

Education Jobs Funding – Frequently Asked Questions

On Tuesday, August 10th, President Obama signed the Education Jobs Fund into law (Public Law No. 111-226), providing \$26 billion nationwide to preserve jobs for teachers and other school-based employees/individuals. Massachusetts will receive \$204 million in Education Jobs Funding; this will directly support an estimated 2,700 jobs across the state. School districts are permitted to expend funds through September 30, 2012.

1) Who will receive Education Jobs funding?

The funding must be allocated to school districts, and districts must use the funds to support educator and staff positions. Districts are required to spend funds in order to retain existing employees, recall or re-hire former employees or hire new employees to provide early childhood, elementary and secondary education and related services. (see Questions #8 and #9 for additional detail).

2) How will Massachusetts allocate funds to school districts?

States are permitted distribute the funding either in accordance with the state's funding formula for K-12 education (in Massachusetts, this is known as **Chapter 70**) or in proportion to **Title I** allocations. Massachusetts will distribute the funding in accordance with the Chapter 70 formula. States were not given the option to do both.

With this new infusion of federal funding, we are able to fully fund Chapter 70 without the need to use about \$60 million of American Recovery and Reinvestment Act (ARRA) funds available for general government purposes. These ARRA funds were previously allocated to help mitigate the cut in Chapter 70, but now they can be reallocated to help address other budget shortfalls. The Governor's office is in the process of evaluating how these funds, together with the \$450 million of additional FMAP revenues, can most effectively be allocated.

3) How much Education Jobs funding will my district receive? How has this impacted our Chapter 70 allocation?

The funding will be allocated in accordance with our Chapter 70 formula. For Fiscal Year 2011, Chapter 70 will be funded using both state and federal funds. Two sources of federal funds are being used to fund Chapter 70 – Education Jobs and State Fiscal Stabilization (SFSF) funds. For a chart showing the breakdown of funds your district will receive from state and federal sources, as well as a comparison to Fiscal Year 2010, please refer to the chart on this website:

http://finance1.doe.mass.edu/chapter70/chapter_11_local.xls

4) When will Massachusetts receive the \$204 million in Education Jobs funding?

The federal Department of Education aims to provide states with funding about two weeks after they formally submit their application. Massachusetts submitted its application on Monday, August 23rd, and the Department of Elementary & Secondary Education will work to get these funds out to districts in an expeditious manner. Districts should begin planning for the use of these funds now. Districts are permitted to charge expenses back to August 10th and therefore districts can count on using these funds at the start of the school year.

5) Do school districts need to submit applications to receive Education Jobs funding?

The Massachusetts Department of Elementary and Secondary Education will release grant application instructions for these funds shortly.

6) By when do the funds need to be spent?

The primary purpose of these funds is to retain and hire teachers and other school-based personnel for the 2010-2011 school year. However, districts that have funds remaining after coming school year can spend the remaining funds through September 30, 2012.

7) I run a non-profit organization. Am I eligible for Education Jobs funding?

No; states are required to distribute funds to school districts.. Funds are to be used by districts only for the purposes described in Question 8.

8) How can districts spend the Education Jobs funding?

Districts are required to spend funds in order to retain existing employees, recall or re-hire former employees or hire new employees.

Districts are permitted to use the funds to restore reduction in salaries and benefits (that were scheduled to take place after August 10th) or to implement salary increases for the 2011-2012 academic year.

Districts may spend funds on the following:

- Teacher salaries
- Health insurance
- Performance bonuses
- Retirement benefits and incentives for early retirement
- Pension fund contributions

- Tuition reimbursement
- Student loan repayment assistance
- Transportation subsidies
- Reimbursement for childcare expenses

Districts may not spend funds on the following:

- Central office/district-level administrative expenses
- Institutions of Higher Education

9) Which employees can be supported with Education Jobs funding?

A district may choose to use the funds to pay the salaries of teachers and other personnel who provide school-level educational and related services. Funds can be used to support the following positions:

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| • Teachers | • Librarians |
| • Principals | • Psychologists |
| • Assistant principals | • Interpreters |
| • Academic coaches (school-based; NOTE: If the position is partially school-based and partially central office-based, funds can be used for the proportion of time that is school-based. LEAs must provide documentation substantiating that amount of time.) | • Physical therapists, occupational therapists, speech therapists |
| • In-service teacher trainers | • Information Technology (IT) personnel |
| • Classroom aides and paraprofessionals | • Athletic coaches |
| • Counselors and social workers | • Security officers |
| | • Custodians and maintenance personnel |
| | • Cafeteria workers |
| | • Bus Drivers |

10) Can my district use funds to reduce or eliminate the number of furlough days?

Yes. Districts may choose to use the funding to eliminate furlough days in the upcoming academic year. Districts may also use the funds to provide extra pay for personnel working longer school days.

11) Will teachers who took salary cuts for the upcoming school year now receive full salaries?

Each school district has discretion as to how to spend their funds. Districts are permitted to use Education Jobs Funds to pay for a portion of salary and benefits, but it is up to your district to decide if that is how they wish to expend the funds.

12) Can the Governor direct school districts to use funds in particular ways?

No. Governors may not direct how districts may use the Education Jobs funds they have received from the states. District administrators have the discretion to allocate the funds, as long as they are in compliance with the requirements in the law.

13) How is the federal government going to ensure the funds are spent properly and not misused?

The state must comply with strict reporting requirements, including those in Section 1512 of the American Recovery and Reinvestment Act of 2009 (ARRA). Massachusetts is required to submit quarterly reports regarding state and district expenditures of both ARRA and Education Jobs funding. In addition, Massachusetts must submit an annual report to the federal Department of Education that includes the number of educators and staff members impacted by the Education Jobs funds.

14) How does this funding differ from FMAP?

Education Jobs funding is a separate federal program than FMAP (Federal Medicare Assistance Percentage), however both were authorized by the bill signed into law by President Obama on August 10, 2010. The answers in this document pertain only to Education Jobs funding.