,337</u>	

(* 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 -

See Attachment I and Attachment III

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

See Attachment I and Attachment III

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 | \$ <u>1,308,255,743</u> |
| (b) Level of State support for public IHEs in FY 2008 | \$ <u>293,423,525</u> |
| (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 | \$ <u>1,357,122,684</u> |
| (d) Level of State support for public IHEs in FY 2009 | \$ <u>315,582,002</u> |
| (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 | \$ <u>1,433,153,192</u> |
| (f) Level of State support for public IHEs in FY 2010 | \$ <u>283,133,596</u> |

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. See Attachment II

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. See Attachment II

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

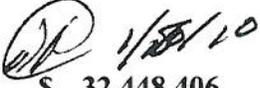
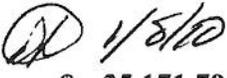
\$ 0

(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

\$ 0

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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 \$ 0
- (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  \$ 32,448,406
- (e) Amount of funds, if any, remaining after restoring State support for elementary, secondary, and postsecondary education in FY 2009 and FY 2010  \$ 35,171,791

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.

Stabilization funds will be appropriated to the University of Wyoming and the state's community colleges in two parts, based on specific calculations and approved formulas as follows:

- 1. Funding to mitigate tuition and course fee increases; funding to support enrollment growth.
 - 1a. Funds will be appropriated to the University of Wyoming in an amount calculated to mitigate tuition and course fee increases for FY11.
 - 1b. Funds will be appropriated to the Wyoming Community College Commission to be distributed through the approved funding formula to each community college to support unfunded enrollment growth
- 2. Funding to support modernization and renovation of academic facilities.
 - 2a. Funds will be appropriated to the University of Wyoming and the Wyoming Community College Commission using the state's established secondary funding formula for major maintenance.
 - 2b. Funds will be appropriated directly to the University and made available through the state's accounting system.
 - 2c. Funds will be appropriated to the Wyoming Community College Commission to be allocated to the individual colleges using the established distribution process based on each college's percentage share of total system square footage.

**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	98.01%
Elementary and secondary education (excluding modernization, renovation, or repair of public school facilities)	
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 (please describe): Monitoring/support of Public Safety project subgrantees	1.99%
Undetermined	
TOTAL	100%

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DAVE FREUDENTHAL
GOVERNOR



STATE CAPITOL
CHEYENNE, WY 82002

Office of the Governor

January 8, 2010

The Honorable Arne Duncan
Secretary of the United States Department of Education
400 Maryland Avenue, SW
Washington, D.C. 20202

Dear Secretary Duncan,

The State of Wyoming is submitting a third amendment to its application for the State Fiscal Stabilization Fund (SFSF) of the American Recovery and Reinvestment Act (ARRA) of 2009.

I am extremely disappointed in the US Department of Education's decision not to approve the State of Wyoming's method of calculating funding shortfalls which would have made a total of \$67,507,805 available for the state's Institutions of Higher Education (IHE).

Nevertheless, the state will not hold up possible distributions through the SFSF, and is therefore modifying its application to reflect a restoration figure of \$57,568,071 for IHEs. The entire difference — \$10,052,126 — would have been dedicated to modernization, renovation and repair projects at the University of Wyoming and the state's community colleges.

The state will not apply for the \$10,052,126 balance in Wyoming's allocation at this time.

At the request of the department, I am providing a new Attachment III, demonstrating the state's revised calculations of restoration amounts, as well as revised calculations of maintenance of effort.

In addition, I am providing a new Attachment IV, again at the request of the department, which offers comparison data between the state's July 16th amended application, and the current amended application.

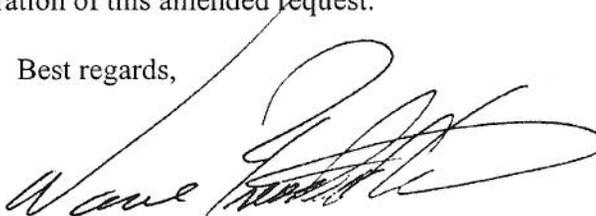
Finally, again at the request of the department, I am providing Attachment V, which includes descriptions of higher education budgeting and appropriations processes.

The Honorable Arne Duncan
January 8, 2010
Page 2

Please note that Wyoming continues to request a slight amendment to Part 5, Section B: State Uses of the Government Services Fund, as identified in the December 1st, 2009 application. The state proposes to use most of the fund — \$14,745,080 or 98.01% — for the construction, expansion and/or renovation of regional juvenile detention facilities. Wyoming proposes that \$300,000 — or 1.99% — be made available for administrative costs associated with monitoring of subgrantees who are involved with ARRA funded projects, as allowed under the Department of Education's Guidance document, Section IV-2.

Thank you for your prompt consideration of this amended request.

Best regards,

A handwritten signature in black ink, appearing to read "Dave Freudenthal", written over a horizontal line.

Dave Freudenthal
Governor

- c: Dr. Zollie Stevensen, Director, Student Achievement and School Accountability
Ms. Patty Guard, Acting Director, Office of Special Education Programs
Dr. Joseph Conaty, US Department of Education
Stacey Jordan, US Department of Education
Jim McBride, Wyoming Superintendent of Public Instruction
Senator Mike Enzi
Senator John Barrasso
Representative Cynthia Lummis

ATTACHMENT I
PART 4, SECTION C: MAINTENANCE-OF-EFFORT BASELINE DATA

3. Additional Submission Requirements

(a) The data sources used in determining the levels of State support for elementary and secondary education are as follows:

For years prior to FY 2010, Wyoming School Foundation Program funding history was used to determine the levels of State support for elementary and secondary education. The foundation program amount is tied per Wyoming Statute 21-13-309 to the Wyoming Resource Block Grant Funding Model (Wyoming Funding Model).

For FY 2010, preliminary data was used to determine the levels of State support. The figure, based on the Wyoming Resource Block Grant Funding Model, includes adjustments made in the 2009 Legislative session, and further adjustments made to the FY 2010 budget by the governor in June of 2009.

For FY 2011, the level of State support was maintained at the FY 2010 figure as a reasonable estimate based on School Foundation Program revenue and expenditure forecasts for the FY 2011-2012 biennium.

(b) The data sources used in determining the levels of State support for public IHEs are as follows:

For years prior to FY 2010, appropriations data from the state biennial and supplemental budget data system were used to determine the levels of state support; excluding capital projects, tuition and fee reimbursement programs, and directed research.

For FY 2010, appropriation data from the supplemental budget data system were used to determine levels of State support. The figure also reflects the Governor's FY 2010 budget reductions, and excludes capital projects, tuition and fee reimbursement programs, and directed research.

FY 2011, the level of State support was presented using preliminary budget recommendations as a reasonable estimate.

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The MOE baseline for public IHEs excludes capital outlays (see Attachment III).

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

2. State's Primary Education Funding Formulae

Per Wyoming Statute 21-13-309, the Wyoming School Foundation Program provides an assured level of funding to every Wyoming public school district. This level of funding is determined by a cost-based model based on the individual enrollments (average daily membership) and characteristics of each school district. The average daily membership used for each school is the greater of the three-year average or prior year. The funding is a block-grant and can be spent by a school district based on local needs and priorities. Resources are generated at the school level (based on school prototypes) up to the district level. Once a district's school and district level resources are determined, they are adjusted by the district's regional cost-of-living adjustment and staff member education, experience, and responsibility levels as compared to the statewide averages. Other components having a significant impact on a district's level of funding include reimbursable costs for special education, pupil transportation, special tuition, and qualifying teacher extra pay costs. Also included in the levels of support for elementary and secondary education, per Wyoming statute, is state funding for capital construction and major maintenance.

3. Data on State Support for Postsecondary Education

The public IHE funding is appropriated to the University of Wyoming and the Wyoming Community Colleges through a biennial budget process. Funds are appropriated separately for operations and major maintenance by the State Legislature. The University of Wyoming has a stand-alone accounting system and draws down reimbursement from the state accounting system periodically and provides an annual A-133 audit. The Community Colleges are funded through quarterly disbursements made by the Community College Commission, the state system oversight agency. Each college uses common accounting software, but maintains independent accounting records. An annual A-133 audit is conducted at each college and submitted to the Community College Commission.

Data for FY 2006 through 2010 were taken from the state budget system identifying appropriated funds for the University of Wyoming and the Community College Commission. Data for FY 2010 was also taken from the state budget system identifying appropriated funds for the 2009/2010 biennial budget. The FY10 proportion of the biennial budget was revised to reflect budget reductions imposed by the governor. Capital projects, research, and tuition and fee reimbursement programs are excluded from the amounts.


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ATTACHMENT III

Calculation of Restoration Amounts for SFSF

	FY 2008	FY 2009	FY 2010	FY 2011	Restorations
K-12	\$ 1,308,255,743	\$ 1,357,122,684	\$ 1,433,153,192	\$ 1,461,981,346	\$ -

IHEs (excludes capital outlay)

Operations and Major Maintenance IHEs Total (excludes capital outlay)	293,423,525	315,582,002	283,133,596	290,462,337	57,568,071
	293,423,525	315,582,002	283,133,596	290,462,337	

Restoration by FY to IHEs Distributions by FY to IHEs

Total IHE Funding Restored	\$ 57,568,071
Total ARRA Funds	\$ 67,620,197

Balance of Funds Remaining	\$ 10,052,126
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Calculation of MOE

	FY 2006	FY 2009	FY 2010	FY 2011	FY 2009	FY 2010	FY 2011
K-12	\$ 837,436,062	\$ 1,357,122,684	\$ 1,433,153,192	\$ 1,461,981,346	\$ 519,686,622	\$ 595,717,130	\$ 624,545,284
IHEs (excludes outlay)	\$ 230,690,941	\$ 315,582,002	\$ 283,133,596	\$ 290,462,337	\$ 84,891,061	\$ 52,442,655	\$ 59,771,396

Amount above MOE

Attachment IV (a)
Amendment Comparison Data - Application Document


11/8/10

Part 4, Section C: Maintenance of Effort Baseline Data

1. Levels of State support for elementary and secondary education

	<u>Amendment Dated January 8, 2010</u>	<u>Amendment Dated July 16, 2009</u>
FY 2006	837,436,062	837,436,062
FY 2009	1,357,122,684	1,357,122,684
FY 2010	1,433,153,192	1,433,153,192
FY 2011	1,461,981,346	1,260,839,234

2. Levels of State Support for public institutions of higher education.

	<u>Amendment Dated January 8, 2010</u>	<u>Amendment Dated July 16, 2009</u>
FY 2006	230,690,941	245,955,173
FY 2009	315,582,002	338,868,605
FY 2010	283,133,596	330,455,514
FY 2011	290,462,337	330,455,514

Part 5, Section A: State uses of the education stabilization fund.

1. Levels of State support for elementary, secondary, and postsecondary education.

b. Level of State support for public IHEs in FY2008

	<u>Amendment Dated January 8, 2010</u>	<u>Amendment Dated July 16, 2009</u>
Operation/MajMaint	293,423,525	311,156,739
Total	293,423,525	311,156,739

d. Level of State support for public IHEs in FY 2009

	<u>Amendment Dated January 8, 2010</u>	<u>Amendment Dated July 16, 2009</u>
Operation/MajMaint	315,582,002	338,868,605
Total	315,582,002	338,868,605

f. Level of State support for public IHEs in FY 2010

	<u>Amendment Dated January 8, 2010</u>	<u>Amendment Dated July 16, 2009</u>
Operation/MajMaint	283,133,596	330,455,514
Total	283,133,596	330,455,514

4. Restoration amounts.

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.

<u>Amendment Dated</u> <u>January 8, 2010</u>	<u>Amendment Dated</u> <u>July 16, 2009</u>
32,448,406	8,413,091

e. Amount of funds, if any, remaining after restoring State support for elementary, secondary, and postsecondary education in FY 2009 and FY 2010.

<u>Amendment Dated</u> <u>January 8, 2010</u>	<u>Amendment Dated</u> <u>July 16, 2009</u>
35,171,791	59,207,106

Part 5, Section B: State uses of the Governmental Service Fund

Uses of the Government Services Fund

	<u>Amendment Dated</u> <u>January 8, 2010</u>	<u>Amendment Dated</u> <u>July 16, 2009</u>
Category		
Public Safety	98.01%	100.00%
Other	1.99%	0.00%

**Attachment V
Information Request**


1/8/10

**Description of Higher Education Funding Request/Funding Formula
Application Process/Other Components of Request**

University of Wyoming: The University is the state's only 4-year higher education institution. A funding formula is not used in the budget request/distribution process. The University is managed in the budget request process as a state agency. Budget requests to increase the block grant funding or for exceptions to existing funding are submitted and considered by the Governor during a budget hearing with the University president.

Community Colleges - There are seven community colleges in the State of Wyoming, with varying numbers of outreach sites in each college's service area. The Community College Commission is the state agency with oversight responsibility for the colleges. Budget requests for the colleges are developed primarily through the application of a funding model that recognizes both fixed and variable funding components. Changes in both the type of enrollment (i.e. general education courses; technical courses; healthcare courses) and the number of full-time-equivalent students are used to determine necessary funding levels for each college. An external cost adjustment factor is applied when calculating the change, and a consequent budget request for an increase to the block grant funding is submitted by the Community College Commission.

Other Components of the funding request for the community colleges: In addition to the request generated by the funding model application, the Commission has the authority to submit requests for special workforce development program funding and funding to support additional enrollment growth during the biennium.

Final step in the process: These budget requests are considered by the Governor during a budget hearing with the Executive Director of the Commission.