

August 10, 2010

Subject: ARRA State Fiscal Stabilization Fund (SFSF) and ARRA Reporting and Certification Updates

TO THE ADMINISTRATOR ADDRESSED:

The purpose of this letter is to inform LEAs of an important revision to the 2009-2010 ARRA Title XIV State Fiscal Stabilization Fund (SFSF) program guidelines and to provide additional information about ARRA Section 1511 and Section 1512 reporting requirements. Specifically, this letter provides detailed information on the following:

1. 2009-2010 ARRA SFSF grant application and 2010-2011 ARRA SFSF allocations
2. ARRA Section 1512 quarterly reporting continuous corrections period and Central Contractor Registration (CCR)
3. ARRA Section 1511 infrastructure certification requirements
4. Enforcement actions related to ARRA requirements

1. 2009-2010 ARRA SFSF Grant Application and 2010-2011 ARRA SFSF Allocations

This section describes changes to the 2009-2010 ARRA SFSF program guidelines and provides information on 2010-2011 ARRA SFSF allocations.

2009-2010 ARRA SFSF Revised Policy

Current Part 2: Program Guidelines and Use of Funds of the 2009-2010 ARRA SFSF Application state that grantees must expend all of their 2009-2010 ARRA SFSF funds before they will be granted access to subsequent year funding and that they may amend their ARRA SFSF application to request an extension beyond the September 30, 2010, project end date to fully obligate and expend funds.

TEA has revised its policy as follows:

The ending date of the 2009-2010 SFSF grant remains as September 30, 2010. However, TEA will not grant extensions to the 2009-2010 ARRA SFSF grant application. Instead, any unexpended balances reflected in the revised final expenditure report for 2009-2010, submitted no later than December 14, 2010, will be made available to grantees as an increase to the 2010-2011 ARRA SFSF allocation.

While grantees will be provided this opportunity to add unexpended funds to the 2010-2011 application, grantees are still strongly encouraged to expend all 2009-2010 SFSF funds prior to September 30, 2010, due to the priority for timely spending of funds.

2010-2011 ARRA SFSF Allocations

To expedite the posting of updated 2010-2011 SFSF allocations, it is vitally important that the LEA's final/revised final expenditure report be 100% accurate. The revised final expenditure report due date for 2009-2010 is December 14, 2010. Grantees will not be able to access the expenditure reporting (ER) system for the 2009-2010 ARRA SFSF application after that date.

The 2010-2011 ARRA SFSF allocations will be updated following the 2009-2010 ARRA SFSF revised final expenditure report deadline of December 14, 2010. By Monday, December 20,

2010, TEA plans to notify grantees of any adjustments to their 2010-2011 ARRA SFSF allocation based on the 2009-2010 carry over grant funds via the TEA Correspondence page and the TEA Grants Opportunities Web site. By no later than January 30, 2011, grantees are requested to amend their 2010-2011 ARRA SFSF grant application to budget for the allocation increase, as applicable.

Please note that the 2010-2011 ARRA SFSF Notice of Grant Award (NOGA) **will not** be placed on hold pending receipt of a final/revised final expenditure report for the 2009-2010 ARRA SFSF NOGA. During September 2010, the month during which the two grant periods overlap, LEAs will have access to both the 2009-2010 ARRA SFSF NOGA and the 2010-2011 ARRA SFSF NOGA.

Critical 2009-2010 ARRA SFSF Dates

Date	Event
September 30, 2010	Project end date
November 15, 2010	Final expenditure report deadline
December 14, 2010	Revised final expenditure report deadline; final date for accessing ER for 2009-2010 application
December 20, 2010	Estimated date for grantee notification of updates to 2010-2011 ARRA SFSF allocation

Critical 2010-2011 ARRA SFSF Dates

Date	Event
August 23, 2010	Application deadline
January 30, 2011	Requested deadline for amending application to budget for allocation increase
July 1, 2011	Amendment deadline
September 30, 2011	Project end date
October 31, 2011	Final expenditure report deadline
October 31, 2011	Revised final expenditure report deadline

2. ARRA Section 1512 Quarterly Reporting Continuous Corrections Period and Central Contractor Registration (CCR)

This section provides information on the continuous corrections period for ARRA Section 1512 quarterly reports, including renewal of Central Contractor Registration (CCR).

Continuous Corrections Period

From August 9 to September 3, 2010, TEA will open ER to allow corrections to ARRA Section 1512 quarterly reports submitted for the quarter ending June 30, 2010. This corrections period is provided to accommodate LEAs and fiscal agents that want to revise data in previously submitted reports for the quarter ending June 30, 2010. No action is necessary unless the LEA or fiscal agent has identified data that needs to be corrected. Revisions may only be made to data submitted for the period ending June 30, 2010. **All corrections must be submitted by 5:00 p.m. Central Time, September 3, 2010.**

TEA will conduct two webinars to review ARRA Section 1512 reporting guidance and instructions. The webinars are scheduled for Tuesday, August 10, 2010, 10:00-11:30 a.m., and Thursday, August 12, 2010, 1:30-3:00 p.m. [Register for webinars online.](#)

ARRA Section 1512 reporting information, including corrections period timelines and upcoming webinars, is announced on TEA's Web site at [Recent News and Announcements](#) and through the ARRA Stimulus listserv. (Join the [ARRA Stimulus listserv.](#))

For additional information on ARRA Section 1512 reporting requirements, including further information and instructions for Central Contractor Registration (CCR) renewal, please refer to the following documents, attached to this letter as follows:

- **Attachment 1:** ARRA Section 1512 Quarterly Reporting Continuous Corrections Period and Webinars
- **Attachment 2:** TEA Guidance on ARRA Section 1512 Quarterly Reporting (includes detailed information on how to calculate jobs created/retained and funded)
- **Attachment 3:** ARRA Section 1512 Quarterly Reporting Frequently Asked Questions
- **Attachment 4:** Additional Information on CCR Renewal

Central Contractor Registration (CCR)

LEAs that are ARRA grantees are required to register with the CCR and receive a Commercial and Government Entity (CAGE) code. Beginning with the quarter ending June 30, 2010, the ER ARRA Reporting form includes a field for the CCR expiration date. **The continuous corrections period provides an opportunity to update CCR expiration dates in the ARRA Section 1512 quarterly reports.**

ARRA grantees register with CCR only once, but must renew and revalidate their registration at least every 12 months from the date they first registered to ensure that CCR is up to date and in sync with changes that may have been made to Data Universal Numbering System (DUNS) and Internal Revenue Service (IRS) information. TEA cannot complete CCR registration renewal on behalf of LEAs.

If an LEA does not renew its CCR registration, it will expire. An expired CCR registration may impair an LEA's ability to receive ARRA grant awards, such as the 2010-2011 ARRA SFSF grant. Therefore, TEA strongly suggests that LEAs renew their CCR registration prior to the expiration date and enter the information in the ARRA Section 1512 quarterly reports. TEA will continue to monitor ARRA grantees' CCR expiration dates through the ARRA Section 1512 quarterly reports.

For further information and instructions for CCR renewal, please refer to Attachment 4.

3. ARRA Section 1511 Infrastructure Certification Requirements – *Please read this section even if you have no infrastructure investment projects.*

Grantees are permitted to use funds for infrastructure investments under three grant programs: ARRA IDEA-B Formula, ARRA IDEA-B Preschool, and ARRA SFSF.

While infrastructure investment costs are allowable under these grants, TEA encourages grantees to be mindful of the significant compliance obligations and reporting requirements before deciding to use ARRA funds for infrastructure investments.

Grantees using funds for infrastructure investment projects must post certifications to their Web sites, in addition to meeting other requirements. Please refer to the TEA [ARRA Section 1511 Infrastructure Investment](#) Web page for complete information on compliance obligations and requirements.

ARRA Section 1511 Report in ER

All LEAs with a NOGA for any of the three ARRA grants programs that allow infrastructure investments must complete an ARRA Section 1511 Report in ER, even if the LEA has chosen not to use funds for infrastructure projects.

On June 30, 2010, TEA modified the ARRA Section 1511 Report in ER and uncertified reports that had been submitted previously by LEAs. Consequently, all LEAs must complete the form in one of the following ways:

- LEAs with infrastructure investment projects that previously submitted a form must complete the new fields and recertify and submit the form.
- LEAs with infrastructure investment projects that have not submitted a form must complete all of the fields and certify and submit the form.
- **LEAs that do not have any infrastructure investment projects must complete the form by checking “Not Applicable-No infrastructure projects for this NOGA” and certify/recertify and submit the form.**

TEA has modified the ARRA Section 1511 Report in ER to collect the following additional information for infrastructure investment projects:

- Web site where the LEA's ARRA Section 1511 certification is posted
- Date the ARRA Section 1511 certification was posted
- Beginning date of the infrastructure investment project
- Ending date of the infrastructure investment project

TEA will monitor entries to ensure that reports are updated and saved. TEA will also monitor the information entered to ensure that LEAs have posted the ARRA Section 1511 certification forms to the Web addresses entered in ER.

4. Enforcement Actions Related to ARRA Requirements

TEA will continue to monitor LEA compliance with ARRA Section 1511 certification requirements, ARRA Section 1512 quarterly reporting requirements, and annual renewal of CCR registration.

Pursuant to the provisions of the Code of Federal Regulations (CFR) Title 34, §80.43 and §74.62, if a grantee materially fails to comply with any term of an award, whether stated in a federal statute or regulation, an assurance, in a grant application, or elsewhere, TEA may take one or more of the following enforcement actions as appropriate in the circumstances:

- Temporarily withhold cash payments pending correction of the deficiency, or more severe enforcement action
- Disallow all or part of the cost of an activity or action not in compliance
- Wholly or partly suspend or terminate the current award
- Withhold further awards for the program

- Take other remedies that may be legally available

Assistance

For ***program-specific*** assistance, please use the following contact information, as appropriate:

Grant Name	Contact Information
<ul style="list-style-type: none"> • ARRA SFSF • ARRA No Child Left Behind (NCLB), including ARRA Title I, Part A; and ARRA Title II, Part D, formula funding 	Telephone: (512) 463-9374 E-mail: nclb@tea.state.tx.us
<ul style="list-style-type: none"> • ARRA Title II, Part D, competitive funding 	Telephone: (512) 463-9400 E-mail: T3@tea.state.tx.us
<ul style="list-style-type: none"> • ARRA IDEA-B 	Telephone: (512) 463-9414 E-mail: sped@tea.state.tx.us

For questions regarding **ARRA reporting requirements**, please call (512) 936-3647 or e-mail arrastimulus@tea.state.tx.us.

Sincerely,

Nora Ibáñez Hancock, Ed.D.
 Associate Commissioner
 Office for Planning, Grants and Evaluation

Attachments