Well-Rounded Education Through Student-Centered Funding Demonstration Grants Program 6.12.2020 Q and A Session Transcription

Denise Joseph: My name is Denise Joseph. Welcome to the Question and Answer Session for the Well-Rounded Education Through Student-Centered Funding Demonstration Grants Program. I’m the competition manager for this program.

We are happy to answer your questions today. We are here to clarify publicly available information that the field has about the competition. We have received several questions, and we will start with those questions first. There will be an opportunity after those questions are answered for people to type in the chat box and ask additional questions.

Next slide, please. In regards to some housekeeping, you all have the dial out feature and then we also have the link provided that is on the side for you to contact. If you get kicked off the call, please either dial back in or use the link to rejoin. We will put the link in the chat box for you. We are going to use the chat box to as a way of answering questions after we get through the previously submitted questions so send that to us and we will go through them after the list is done. If you have any technical difficulties, please feel free to contact Brandon Dent at the email provided and he is also available via the chat. So just a reminder, please mute your phone. We are recording this session and we will post the slides and the information that we provide in the next few days. We will take questions using the chat box and sometimes we will pause when needed if we need to confer before answering a question. Please be patient with us as we work to provide a response. If you submit a question and we need clarification, you can unmute your line, you can use \*6 or use the unmute button that is in the middle of your screen, so use that button and you can talk but please only do so when we indicate it is time.

For the next slide, we have included some information for you to know. So, we have a timeline and the intent to apply deadline is actually today. And you can email the email address for the competition. This is not mandatory but is preferred. Even if you decide next week to do it, you can still send us an email with that information. Again, the application deadline is stated there. We did go through this previously at our pre application meeting and if you are awarded the grant, you will receive more information about the post-award webinar. All that information is there, we just wanted to recap that for you to know.

The next slide talks about the eligible entities. You already received this information, but we had some questions come up about it. So we wanted to put more information because that might still be a question people have so on this slide is an excerpt from ESEA section 8101(30). This is some general information and we just wanted to point out for the student centered funding system, that is a way to allocate funds across multiple schools within a LEA therefore it seems to be more meaningful if the LEA has multiple schools and not a single school district. So we just wanted to point that there and the next slide which we already provided some resources before, but we decided to include it just in case. We have the competition website, that includes not only the eligibility information and application, but also some resources on section 1501 and the PPSS report that talks about the weighted student formula. If you experience technical difficulties as you are going through and if you are applying for the competition, if you come across any difficulties, there is the information to contact grants.gov.

So we are going to keep this slide here and as we go through the questions, we are going to start with the QA session. I am going to turn it over to Victoria Rosenboom to answer our first question.

Victoria: Thank you Denise. As Denise just said my name is Victoria Rosenboom. I am in the Office of School Support and Accountability. We are going to roll through some of the questions that we received via email first. The first two questions we received we are going to answer together. The first one was: “Will the Department allow for flexibility in the project plan should the public health crisis impact the LEA’s ability to design and build as proposed in their grant application?” And we are going to answer that question as we answer the second question. The second question was “Will the Department allow funds to be used to design incremental improvement for our current SCF system for school year 2021-2022 planning with a deeper investment in planning for 2022-2023. If the grant was awarded in September, our LEA would like to make some improvements to support planning for the school year that would start in January, four months after the award.”

Our response to that is as stated in the Notice Inviting Applications [NIA], a grantee will be expected to implement and continuously improve its student-centered funding system during each year of the award. Also, as noted in the NIA a grantee must submit a proposed student centered funding flexibility agreement to the Department within twelve months; however, the NIA also states that funding for the first two years to the grant will be used to prepare to implement a student centered funding system that meets the requirements of the ESEA section 1501 so assuming awards are made in September 2020, we would expect the grantee to use up to two years up to September 2022 for planning and preparation for implementing a student centered funding system that meets statutory requirements. We also want you to know that the Department will work with the grantee that receives funding under this grant competition to support local development of section 1501 agreement including by addressing any adjustments if necessary due to the impact of the current health crisis. So, if there are any clarifying questions you have about that, feel free to put them in the chat box.

I am going to move forward to our third question that we received. Will SEAs receive guidance on how to administer Federal funds to LEAs who receive the grants including how audit reviews are handled? And it is a two-part question so How does the Department recommend the LEA engage with the SEA when applying and after the award? For this question, the section 1501 FAQs that are available on the website are a good resource. If you go to our program page, and you’ll have to scroll down to other resources, but the student centered funding pilot page from there or the student centered funding flexibility pilot page, has the FAQS listed on that website so I’m referencing question C2 on these FAQs. An LEA is not required to seek permission from its SEA before requesting to enter into a student-centered funding flexibility agreement under section 1501, but it may choose to consult with the SEA. The Department notifies an SEA when an LEA’s student centered funding agreement is approved. So. And again, please feel free to type any clarifying questions in. I’m going to hand it over to Jessica to talk about the next question we received.

Jessica: So sorry, I was on mute. This is Jessica McKinney from the Office of Planning, Evaluation and Policy Development**.** I am going to speak a little bit about the expectations regarding using actual teacher salaries. We understand that this is frequently not a common practice. We wanted to draw a distinction between the budgeting forward looking part of school finance and the backend actual expenditure side. From a budgeting perspective, we know that it would not be possible to know exactly which educators will be in each school when developing the LEA budget so at the point of budget planning, an LEA, for example, could create a more precise average by using sort of categories of educator experience or salary ranges as oppose to actual teacher salaries again at the point of budgeting. This is detailed a little bit in FAQ C-10 from 2018 FAQs on section 1501.We suggest a couple of ways potentially on the back end making sure that each school got the full benefit of the funds that the formula would identify for that school. It could be picking a date certain at or at the beginning of the school year to calculate the personal and non-personal costs are and looking at the close of the year and making adjustments and making sure that going forward that full amount is available to each school so it might involve increasing the subsequent years allocation at the school level. Hopefully, that was somewhat helpful. We do intend to work with grantees to support them in building local applications for 1501 agreements that meet the requirements of the statute.

At this point, I am going to turn it over to Jane Simons.

Jane: Hi. Good afternoon. This is Jane Simons in the Office of the General Counsel. The next question we received is, “What if we do not want to combine our Federal funds with state and local resources. Can we receive grant funding to improve our SCF system without applying for flexibility?”

The student-centered funding flexibility agreement under section 1501 provides an LEA flexibility from certain requirements, Federal requirements, related to the Federal funds that the LEA allocates through the student-centered funding system. An LEA that only allocates state and local funds through its SCF system would not fall under that flexibility under 1501. That means that if the LEA does not plan to include any eligible Federal funds in its student-centered system it would not require an agreement under section 1501 and would not meet the purpose of section 1501 flexibility. Similarly, this grant competition as indicated in the NIA is to help districts develop and implement systems under section 1501. The NIA requires that any districts that receives funds would submit a draft 1501 agreement within twelve months and implement a student-centered funding agreement that meets the requirements in section 1501 within 24 months. Similarly, section 1501 requires that student centered funding system under section 1501 allocate a significant percentage of state, local, and eligible Federal funds and that the percentage must be sufficient to carry out the purpose of the 1501 agreement. So hopefully that answers the question but generally to sum it up, this grant competition is to support districts in developing and implementing section 1501 agreements. Section 1501 agreements are for Federal, state, and local funds.

Jessica, I can just take the next question if that is okay.

The next question received is “What if the allocation method is staff-based but achieves the goals of need-based allocations, transparency, equity, etc.? Can an SCF system include staffing weights that convert to dollars or does the formula have to be strictly numeric?”

Jane: I took this from Jessica because we are not going to answer it. If the person or district who asked this question, if you are on the call, and if not we can get back to you directly, can you email us with more information or more details about specifically what it is or what you are envisioning and some details about the question? We had trouble understanding based on just what was presented here what you were asking and if we can point to any information from NIA or the statute or from section 1501 guidance on our website that could help answer this. I am sorry not to answer on the call but hopefully with some more information in an email we will be able to answer this is writing for you. Denise, I think you are up.

Denise: The next question that we have is regarding the grant period and the award amount. The question, “ The initial period is twenty-four months, but our application needs to address the potential of the project up to sixty months.” Yes, that is correct. The application must address the full sixty-month project period. We will evaluate grantee progress annually and determine whether to make continuation awards based on the initial application which would include all five years. So hopefully, that clarifies that question.

And then, I have the next question too. That question is: “Is the maximum annual award, $500,000, for each year of the first two years and should our application address potential costs in years three to five and another follow up on that question, is the maximum award for those years also $500,000?”

So as indicated in the Notice of Inviting Applications, the estimated range of the awards is $500,000 a year prior to implementing the student-centered funding system which could be up to twenty-four months after receiving the award. And then, from there, it is one million dollars to three million dollars per year for implementation so the application should address the full grant period including the budget for the third through fifth year in particular, as indicated in the application requirements which is C3, the detailed project budget must include a budget narrative and a proposed budget funding sufficient to support the LEA’s work to implement its student centered funding system for the duration of the grant period and the develop a plan for sustainability to continue to implement its student centered system in the years following the grant period. I am going to pause for a second to see if there is a follow up question for that and seeing none, I am going to pass it back to Victoria.

Victoria: Thanks, Denise. And so the next question received is about where does the pre- implementation end and implementation begin? Is the student-centered funding budget tool development part of pre-implementation? What about training and capacity building for principals and central office support personnel?”

So for the first part of that question, as indicated in the Notice Inviting Applications, implementation or an LEA implementing their student centered funding system would begin once an LEA has an approved student centered funding flexibility agreement under section 1501, which must occur within 24 months from receiving an award from this program. The pre-implementation part would end once an LEA has an approved student centered funding flexibility agreement under section 1501 and notably, an LEA must plan to develop and submit an application to the Department for this flexibility agreement within the first twelve months of the project. For the second and third part of the question about the student centered funding budget tool development and training and capacity building, as indicated in the notice inviting applications, application requirement item A1, an application must include a plan and timeline for developing within twelve months of receiving an award under this program and preparing to implement a student centered funding system that is designed to meet requirements for receiving a flexibility agreement, previously talked about, and that may include building the capacity of the LEA and school staff to implement the system. Furthermore, as indicated in the restrictions section of the notice inviting applicants, a grantee may use funds for activities related to and for a period of twenty-four months, developing and preparing to implement a student centered funding system through a student centered funding flexibility agreement which may include staff capacity building. Onto Denise for the next one unless there are any additional questions on that one. I do see, we see another question in the chat so we will add that to the que to talk about.

Jessica: If I could very quickly, this is Jessica, although it is completely accurate to say that there is no specific requirement to work with a partner, section 1501 does require stakeholder collaboration and engagement. I do not know if that was part of the thinking behind the initial question, but there is a need to ensure that the perspectives of parents, teachers, the business community, etc. are being included in the development of a student centered funding plan so that would be one place for priority.

Jessica: Okay. We also got a question if an LEA consolidates its Federal funds with state and local funds, does that modify in any way restrictions on how LEA the spends state funds, for example if the state has its own dyslexia allocation or bilingual allocations, can this be folded in with Federal funds? Do state requirements still apply?

So, an LEA that enters into a student centered funding agreement under section 1501 still needs to meet all state requirements with respect to state and local funds, so that would really depend on the state requirements and any flexibility that is available to the LEA from the state. From our perspective, we want to encourage including a significant portion of state and local funds, which is the requirement for the 1501 agreement, but an LEA still needs to meet its responsibilities to the state.

We did receive a question in the chat box about whether a plan for sustainability is needed during the grant, sorry, following the grant period, whether that kind of sustainability plan for after the grant period would need to be included in the application? There is a selection criterion under the quality of the project design, number two, the extent to which the applicant demonstrates that it has the resources to operate the project beyond the length of the grant including a multiyear financial and operating model and accompanying plan. Certainly, a selection criterion is not the same as a requirement but it is some of the basis of which an application is going to be judged and then within the application requirement for the budget, there is a requirement to describe how the SEA will implement its flexibility agreement including that plan of sustainability. It is required through the budget requirement and it is a selection criterion that helps an applicant get points.

Denise: Checking to see if there are any additional questions and I believe we have answered all the questions that we received ahead of time and if you have additional questions, please type them in the chat box and we will wait a few minutes for you all to formulate your questions.

On the next slide, if you decide that you have some additional questions, we will be here next week and the following week for any follow-up questions. If you have any additional questions or need additional clarification, you can always contact us at the email that is listed and then for the next sessions, we have the same link that you used today, that you can use in the future. If we have any updates with that, we will definitely let you know. With the absence of questions, we wanted to thank you all for joining and we are looking forward to possibility receiving some applications in the future. Thank you all. We are going to keep this slide up for the rest of the time.