



**American Recovery and Reinvestment Act of 2009:
Using ARRA Funds to Drive School Reform and Improvement**

A message from the U.S. Department of Education

Education funds provided through the *American Recovery and Reinvestment Act (ARRA)* provide a unique opportunity to jump start school reform and improvement efforts while also saving and creating jobs and stimulating the economy. These one-time resources should be spent in ways most likely to lead to improved results for students, long-term gains in school and school system capacity, and increased productivity and effectiveness.

In America, all students should graduate from high school prepared for college and a career and have the opportunity to complete at least one year of postsecondary education. This means that we must dramatically improve student achievement and close the achievement gap. *ARRA* identifies four core reforms that will help the nation meet that goal: (1) adopting rigorous college- and career-ready standards and high-quality assessments; (2) establishing data systems and using data for improvement; (3) increasing teacher effectiveness and equitable distribution of effective teachers; and (4) turning around the lowest-performing schools.

ARRA provides billions of dollars to strengthen education through the State Fiscal Stabilization Fund (SFSF); Title I, Part A of the *Elementary and Secondary Education Act (ESEA)*; Part B of the *Individuals with Disabilities Education Act (IDEA)*; Pell Grants; Federal Work-Study; and other programs. It also provides support for adults with disabilities through the Vocational Rehabilitation State Grants program and the Independent Living programs authorized under the *Rehabilitation Act*.

This document includes framing questions for decision making and examples of potential uses of funds to improve educational outcomes from early learning through high school. It is intended to spark ideas about how districts and schools might use *ARRA* funds, particularly those available under the SFSF, Title I, and *IDEA* Part B programs. Districts generally have up to two years to obligate these funds. While many school districts may need to use a portion of their *ARRA* funds to save jobs, every district and school should be considering how to use these funds to improve student outcomes over the next two years and to advance reforms that will have even longer-term impact.

Framing Questions for Decision Making

In considering how to best spend *ARRA* funds, decision makers should consider whether they can answer “yes” to these five questions:

1. **Drive results for students?** Will the proposed use of funds drive improved results for students, including students in poverty, students with disabilities, and English language learners?
2. **Increase capacity?** Will the proposed use of funds increase educators’ long-term capacity to improve results for students?
3. **Accelerate reform?** Will the proposed use of funds advance state, district, or school improvement plans and the reform goals encompassed in *ARRA*?
4. **Avoid the cliff and improve productivity?** Will the proposed use of funds avoid recurring costs that states, school systems, and schools are unprepared to assume when this funding ends? Given these economic times, will the proposed use serve as “bridge funding” to help transition to more effective and efficient approaches?
5. **Foster continuous improvement?** Will the proposed use of funds include approaches to measure and track implementation and results and create feedback loops to modify or discontinue strategies based on evidence?

Using short-term *ARRA* funds effectively will require new thinking and thoughtful conversations among state, district, and school leaders, as well as teachers, students, families, and communities. The first step is a careful examination of student achievement data to determine where to focus improvement efforts. To inform thoughtful planning, below are examples of potential uses of funds for early learning through high school. These examples are not intended to be a menu of options or a list of “silver bullets,” but rather a starting point for consideration in light of local goals, data, and context. Ultimately, if educators and community leaders focus on a small number of related and reinforcing strategies and apply these substantial one-time resources consistent with their overall plan for increasing student achievement, they are more likely to improve results than with a diffuse or scattershot approach.

All the examples below may be supported using funds made available through the SFSF program. To the extent consistent with program requirements, districts, and schools may also use Title I and *IDEA* Part B funds to support these or similar strategies and are encouraged to do so. The Department will supplement these examples over time with ideas about best practices from schools throughout the nation. The Department will also provide specific guidance on uses of funds allowable under Title I, *IDEA* Part B, and other *ARRA* programs.

Uses of Funds: Examples for Consideration

These initial examples are organized into five categories that reflect the priorities of *ARRA*:

- Adopting rigorous college- and career-ready standards and high-quality assessments;
- Establishing data systems and using data for improvement;
- Increasing teacher effectiveness and equitable distribution of effective teachers;
- Turning around the lowest-performing schools; and
- Improving results for all students, including early learning, extended learning time, use of technology, preparation for college, and school modernization.