

American Recovery and Reinvestment Act of 2009: IDEA Recovery Funds for Services to Infants and Toddlers with Disabilities

April 1, 2009

The American Recovery and Reinvestment Act of 2009 (ARRA) appropriates significant new funding for programs under 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.



The IDEA funds under the ARRA provide an unprecedented opportunity for states and early intervention service (EIS) programs to implement innovative strategies to improve outcomes for infants, toddlers, children, and youths with disabilities while stimulating the economy. Under the ARRA, the IDEA funds are provided under three authorities: \$11.3 billion is available under Part B Grants to States; \$400 million is available under Part B Preschool Grants; and \$500 million is available under the Part C Grants for Infants and Families program. Preliminary information about each state's allocation is available at:

<http://www.ed.gov/about/overview/budget/statetables/index.html>. This Web site also provides information about the State Fiscal Stabilization Fund (SFSF) under the ARRA, which is separate from the IDEA ARRA funds described in this fact sheet. This document focuses on Part C; additional information on Part B is available in another fact sheet available at: <http://www.ed.gov/policy/gen/leg/recovery/factsheet/idea.html>.

IDEA Part C ARRA funds are a key element of the ARRA principles as described below:

Overview of ARRA

Principles: The overall goals of the ARRA are to stimulate the economy in the short term and invest in education and other essential public services to ensure the long-term economic health of our nation. The success of the part of the ARRA providing support for programs under the IDEA will depend on the shared commitment and responsibility of students, parents, EIS program staff and EIS providers, teachers, principals, superintendents, education boards, college presidents, state school chiefs, governors, local officials, and federal officials. Collectively, we must advance ARRA's short-term economic goals by investing quickly, and we must support ARRA's long-term economic goals by investing wisely, using these funds to strengthen early intervention and education systems, drive reforms, and improve results for children with disabilities from early learning through college. Four principles guide the distribution and use of ARRA funds:

- a. **Spend funds quickly to save and create jobs.** ARRA funds will be distributed quickly to states and other entities in order to avert layoffs and create jobs. States in turn are urged to move rapidly to develop plans for using funds, consistent with ARRA's reporting and accountability requirements, and to promptly begin spending funds to help drive the nation's economic recovery.
- b. **Improve student achievement through school improvement and reform.** ARRA funds should be used to improve student achievement and help close the achievement gap. In addition, the SFSF requires progress on four reforms previously authorized under the bipartisan Elementary and Secondary Education Act of 1965, as amended, and the America Competes Act of 2007:

1. Making progress toward rigorous college- and career-ready standards and high-quality assessments that are valid and reliable for all students, including English language learners and students with disabilities;
 2. Establishing pre-K to college and career data systems that track progress and foster continuous improvement;
 3. Making improvements in teacher effectiveness and in the equitable distribution of qualified teachers for all students, particularly students who are most in need;
 4. Providing intensive support and effective interventions for the lowest-performing schools.
- c. **Ensure transparency, reporting and accountability.** To prevent fraud and abuse, support the most effective uses of ARRA funds, and accurately measure and track results, recipients must publicly report on how funds are used. Due to the unprecedented scope and importance of this investment, ARRA funds are subject to additional and more rigorous reporting requirements than normally apply to grant recipients.
- d. **Invest one-time ARRA funds thoughtfully to minimize the "funding cliff."** ARRA represents a historic infusion of funds that is expected to be temporary. Depending on the program, these funds are available for only two to three years. These funds should be invested in ways that do not result in unsustainable continuing commitments after the funding expires.

Awarding IDEA Part C Grants for the Infants and Families Program ARRA Funds

- The Department of Education (Department) awarded 50 percent of the IDEA, Part C Grants for Infants and Families program ARRA funds to lead agencies on April 1, 2009. The other 50 percent will be awarded by September 30, 2009. These awards will be in addition to the regular Fiscal Year (FY) 2009 Part C Grants for Infants and Families program awards that will be made on July 1, 2009. Together, these grant awards will constitute a state's total FY 2009 Part C Grants for Infants and Families program allocation.
- A state does not need to submit a new application to receive the first 50 percent of the Part C Grants for Infants and Families program ARRA funds because these funds are being made available to each state based on the state's eligibility established for FY 2008 IDEA, Part C funds and the provision of the certification required by section 1607 of the ARRA. The assurances in the state's FY 2008 application, as well as the requirements of the ARRA, apply to these ARRA funds. In order to receive the remaining 50 percent of IDEA, Part C ARRA funds, a state must submit, for review and approval by the Department, additional information that addresses how the state will meet the accountability and reporting requirements in section 1512 of the ARRA.
- The Department has reserved approximately \$71 million of the IDEA, Part C recovery ARRA for State Incentive Grants under section 643(e) of the IDEA to provide funds to state lead agencies that elect to carry out the Flexibility to Serve Children Three Years of Age until Entrance into Elementary School provisions in sections 632(5)(B)(ii) and 635(c) of the IDEA. A state that wishes to receive a State Incentive Grant must submit with its FY 2009 application the policies and other information showing it has met the requirements in sections 632(5)(B)(ii) and 635(c) of the IDEA. All ARRA funds reserved by the Department, but not allocated to states eligible for Incentive Grants, will be reallocated proportionately to all states on July 1, 2009.
- In accordance with the goals of the ARRA, a state should obligate IDEA, Part C ARRA funds expeditiously. States may begin obligating IDEA, Part C ARRA funds immediately. All IDEA, Part C ARRA funds must be obligated by September 30, 2011.

Uses of IDEA, Part C ARRA Funds

All IDEA, Part C ARRA funds must be used consistently with the current IDEA, Part C statutory and regulatory requirements and applicable requirements in the General Education Provisions Act (GEPA) and the Education Department General Administrative Regulations (EDGAR), including the payor of last resort and restricted

indirect cost requirements. IDEA, Part C ARRA funds may be used for any allowable purpose under Part C of the IDEA, including the direct provision of early intervention services to infants and toddlers with disabilities and their families, and implementing a statewide, comprehensive, coordinated, multidisciplinary, interagency system to provide early intervention services.

- The IDEA ARRA funds constitute a large one-time increment in IDEA, Part C funding that offers states a unique opportunity to improve early intervention service delivery and results for infants and toddlers with disabilities. Generally, funds should be used for short-term investments that have the potential for long-term benefits, rather than for expenditures the state may not be able to sustain once the ARRA funds are expended. Some possible uses of these limited-term IDEA ARRA funds that are allowable under IDEA include:
 - Provide in-service training on evidence-based practices to EIS program staff and EIS providers to ensure that infants and toddlers with disabilities and their families receive high quality early intervention services in a timely manner.
 - Expand child-find activities to ensure that all states meet their performance targets related to serving infants under age one and infants and toddlers birth through age two.
 - Develop intensive programs and initiatives to train and support families, including families whose primary language is not English, in working with their infants and toddlers with disabilities and effectively communicating their children's needs.
 - Support development of high quality state and local data systems to collect valid and reliable data for use in improving the timely delivery of early intervention services, the transition of children receiving services under Part C to the Part B preschool program, the tracking of early childhood outcome data as children exit the program and enter preschool and school, and in meeting data reporting requirements on the state's and EIS programs' performance on early childhood priority areas.
 - Obtain state-of-the art assistive technology devices and provide training to qualified personnel on the use of such devices to support the functional development of infants and toddlers with disabilities.
 - Implement innovative program strategies for improving the statewide services program, such as web-based systems for developing Individualized Family Service Plans and transition plans for toddlers with disabilities as they exit the Part C program.
 - Purchase equipment for use by qualified personnel such as occupational and speech therapists to increase their ability to provide effective services.
 - Develop and implement a joint state policy to provide early intervention services with other early childhood and related programs in the state.

IDEA, Part C Fiscal Issues

- Neither Part C of the IDEA nor the ARRA provide the Secretary with the authority to waive the maintenance of effort/supplement not supplant requirements under Part C.
- The Department will set aside \$71 million of the IDEA Part C ARRA funds for State Incentive Grants to states that elect to implement, and are determined eligible by July 1, 2009 under, the Flexibility to Serve Children Three Years of Age until Entrance into Elementary School provisions in sections 632(5)(B)(ii) and 635(c) of the IDEA.
- With prior approval from the Secretary of Education, a state may count SFSF (but not IDEA ARRA funds) under the ARRA that are used for early intervention services as non-federal funds for purposes of determining whether the state has met the IDEA, Part C maintenance of effort/supplement not supplant requirements. (See separate fact sheet on SFSF for more information.)

Accountability Principles

As with all federal funds, states are responsible for ensuring that the IDEA, Part C ARRA funds are used prudently and in accordance with the law.


- ARRA requires that recipients of funds made available under that act separately account for, and report on, how those funds are spent.
- The President and the Secretary are committed to ensuring that ARRA dollars are spent with an

unprecedented level of transparency and accountability. Reports on ARRA expenditures will be posted on the Recovery.gov Web site.

Additional Information

- The Department will provide updates as additional information becomes available regarding the details of the IDEA recovery funds.
- The Department will also provide further information on the government-wide data collection and reporting requirements as this information becomes available.
- If you have any questions or concerns, please email them to: IDEARecoveryComments@ed.gov.

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