



COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF EDUCATION
333 MARKET STREET
HARRISBURG, PA 17126-0333

SECRETARY OF EDUCATION

717-787-5820
FAX 717-787-7222
TTY 717-783-8445

March 11, 2009

Dear Superintendent:

On February 17th, President Obama signed the American Recovery and Reinvestment Act into law. As part of the nation's economic recovery strategy, this stimulus bill includes at least \$2.6 billion in new early childhood, K-12 and higher education aid for Pennsylvania.

In describing why the stimulus bill includes significant new education funds, President Obama clearly articulated the connection between education and economic growth: "Because we know America can't out-compete the world tomorrow if our children are being out-educated today, we're making the largest investment in education in our nation's history. It's an investment that will create jobs building 21st century classrooms and libraries and labs for millions of children across America. It will provide funds to train a new generation of math and science teachers, while giving aid to states and school districts to stop teachers from being laid off and education programs from being cut."

As the President noted, these stimulus funds present us with an unprecedented opportunity to boost the economy in the short run while increasing student achievement for the long-term. Let me assure you that the Department of Education is committed to responsible and expedited management of Pennsylvania's education stimulus funds. Simply put, bureaucracy will not stand in the way of these resources being put to use in the economy and in our classrooms.

As you and your school boards make decisions about how to most effectively deploy the education stimulus funds in your community, and as we do the same at the Department of Education, I ask that we pledge ourselves to two core principles:

1. **Accelerate reforms that will result in the greatest boost to student achievement.** We only have one chance to take advantage of the stimulus funds, so it is essential that we make smart decisions about which investments are most likely to have the greatest impact on improving our schools.
2. **There is no time for "government as usual."** Building on the fiscal and efficiency reforms that the Commonwealth has implemented to save \$1.75 billion in government operations since 2003, Governor Rendell has made clear that the state will change its own practices so that nothing stands in the way of taking full advantage of stimulus funds and doing so as quickly as possible to create new jobs and economic growth. School districts should commit to the same sense of urgency in their use of stimulus funds.

I look forward to creating a strong partnership between the Department of Education and local school districts so that we can maximize the impact of these federal resources on increasing student achievement. To that end, I intend to hold individual meetings in April with the leadership of school districts that face significant academic challenges and will receive large funding increases under the federal stimulus package.

The table below provides estimates of how the major stimulus funding streams will benefit your school district. Please note that these are only estimates, pending final guidance from the United States Department of Education.


We have also created a handbook for use by you and your school board, which you can access online at <http://www.pde.state.pa.us/stimulusguide>. The handbook is divided into five parts:

1. Overview
2. The State Fiscal Stabilization Fund
3. Strategically Investing Non-Recurring Federal Funds
4. Investing with Transparency and Accountability
5. Other Stimulus Investments in Education

To answer questions about the stimulus funding and the items in the handbook, the Department will be hosting two webinars for school district administrators. They will take place on Tuesday, March 17, 2009, from 11 a.m. to noon, and on Thursday, March 19, 2009, from 12:00 p.m. to 1 p.m. Each online session will accept up to 250 connections. Please register for either date at <http://www.pdewebinars.org>. If you are unable to participate, the webinars will also be recorded and placed on the PDE Stimulus website for review at your convenience.

As educational leaders, making the critical decisions in deploying these stimulus funds is our contribution to getting America's economy back on track. Thank you in advance for the seriousness with which I know you take this responsibility. I look forward to working closely with you in the weeks and months ahead to ensure the greatest return on the taxpayer's investment in our shared economic future.

Sincerely,



Gerald L. Zahorchak, D.Ed.
Secretary

cc: Intermediate Unit Executive Directors
Members of the General Assembly
Pennsylvania Congressional Delegation

LEA Name

| Funding stream | How it can be used | Timeline for district use | Approximate direct allocation for all school districts and other LEAs | Estimated allocation for your school district |
|---|--|--|--|---|
| Total direct aid to districts | | | \$2.2 billion | \$0 |
| State Fiscal Stabilization – Distributed by Pennsylvania’s school funding formula* *(This is the <i>proposed</i> use of the Stabilization fund; it may change when final state legislation making the appropriation is enacted.) | As specified in existing state law: <ul style="list-style-type: none"> • Amount up to rate of inflation can be used to pay for ongoing costs of existing programs • Remainder must be used for early childhood education, longer school days and more days in the school year, and to expand other proven academic programs for students | Provided through FY2009-10 and FY2010-11 basic education subsidies | FY2009-10: \$418 million increase from 2008-09 basic ed subsidy FY2010-11: \$735 million (\$317 million increase from 2009-10 basic ed subsidy) | FY2009-10: \$0 increase from 2008-09 |
| State Fiscal Stabilization – Grants to school districts distributed using the Title I formula* | <ul style="list-style-type: none"> • Modernization, renovation and repair of facilities • Basic education • Special education • Career and technical education • Adult and family literacy | July 1, 2009 until September 30, 2011 | \$317 million | \$0 |
| Education for the disadvantaged (Title I) | Improving reading and math instruction in high-poverty schools | Spring 2009 until September 30, 2011 | \$383 million | \$0 |
| Special education (IDEA) – Provided through the Intermediate Units | Providing special education programs and services to students with disabilities | Spring 2009 until September 30, 2011 | \$384 million | \$0 |
| Technology upgrades (Title II-D) | Integrating technology into the school curriculum and providing related professional development | Fall 2009 until September 30, 2011 | \$12.6 million | \$0 |