CHANCELLORS

Dear Colleagues:

I am pleased to tell you that we were informed today by the Department of Finance (DOF) that California will be receiving nearly $500 million in additional ARRA stabilization funds for education. The U.S. Department of Education’s press release on the announcement is enclosed. DOF is proposing that $212 million of these funds go to UC and CSU ($106 million each). These funds must be appropriated in a budget bill, so will become part of the negotiations on the budget. The federal government’s announcement is very good news for UC and for California education as a whole; however, these funds are one-time in nature and so provide only temporary – although welcome – assistance in this difficult time.

We will of course keep you updated on developments in the State budget negotiations.

With best wishes, I am,

Sincerely yours,

Mark G. Yudof
President

Enclosure

cc: Executive Vice Chancellors
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CALIFORNIA TO RECEIVE MORE THAN $487 MILLION IN ADDITIONAL RECOVERY FUNDS

California Recovery Dollars Have Provided Funding For More Than 47,000 Education Jobs

U. S. Secretary of Education Arne Duncan today announced that an additional $487,549,876 is now available for California under the American Recovery and Reinvestment Act (ARRA) of 2009. To date, California has received $10,849,634,034 through the ARRA. The state recently reported that recovery dollars have been used to provide funding for more than 47,000 education jobs from April 1 to June 30, 2010, while also supporting programs that drive education reform.

“With this application, California provided us with basic information on what is working in their classrooms,” said Duncan. “This data is a critical tool in helping us work together—with students, parents, teachers, administrators, community leaders and elected officials at every level—to improve education for California’s students.”

The application required states to provide data that will lay the foundation for reform including:

- How teachers and principals are evaluated and how this information is used to support, retain, promote or remove staff.
- The extent to which the state has a Statewide Longitudinal Data Systems that includes all the necessary America COMPETES Act requirements and how it will implement a comprehensive system by 2011.
- Whether the state provides student growth data on current students and the students taught in the previous year to, at a minimum, teachers of reading/language arts and mathematics in grades in which the state administers assessments in those subjects in a manner that is timely and informs instructional programs.
- The number and identity of the schools that are Title I schools in improvement, corrective action or restructuring that are identified as persistently lowest-achieving schools.

State applications must describe the state’s current ability to collect the data or other information needed for the assurance indicators and descriptors as well as the state's current ability to make the data or information easily available to the public. If the state is currently able to fully collect and publicly report the required data or other information at least annually, the state must provide the most recent data or information with its plan.

If a state is not currently able to fully collect or publicly report the data or other information at least annually, the plan must describe the state's process and timeline for developing and
implementing the means to do so as soon as possible but no later than Sept. 30, 2011. The state plan must describe the state's collection and public reporting abilities with respect to each individual indicator or descriptor. The application, requirements and summary of the requirements can all be found here: http://www.ed.gov/programs/statestabilization/applicant.html <http://www.ed.gov/programs/statestabilization/applicant.html>.

In addition to the more than $487 million announced today, the ARRA has provided $10,362,084,158 in funding through 12 different programs to the state of California. Prior to today’s announcement, California had received:

- $5,472,717,555 in State Fiscal Stabilization funds through their successful completion of part I of the application. The State Fiscal Stabilization Fund program is a new one-time appropriation of $53.6 billion distributed directly to states to:
  - Help stabilize state and local government budgets in order to minimize and avoid reductions in education and other essential public services.
  - Help ensure that local educational agencies (LEAs) and public institutions of higher education (IHEs) have the resources to avert cuts and retain educational personnel and staff.
  - Help support the modernization, renovation, and repair of school and college facilities.
  - Help advance reforms, from early learning through post-secondary education, to benefit students and families.

- $1,124,920,473 in Title I funds. The Recovery Act provides $10 billion in additional Title I, Part A funds to state education agencies (SEAs) and local education agencies (LEAs) to support schools that have high concentrations of students from families that live in poverty in order to help improve teaching and learning for students most at risk of failing to meet state academic achievement standards.

- $1,327,483,662 in IDEA funds. The ARRA provides $12.2 billion in additional funding for Parts B and C of the Individuals with Disabilities Education Act (IDEA). Part B of the IDEA provides funds to state educational agencies (SEAs) and local educational agencies (LEAs) to help them ensure that children with disabilities, including children aged three through five, have access to a free appropriate public education to meet each child's unique needs and prepare him or her for further education, employment, and independent living. Part C of the IDEA provides funds to each state lead agency designated by the Governor to implement statewide systems of coordinated, comprehensive, multidisciplinary interagency programs and make early intervention services available to infants and toddlers with disabilities and their families.

- $71,578,424 in Education Technology Grants. The ARRA provides $650 million in additional funding for Education Technology Grants. The primary goal of the Education Technology Grants program is to improve student academic achievement through the use of technology in schools. It is also designed to help ensure that every student is technologically literate by the end
of eighth grade and to encourage the effective integration of technology with teacher training and curriculum development.

- $56,470,213 in Vocational Rehabilitation Funds. The ARRA provides $540 million in additional funding for the Vocational Rehabilitation (VR) State Grants program. The VR State Grants program provides grants to states to help individuals with disabilities, especially those individuals with the most significant disabilities, prepare for, obtain, and maintain employment.

- $15,607,115 in Independent Living Services Funds. The ARRA provides $140 million in additional funding for the Independent Living (IL) programs. The IL programs support services to individuals with significant disabilities and older individuals who are blind to maximize their leadership, empowerment, independence, and productivity, and to promote the integration and full inclusion of individuals with disabilities into the mainstream of American society.

- $351,762,637 in School Improvement Grants. The ARRA provides $3 billion in School Improvement Grants to support the transformational changes that are needed to turn around the nation’s persistently lowest-achieving schools by using rigorous school intervention models.

- $13,795,989 in McKinney-Vento Homeless Assistance funds. The ARRA provides $70 million under the McKinney-Vento Education for Homeless Children and Youth program to assist States and local educational agencies (LEAs) in addressing the educational and related needs of some of the most vulnerable members of our society – homeless children and youth – during a time of economic crisis in the United States.

- $2,548,261 in Impact Aid funds for construction activities, including the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, repairing or extending school facilities; and inspecting and supervising the construction of school facilities.

- $8,454,548 in Teacher Quality Partnerships grants to improve student achievement; improve the quality of new prospective teachers by improving their preparation and enhancing professional development activities for teachers; hold teacher preparation programs at institutions of higher education accountable for preparing highly qualified teachers; and recruit highly qualified individuals, including minorities and individuals from other occupations, into the teaching force.

- $1,895,600,020 in Pell Grants have been awarded to students attending schools in California. Pell Grants are awarded based on student applications, not by state. The ARRA provides $17.1 billion in additional funds for students across the country in need of Pell Grants. The Federal Pell Grant Program provides need-based grants to low-income undergraduate and certain postbaccalaureate students to promote access to postsecondary education. Students may use their grants at any one of approximately 5,400 participating postsecondary institutions. The additional funding allowed the Department of Education to raise the maximum Pell award from $4,731 to $5,350.

- $21,145,261 in Work Study funds have been awarded to students attending schools in California. The ARRA provides an additional $200 million to the Work-Study program, providing colleges and universities with additional funding to provide jobs to students to help with their college and living expenses.##