

## **CRITICAL AREA OUTLINE: FEDERAL FUNDING STREAMS**

Grants under the Every Student Succeeds Act (ESSA) provide supplemental funding to states and districts to support various aspects of K-12 education. Ideally, these grants will be spent on activities aligned with your Chief’s state strategic vision and priorities. States play an important role in driving federal grant spending through their oversight responsibilities, which includes developing the application local education agencies (LEAs) use to access ESSA funds, guidance on federal programs, technical assistance, and monitoring. These processes affect how LEAs design their programs and use their funds.

### **STATE VISION**

How does your Chief’s vision impact the decisions you will have to make? Ensuring you have a clear understanding of the outcomes your Chief is prioritizing will help to inform your work and how you engage with others across the state education agency (SEA) to move toward a coherent ESSA transition strategy. Overarching questions you may want to consider as you begin work on federal funding streams:

- Do I know my Chief’s overall state strategic vision?
- What does my Chief hope to achieve?
- How does this area of work fit in with the other key ESSA transition areas to create a comprehensive system?

### **OPPORTUNITIES AND RESPONSIBILITIES**

What are the biggest opportunities and biggest changes in the law? The chart below describes both legal requirements and potential opportunities that are not required by law but would allow for leveraging funds to better meet student needs.

<b>Principle:</b>	<b>States should use implementation of ESSA to ensure state policies and practices on federal funds align with the state vision and priorities.</b>
<b>Opportunities for State Leadership</b> <i>Each state COULD...</i>	<ul style="list-style-type: none"> <li>▪ Use this opportunity to evaluate current grants management policies and practices.</li> <li>▪ Consider modifications to state policies and practices on federal funds to better align to state policy objectives.</li> <li>▪ Leverage state oversight processes (such as application requirements, technical assistance, and monitoring) to promote better student outcomes.</li> <li>▪ Determine if there are opportunities to reduce paperwork/administrative burdens (by streamlining applications, combining federal and state planning requirements, coordinating monitoring, etc.).</li> </ul>
<b>ESSA Requirements</b> <i>Each state MUST...</i>	<ul style="list-style-type: none"> <li>▪ Learn and implement requirements of new funding streams and new fiscal and grants management requirements (i.e. Supplement not Supplant).</li> <li>▪ Allocate federal funds consistent with ESSA requirements.</li> <li>▪ Exercise SEA oversight authority consistent with ESSA and federal Uniform Grant Guidance (UGG) regulations (2 CFR Part 200).</li> <li>▪ Ensure relevant state regulations (if any) and policies are consistent with federal requirements under ESSA.</li> </ul>

<b>Elevating Equity</b>	<ul style="list-style-type: none"> <li>▪ Poverty data primarily drives the allocation of federal formula funds. Ensuring more effective uses of these funds will elevate equity.</li> </ul>
<b>Resources/ Examples</b>	<ul style="list-style-type: none"> <li>▪ <a href="#">CCSSO Federal Funds Toolkit</a> (November 2013)</li> <li>▪ <a href="#">Summary of Significant Spending and Fiscal Rules in the Every Student Succeeds Act</a> (February 2016)</li> <li>▪ <a href="#">Maximizing ESSA Formula Funds for Students: State Readiness Self-Assessment</a> (April 2016)</li> </ul>
<b>Sample Deep-Dive Questions</b>	<ul style="list-style-type: none"> <li>▪ ESSA changes, and in some cases adds new, state <b>planning requirements</b> for federally funded programs. How will the SEA ensure these plans are aligned to each other and to state policy objectives? Are there ways to merge, streamline, or cut plans to minimize duplication?</li> <li>▪ ESSA changes the way some <b>program funds are distributed</b> to LEAs and schools. Where these changes impact allocations, what steps will the SEA take to help LEAs adjust their programming? What changes does the SEA need to make to its own processes?</li> <li>▪ There are new allowable <b>program activities that potentially expand spending options</b> for Title I, Part A, Title II, Part A, Title III, Part A, and a <b>new grant program</b> in Title IV, Part A. How will the SEA ensure its spending policies reflect these new options? How will the SEA ensure LEAs understand the ways these new options impact program services? What changes does the SEA need to make to its oversight processes (local-to-state application, guidance, technical assistance and monitoring) to reflect the new options?</li> </ul>
<b>Fiscal Considerations Under ESSA</b>	<ul style="list-style-type: none"> <li>▪ ESSA makes many changes to federal fiscal rules, affecting all areas of the law. How will the SEA use new fiscal rules to support implementation of its state vision?</li> <li>▪ For more information on federal funding considerations under ESSA, CCSSO has developed a <a href="#">Summary of Significant Spending and Fiscal Rules in the Every Student Succeeds Act<sup>1</sup></a>.</li> </ul>

## STRATEGY

### CROSS-CUTTING ACTIONS

As part of your effort to address these opportunities and responsibilities under ESSA, you and your team will be working across the SEA on a number of related strategies. The following are questions for you to consider as you collaborate across your state agency:

#### Stakeholder Engagement

Your SEA will likely have an overall engagement strategy for working with stakeholders in the ESSA transition process. Within that, we anticipate there will be specific stakeholders who will be most relevant to federal funding grants. Constituency outreach *today* to inform key stakeholders about the new law related to

<sup>1</sup> The Summary of Significant Spending and Fiscal Rules in the Every Student Succeeds Act is available online at [http://www.ccsso.org/Resources/Programs/Every\\_Student\\_Succeeds\\_Act.html](http://www.ccsso.org/Resources/Programs/Every_Student_Succeeds_Act.html).

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accountability and to begin gathering ideas for implementation. Be sure to coordinate with the overall agency strategy before proceeding. Questions to consider:

1. Do you have an existing coalition or do you need to build one?
  - Do you need a more specific group focused on this work?
    - Examples: if the SEA redesigns the application process LEAs use to apply for ESEA funds, does it make sense to convene an SEA-LEA workgroup to discuss possible changes? And/or, does it make sense to convene a multi-office SEA workgroup to get input from multiple SEA offices (such as school improvement, curriculum, finance, and federal grants offices)?
  - Have you engaged stakeholders in your state?
    - Examples: Business, philanthropy, civil rights leaders, parents, teachers, district superintendents, school administrators, district administrators, etc.
    - Which foundation and corporate partners work in this area?
  - Have you engaged civil rights leaders or groups representing traditionally underrepresented students?
    - Examples: students with disabilities, ELL, communities of color
  - If you don't have a list of these groups in your state, how will you get one and how will you establish outreach? How can CCSSO help creating one?
2. How are you working with CCSSO, other states to share/learn best practices?

### Communications and Messaging

When a new law passes, teachers, parents, principals, superintendents, and legislators want to know, "What's changing today?" and "How will this impact the students?" ESSA has been branded as a law that provides tremendous state flexibility, but requirements still exist to which states and local districts must adhere. Both of these issues present a communications and messaging challenge that states should be proactive in discussing with key stakeholders. Questions to consider:

1. Have you identified the audience(s) necessary for implementing ESSA in your state?
  - The SEA will likely need to reach out to more than one audience throughout the process (examples: district superintendents, media, legislators, teachers, school administrators, business community, civil rights leaders)
2. How will you communicate with each audience throughout the implementation process?
  - Do you have a central location for providing updates on your website?
  - How are you being transparent with the public throughout the process?
  - Have you established regular updates and/or meetings with key groups?
  - Have you developed key messages for communications across the agency?
  - How can you work with your communications team to identify what funding-related messages need to be shared when and with whom?

### Advocacy

As part of your overall ESSA transition strategy, your SEA will likely develop an advocacy strategy. As part of that effort, you will likely need to identify the funding issues for which advocacy will be useful or necessary. Questions to consider:

1. Do you need to make changes to state policy to implement your vision?
  - Are the policies in place to make your implementation successful? (E.g. changes to state law, policy, SEA practice)
  - Do you need additional state resources to carry out the work?
2. Do you need any clarification from USED before you can move forward?
  - Have you identified concerns with USED timeline for implementation?
3. How does ESSA implementation timeline align with state legislative calendar or State Board meetings?

### Data Use and Technology Supports

Data and technology enable the success of an SEA's policy priorities by supporting the delivery of services and applications. Information collected by state agencies shines a light on student outcomes and supports better decision making at all levels. As you consider federal funding under ESSA, it is important to address the implications of these changes on your data collection and reporting process from the start so you have the infrastructure in place to deliver on your goals. Questions to consider:

1. What data and technology supports are needed to change the application process LEAs use to apply for ESSA funds?
  - What is the timeframe? (Taking into account developing an RFP if necessary, selecting a vendor, informing the vendor of requirements, implementing updated/new application including training and roll out to LEAs, etc.)
2. What other data/technology supports are necessary to implement ESSA funding changes (such as accounting, financial management/grants management systems, etc.)?
3. Would it be helpful to issue guidance to LEAs on ways federal funds can be used to support effective technology initiatives?
4. What funding will be needed to support changes in reporting requirements?

## IMPLEMENTATION

### Structure

As you consider your implementation strategy, your state's leadership team will need to discuss questions related to the structure of the state's ESSA transition team. For example, you will likely need to address:

1. What staff, time and money will need to be dedicated to this endeavor? What additional resources might you need? Can you repurpose some resources/staff?
2. Who is the single person responsible for this strategy's success?
3. Is there a team of people who will support your point person?
4. What time, money and technology will be needed for successful implementation of this strategy?
5. Do you have data and information systems in place to track outcomes and measure success?
6. Who are the key stakeholders you need to help implement this strategy?

Measuring Success and Continuous Improvement

How will SEAs know that they have been successful? What is the plan for continued improvement? The following are considerations for metrics of success:

1. State has removed barriers to more efficient uses of funds at the local level.
2. State vision drives the use of federal funds in their state.
3. Federal funds are coordinated with state and local funds to provide aligned educational supports.

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