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## Uses of Funds under the Restart Program

### Introduction

Funds awarded under the Immediate Aid to Restart School Operations (Restart) program, authorized under section 102 of the Hurricane Education Recovery Act, support local educational agencies (LEAs) and nonpublic schools with expenses related to the restart of operations in, the reopening of, and the re-enrollment of students in elementary and secondary schools that serve an area in which the Federal government declared a major disaster related to Hurricane Katrina or Hurricane Rita.

Restart funds support –

- (a) Recovery of student and personnel data, and other electronic information;
- (b) Replacement of school district information systems, including hardware and software;
- (c) Financial operations;
- (d) Reasonable transportation costs;
- (e) Rental of mobile educational units and leasing of neutral sites or spaces;
- (f) Initial replacement of instructional materials and equipment, including textbooks;
- (g) Redeveloping instructional plans, including curriculum development;
- (h) Initiating and maintaining education and support services; and
- (i) Other activities related to the purpose of the Restart program that are approved by the U.S. Department of Education. (See Section 102(e)(1).)

By statute, Restart funds may not be used for construction or major renovation. However, they may be used to support minor remodeling and repairs.

Replacing lost revenues is *not* an allowable use of Restart funds. Thus, Restart funds may not be used simply to provide working capital, replace loss of local revenue, or provide debt service payments. Rather, the funds must support specific activities or services related to restarting and reopening elementary and secondary schools and re-enrolling students in those schools. Indirectly, Restart funds may help make up for lost revenue by supporting these authorized activities and services.

All services or assistance provided under the Restart program must be secular, neutral, and non-ideological. The control of funds for services or assistance provided to a non-public school and title to materials, equipment, and property purchased with Restart funds must be in a public agency.

The legislation contains a non-supplanting provision that requires that Restart funds be used to supplement, and not supplant, any funds made available through the Federal Emergency Management Agency (FEMA) or through a State. There is a statutory

exception to the supplanting prohibition that provides that an eligible SEA, LEA or nonpublic school may receive, from another source, benefits for the same purposes as under the Restart program if (1) the SEA, LEA, or nonpublic school has not received these other benefits by the time it submits its Restart application and (2) the SEA, LEA or school agrees to repay all duplicative Federal assistance received to carry out the purposes of the Restart program.

There is no prohibition on supplanting locally provided funds. Furthermore, under section 105 of the Hurricane Education Recovery Act, the Secretary may waive or modify, in order to ease fiscal burdens, the supplanting prohibition in the Restart program if the SEA or LEA demonstrates that a waiver would be appropriate under the circumstances. The waiver applies only to the 2005-2006 school year.

To the extent there is no supplanting violation, Restart funds may be used to support allowable services and activities that are provided subsequent to the date that an LEA receives Restart funds and to reimburse an LEA for previously incurred services and activities.

#### Examples of Allowable Costs

The following list provides examples of allowable activities or services that fall within the various statutory categories. This list is not intended to be exhaustive. We recognize that there are other allowable activities that could fall under each category and that some activities could fall under multiple categories. The activities listed are those for which one or more of the affected States specifically have sought advice.

For any of these costs to be allowable, they must comply with the Cost Principles in OMB Circular A-87 (e.g., the costs must be “necessary and reasonable” for proper and efficient administration of the Restart program) and support the restart of operations in, the reopening of, and the re-enrollment of students in elementary and secondary schools that serve an area in which the Federal government declared a major disaster related to Hurricane Katrina or Hurricane Rita.

Restart funds may be used to support --

#### **(a) Recovery of student and personnel data, and other electronic information**

- Hiring additional clerical staff to input and manage data
- Developing new electronic data systems to replace paper-based student and personnel files
- Purchasing computer data recovery services for damaged hard drives
- Recovering testing and assessment services
- Creating an electronic inventory system using scanners and bar codes
- Rebuilding and recovering cumulative records and folders on electronic files
- Recovering student and personnel information systems
- Tracking dropouts

**(b) Replacement of school district information systems, including hardware and software**

- Rebuilding school district communication and information networks, including restoring Internet connectivity by rewiring routers, switches, hubs, computers, and printers
- Replacing homework software systems
- Replacing wireless network connectivity for portable classrooms
- Replacing technology equipment, including phone and intercom systems
- Meeting the 10% share for E-rate funding
- Hiring additional technical staff to install wiring, hardware, and software
- Replacing services for off-site electronic data storage
- Purchasing data recovery for hard files
- Providing additional hardware and software programs for use in tutorial and remedial programs.
- Recovering and expanding student progress monitoring systems

**(c) Financial operations**

- Supporting off-site electronic data storage of financial data
- Hiring accountants or other staff to assist LEAs and schools on issues such as FEMA matters, insurance reimbursements, and the coordination of maintenance activities
- Replacing financial software systems
- Processing free lunch applications for students

**(d) Reasonable transportation costs**

- Supporting costs of transporting students to and from school, after-school programs, tutorials, remediation programs, extended-year programs, enrichment programs, etc.
- Providing funds for additional bus drivers for displaced students
- Replacing buses and supporting repair costs to buses
- Replacing other LEA or school vehicles

**(e) Rental of mobile educational units and leasing of neutral sites or spaces**

- Replacing bookmobiles for school library services
- Replacing or leasing mobile professional development computer training labs
- Replacing, renting, or leasing mobile distance learning labs
- Supporting rent for temporary storage facilities for instructional equipment and supplies
- Providing rent for temporary sites to conduct regular educational activities where facilities no longer exist (e.g., mobile classrooms, local auditoriums, civic centers, theaters or other facilities for school programs like physical education, drama, choir, awards recognition ceremonies, or graduation)

**(f) Initial replacement of instructional materials and equipment, including textbooks**

- Replacing instructional materials, including textbooks, manipulatives, and consumable educational materials such as workbooks, art supplies, and lab supplies
- Providing resources to teachers to meet instructional needs, including copiers and copier paper
- Restocking school libraries with books, magazines, resource materials, media supplies, etc.
- Hiring additional staff to catalog or install new media supplies, equipment, and materials
- Replacing equipment, materials, and supplies used in the classroom

**(g) Redeveloping instructional plans, including curriculum development**

- Supporting State curriculum development activities
- Supporting consultant fees for in-district staff development

**(h) Initiating and maintaining education and support services**

- Paying the local contribution of salaries of teachers, support staff, and other school personnel, through the end of the school year in which the school reopened or through calendar year 2006, whichever is later, for periods during which they provided services
- Supporting increased salaries of teachers and other personnel (e.g., cafeteria workers, bus drivers, maintenance workers) due to increased cost of local labor
- Hiring additional staff for tutorial and remedial programs and supporting such programs
- Funding supplemental payments to administrators who performed services outside of their contract days to help reopen schools
- Hiring additional staff for psychological services, social services, behavioral services, nursing services, and counseling services for students and employees
- Funding employees to make home visits to enroll students in schools
- Supporting the minor repair of facilities
- Sanitizing, cleaning, and replacing cafeteria equipment and supplies, including food
- Providing labor and equipment for cleaning buildings and grounds
- Providing training sessions on new or updated software used to replace damaged or destroyed software

**(i) Other activities related to the purpose of the Restart program that are approved by the U.S. Department of Education**

- Supporting expenses incurred to recruit teachers and other school personnel, such as –
  - (1) Reimbursing districts for costs of leasing temporary housing for school staff
  - (2) Providing daycare services for children of school staff
  - (3) Providing transportation allowances to school staff

- Replacing physical education equipment and supplies related to extracurricular activities (e.g., band, choir, athletics)
- Installing security cameras and supporting cell phones, two-way radios, satellite phones, etc.
- Rewiring bell, fire, and burglar security systems
- Payment of utility costs (e.g., heating and air conditioning) through the end of the school year in which the school reopened
- Providing debris removal and rental of port-a-lets
- Supporting interior clean-up costs and replacing carpets and fixtures
- Supporting the cleanup of schools used as shelters
- Paying regional service centers for activities related to the reopening of schools
- Providing meals for extended-day programs

Examples of Unallowable Costs

Restart funds may *not* support the following costs. These examples are illustrative and are not intended to be a complete list of all unallowable costs.

Restart funds may *not* be used for –

- Replacing the loss of local tax revenue, providing working capital, or providing debt service payments
- Paying the salaries or fringe benefits of teachers or other school personnel for periods during which they did not work
- Construction and major renovation
- Purchasing land
- Purchasing and planting trees or shrubbery on school property to replace those lost or damaged in the storms
- Supporting the costs of housing students and their families

*Note:* The Department will periodically provide additional examples of allowable and unallowable activities under the Restart program as new issues arise during the administration of the program.