



## Education Jobs Fund FAQs

August 12, 2010

*Please direct all questions on implementation of the Education Jobs Fund to [CampaignHub@nea.org](mailto:CampaignHub@nea.org)*

### **How will funds under the Education Jobs Fund be allocated to States?**

The \$10 billion Education Jobs Fund will be administered by the U.S. Department of Education under the terms and conditions of the State Fiscal Stabilization Fund (SFSF), Title XIV of Division A of the American Recovery and Reinvestment Act of 2009 with exceptions as noted here.

The U.S. Secretary of Education is required to allocate the funds as follows:

- (1) one-half of one percent, or \$50 million, to the outlying areas;
- (2) \$1 million for administration;
- (3) one-half of one percent, or \$50 million, to the U.S. Secretary of the Interior for schools operated or funded by the Bureau of Indian Affairs; and
- (4) the remaining amount, \$9.899 billion, to the States (defined as the Governor) as was done under the SFSF – 61 percent on the basis of their relative population of individuals aged 5 through 24; and 39 percent on the basis of their relative total population.

Each State may reserve up to two percent of its allocation for administrative costs.

Any funds that a Governor does not award as subgrants or otherwise commit within one year of receiving the funds shall be returned to the U.S. Secretary of Education to be reallocated to other States.

Preliminary estimates by state are available from the U.S. Department of Education at <http://www.ed.gov/sites/default/files/edjobsfund-allocations.pdf>.

### **How soon will the money be available?**

The U.S. Secretary of Education must award funds to States no later than 45 days after the date of enactment to States that have submitted applications meeting

the requirements set in the law. The Education Jobs Fund was signed into law on August 10, 2010, which gives the Department until September 24, 2010 (tentative date).

The U.S. Secretary of Education cannot “require information in applications beyond what is necessary to determine compliance with applicable provisions of law.”

### **What happens if the Governor does not apply for the funds?**

If, within 30 days after the date of enactment, or by no later than September 9, 2010 (tentative date), a Governor has not submitted an approvable application, the U.S. Secretary of Education shall provide for funds allocated to that State to be distributed to another entity or other entities in the State under terms and conditions set by the Secretary. Regardless of the entity or entities selected, no distribution shall be made to the State unless the Secretary determines that the State meets the law’s maintenance-of-effort requirements.

### **How will the funds be distributed locally?**

After setting aside up to two percent for administrative costs, a State must allocate the remaining funds to local educational agencies for the support of elementary and secondary education in order to retain or create education jobs for the 2010-11 school year (or for funds received through state reallocations, for the 2010-11 or the 2011-12 school year).

Funds shall be distributed through either the State’s primary elementary and secondary funding formulae or based on local educational agencies’ relative shares of funds under Title I, Part A of the Elementary and Secondary Education Act (ESEA) for the most recent fiscal year for which data are available.

### **Which local distribution formula should my State choose?**

As soon as possible, you should request allocations by school district under both formulas – the State’s primary elementary and secondary funding formulae and the ESEA Title I, Part A federal formula – from your State education agency to determine which formula is most favorable to retaining and creating the most education jobs.

As an interim step, you can calculate a “rough” estimate by school district for each formula as follows. For the State’s primary education funding formulae, you will need to obtain the allocations by school district made under SFSF –

Education Grants, preferably in a spreadsheet format, from the State education agency. For each individual school district, calculate the district's share of funding as a percentage of the total under the SFSF – Education Grants; and apply that percentage to the State's allocation under the Education Jobs Fund (a link to preliminary state estimates is available above), less two percent withheld by the State for administrative costs. This will give you a rough estimate only.

Similarly, calculate each district's share of funding as a percentage of the total under the federal Title I, Part A formula (available from the U.S. Department of Education in an Excel spreadsheet for each state at <http://www2.ed.gov/about/overview/budget/titlei/fy10/index.html>); and apply the percentage to the State's allocation under the Education Jobs Fund. Again, this will provide you with an approximation only. (Note that the amounts by school district provided by the U.S. Department of Education are "gross" amounts and do not reflect subsequent adjustments made by the State.)

**What are allowable uses of the funds?**

Funds awarded to local educational agencies may be used only for compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services.

NEA will be seeking guidance from the Department on whether or not funds may be used to restore furloughs or compensation reductions already taken to save jobs.

**Are the funds limited to teachers only?**

No. Funds may be used for compensation and benefits and other expenses for education support professionals as well.

**Are there any prohibitions on using the funds?**

Yes. Funds may not be used for general administrative expenses or for other support services expenditures (as those terms were defined by the National Center for Education Statistics in its Common Core of Data as of the date of enactment of the Education Jobs Fund). For example, funds may not be used for equipment, utilities, renovation, or transportation.

In addition, a State may not use funds, directly or indirectly, to

- (a) establish, restore, or supplement a rainy-day fund;
- (b) supplant State funds in a manner that has the effect of establishing, restoring, or supplementing a rainy-day fund;
- (c) reduce or retire debt obligations incurred by the State; or
- (d) supplant State funds in a manner that has the effect of reducing or retiring debt obligations incurred by the State.

**What are the maintenance-of-effort requirements?**

In order to receive an Education Jobs Fund grant, each State must provide assurance that State support for both elementary and secondary education and for public institutions of higher education (not including support for capital projects or for research and development or tuition and fees paid by students), measured separately, in fiscal year 2011 will be at or above either: (1) the fiscal year 2009 level (in the aggregate or on the basis of expenditures per pupil); or (2) the percentage share of total revenues available to the State as in fiscal year 2010, or; (3) in the case of a State in which State tax collections for calendar year 2009 were less than State tax collections for calendar year 2006, the fiscal year 2006 level or the percentage share of total revenues available to the State as in fiscal year 2006.

There are no waiver provisions included in the law.

**When do the funds have to be obligated?**

The U.S. Department of Education will have to provide specific guidance on this issue, but a preliminary indication from the Department is that section 421 of the General Education Provisions Act applies, which automatically allows a State to carryover for one additional year any federal education funds that were not obligated during the period for which they were appropriated. If this is applicable, then States, and presumably local educational agencies, would have until September 30, 2012 to obligate their funds.

**What other assurances are required?**

Any state that has an approved application under phase II of the SFSF is deemed in compliance with the "education reform" assurances (achieving equity in teacher distribution, improving collection and use of data, improving standards and enhancing assessments, and supporting struggling schools) contained in the

American Recovery and Reinvestment Act. As of August 3, 2010, the only states that have not been approved under phase II are CA, HI, NY, OK, PR, TX and VT.

Section 442 of the General Education Provisions Act shall not apply to a local educational agency that has previously submitted an application to the State for funding under the SFSF. The assurances provided under that application shall continue to apply to funds awarded under the Education Jobs Fund.

**Are there special requirements for the State of Texas only?**

Yes. Funds used to support elementary and secondary education shall be distributed based on local educational agencies' relative shares of funds under ESEA Title I, Part A for the most recent fiscal year which data is available; and must be used to supplement and not supplant State formula funding that is distributed on a similar basis to ESEA Title I, Part A.

The Governor of Texas must provide an assurance that the State will for fiscal years 2011, 2012, and 2013 maintain State support for elementary and secondary education at a percentage of the total revenues available to the State that is equal to or greater than the percentage provided for fiscal year 2011 prior to enactment of the Education Jobs Fund.

The U.S. Secretary of Education shall not distribute funds to another State entity in the absence of an application from the Governor of Texas unless the Governor assures that the State will meet the two requirements above.

# Education Jobs Fund

Education Jobs and Medicaid Assistance Act, H.R. 1586



*Estimates are based on distributing funds to local educational agencies according to their relative shares of funds under part A of Title I of the Elementary and Secondary Education Act. States have the option to distribute funds through Title I or through their primary elementary and secondary funding formulae.*

Representative	District	\$10 billion Fund	
		\$ (millions)	K-12 Jobs
Jackie Speier	Congressional District 12, California	3.9	54
Fortney Pete Stark	Congressional District 13, California	14.4	201
Anna G. Eshoo	Congressional District 14, California	6.2	86
Michael M. Honda	Congressional District 15, California	9.7	136
Zoe Lofgren	Congressional District 16, California	17.6	247
Sam Farr	Congressional District 17, California	15.5	218
Dennis A. Cardoza	Congressional District 18, California	38.9	545
George Radanovich	Congressional District 19, California	25.0	351
Jim Costa	Congressional District 20, California	65.3	915
Devin Nunes	Congressional District 21, California	45.8	642
Kevin McCarthy	Congressional District 22, California	23.1	323
Lois Capps	Congressional District 23, California	19.1	268
Elton Gallegly	Congressional District 24, California	10.4	145
Howard P. "Buck" McKeon	Congressional District 25, California	36.4	511
David Dreier	Congressional District 26, California	6.3	89
Brad Sherman	Congressional District 27, California	21.8	306
Howard L. Berman	Congressional District 28, California	29.7	417
Adam B. Schiff	Congressional District 29, California	13.7	191
Henry A. Waxman	Congressional District 30, California	5.8	81
Xavier Becerra	Congressional District 31, California	51.6	723
Judy Chu	Congressional District 32, California	26.0	364
Diane E. Watson	Congressional District 33, California	31.3	439
Lucille Roybal-Allard	Congressional District 34, California	43.6	611
Maxine Waters	Congressional District 35, California	50.0	700
Jane Harman	Congressional District 36, California	15.4	215
Laura Richardson	Congressional District 37, California	46.9	658
Grace F. Napolitano	Congressional District 38, California	21.7	304
Linda T. Sanchez	Congressional District 39, California	26.4	370
Edward R. Royce	Congressional District 40, California	16.5	232
Jerry Lewis	Congressional District 41, California	30.1	422
Gary G. Miller	Congressional District 42, California	4.4	62
Joe Baca	Congressional District 43, California	28.4	399
Ken Calvert	Congressional District 44, California	19.3	270
Mary Bono Mack	Congressional District 45, California	30.9	434
Dana Rohrabacher	Congressional District 46, California	7.0	98
Loretta Sanchez	Congressional District 47, California	31.4	440
John Campbell	Congressional District 48, California	6.9	97
Darrell E. Issa	Congressional District 49, California	19.4	272
Brian P. Bilbray	Congressional District 50, California	12.4	173
Bob Filner	Congressional District 51, California	33.1	464
Duncan Hunter	Congressional District 52, California	11.9	167
Susan A. Davis	Congressional District 53, California	23.8	333
	State Reservation	24.0	-
<b>Total, California</b>		<b>1,201.5</b>	<b>16,500</b>

# Education Jobs Fund

*Education Jobs and Medicaid Assistance Act, H.R. 1586*



*Estimates are based on distributing funds to local educational agencies according to their relative shares of funds under part A of Title I of the Elementary and Secondary Education Act. States have the option to distribute funds through Title I or through their primary elementary and secondary funding formulae.*

Representative	District	\$10 billion Fund	
		\$ (millions)	K-12 Jobs
Jo Bonner	Congressional District 1, Alabama	24.3	448
Bobby Bright	Congressional District 2, Alabama	22.1	407
Mike Rogers	Congressional District 3, Alabama	23.5	433
Robert B. Aderholt	Congressional District 4, Alabama	19.9	367
Parker Griffith	Congressional District 5, Alabama	17.3	318
Spencer Bachus	Congressional District 6, Alabama	8.4	155
Artur Davis	Congressional District 7, Alabama	31.0	572
	State Reservation	3.0	-
<b>Total, Alabama</b>		<b>149.5</b>	<b>2,700</b>
Don Young	Congressional District (at Large), Alaska	23.5	400
Ann Kirkpatrick	Congressional District 1, Arizona	27.6	532
Trent Franks	Congressional District 2, Arizona	20.0	386
John B. Shadegg	Congressional District 3, Arizona	14.8	285
Ed Pastor	Congressional District 4, Arizona	56.1	1,081
Harry E. Mitchell	Congressional District 5, Arizona	11.2	216
Jeff Flake	Congressional District 6, Arizona	15.2	293
Raul M. Grijalva	Congressional District 7, Arizona	45.7	880
Gabrielle Giffords	Congressional District 8, Arizona	17.0	328
	State Reservation	4.2	-
<b>Total, Arizona</b>		<b>211.8</b>	<b>4,000</b>
Marion Berry	Congressional District 1, Arkansas	25.0	502
Vic Snyder	Congressional District 2, Arkansas	19.3	388
John Boozman	Congressional District 3, Arkansas	21.5	432
Mike Ross	Congressional District 4, Arkansas	23.7	477
	State Reservation	1.8	-
<b>Total, Arkansas</b>		<b>91.3</b>	<b>1,800</b>
Mike Thompson	Congressional District 1, California	17.3	243
Wally Herger	Congressional District 2, California	24.0	336
Daniel E. Lungren	Congressional District 3, California	18.6	261
Tom McClintock	Congressional District 4, California	11.2	157
Doris O. Matsui	Congressional District 5, California	25.3	354
Lynn C. Woolsey	Congressional District 6, California	8.0	113
George Miller	Congressional District 7, California	17.8	249
Nancy Pelosi	Congressional District 8, California	8.2	115
Barbara Lee	Congressional District 9, California	18.5	260
John Garamendi	Congressional District 10, California	16.9	237
Jerry McNerney	Congressional District 11, California	14.6	204

