ARRA and OTL Federal Policy Recommendations

In March 2009, President Barack Obama signed the American Recovery and Reinvestment Act (ARRA) into law, nearly doubling the federal investment in public education. The law is intended to avoid degradation of quality instruction, make America more competitive by improving achievement for all students, and provide our school districts a one-time opportunity to promote lasting, systemic improvements from pre-kindergarten through high school.

As part of ARRA, the federal government is providing states and local education agencies (LEAs) with the potential of more than $85 billion in K-12 education dollars, including $5 billion in funding through the Race to the Top Fund for struggling school districts serving students who have been denied true educational opportunities. Required under the law to be spent over the next two years, this wealth of resources provides enormous opportunity for schools throughout the United States.

With this new funding comes a swarm of individuals and organizations looking to move new dollars into new areas not intended by the President or ARRA. As a nation, we cannot and must not lose sight of the law’s intention – to protect existing funding levels for our public schools while ensuring LEAs prioritize improvement and opportunities for all students by institutionalizing resource accountability standards.

Now is the time for policy decision makers at the federal, state and local level to focus on five key issues:

- State Fiscal Stabilization Funds (SFSF) must be allocated on the basis of the normal state fiscal year, instead of adopting a unique clause to alter the state fiscal year only as it applies to use of SFSF funds;
- Funds must be used to ensure that states such as New York, New Jersey and Massachusetts apply SFSF dollars to ensure implementation of “equity and adequacy adjustments” that were previously enacted into law;
- Where possible, states must utilize a larger portion of the SFSF education funds in the current fiscal year, maximizing immediate opportunities available to students;
- In allocating through states’ elementary and secondary education formulae, every state should do whatever is necessary to ensure that a maximum percentage of dollars go directly to classroom instructional resources to ensure equity and quality of opportunity; and
- State musts develop multi-year economic forecast/plans outlining how their resources will more equitably address issues such as access to highly effective teachers and data systems—access to early education, college-preparatory curricula and equitable instructional resources.
In our pursuit of continued and increased investments in public education, even in these difficult economic times, we must consider the Obama Administration’s larger policy goals to boost achievement and opportunity for all students. The Opportunity to Learn Initiative’s federal policy recommendations reinforce this national goal, focusing needed attention on the specific solutions that ensure all students – particularly those from historically disadvantaged groups – are provided a fair and substantive opportunity to learn through access to high-quality learning opportunities. State and local policymakers should take every available step to eliminate the opportunity gap. Actions include:

- Committing new Head Start, Even Start, and other early childhood education dollars to improve access to early childhood education opportunities while ensuring such opportunities are high-quality and aligned with learning and social development goals;
- Using Teacher Incentive Fund, Innovation Fund, and other increases in Title II funding to ensure that at-risk and hard-to-staff schools have access to qualified and effective teachers and those teachers are incentivized to improve access to opportunities to learn;
- Ensuring new federal funding, particularly funding available under the Innovation Fund and the Race to the Top Fund, prioritize the implementation of a college preparatory curriculum for all students, improving secondary and postsecondary opportunities for all students; and
- Guaranteeing that State Fiscal Stabilization Fund (SFSF) dollars are getting to those school districts and those schools that have long been at an instructional disadvantage, providing the educational resources necessary to transform poorly resourced schools and bring them up to par, in terms of both dollars and access to quality programs, with high-performing schools.

With ARRA funds nearly doubling the federal investment in public education, it is imperative that federal, state, and local decision makers implement clear standards that hold our states and LEAs accountable for how these resources are allocated. Such accountability measures are key to President Obama’s goals and the intent of ARRA. The Schott Foundation has developed an Opportunity to Learn Resource Index (OTLRI) to provide policymakers a system to ensure such resource accountability. The Resource Index provides clear rubrics to ensure these new dollars generate new opportunities to learn, providing our schools the framework necessary to close the opportunity gap.

As the U.S. Department of Education, governors and state legislatures, chief state school officers, and superintendents begin implementing new ARRA education dollars, it is imperative that they adopt OTLRI to guide both policy and fiscal decisionmaking. OTLRI is the single-most effective tool to ensure that ARRA money is allocated as intended – to boost student achievement and improve access and opportunity for those schools and students that are currently neglected.