

FAQs: Immediate Aid to Restart School Operations

Background

What is the purpose of the Restart program?

The Restart program is designed to support the provision of immediate services or assistance to local educational agencies (LEAs) and non-public schools in Alabama, Louisiana, Mississippi, and Texas that serve an area in which the Federal government has declared a major disaster as a result of Hurricane Katrina or Hurricane Rita. Funds will be used to assist school administrators and personnel in restarting school operations, re-opening schools, and re-enrolling students.

How will the U.S. Department of Education (ED) award funds under the program?

Based on the severity of the impacts of Hurricanes Katrina and Rita on the respective States and taking into account preliminary enrollment data that the States provided, ED is making initial payments of \$100 million to Louisiana, \$100 million to Mississippi, \$50 million to Texas, and \$3.75 million to Alabama under the Restart program.

The USDOE has approximately \$500 million remaining of these grant funds to allocate to the four states. The Department will work closely with representatives of the four affected States in developing policies and procedures for allocating the remaining funds available under the program. Consistent with the legislation, in determining the final, aggregate allocations, we will take into consideration the number of students who were enrolled, during the 2004-2005 school year, in elementary and secondary public and non-public schools that were closed on September 12, 2005, as a result of Hurricane Katrina, or on October 7, 2005, as a result of Hurricane Rita, and other relevant factors.

For what purposes may a State educational agency (SEA) use its Restart allocation?

An SEA may use its Restart allocation to provide services or assistance to eligible LEAs and non-public schools that is related to the restart of operations in, the re-opening of, and the re-enrollment of students in, elementary and secondary schools within the areas in which the Federal government declared a major disaster.

Eligible LEAs and Non-Public Schools

What entities may apply to an SEA for services or assistance under the Restart program?

An LEA or non-public school that serves an area in which a major disaster has been declared as a result of Hurricane Katrina or Hurricane Rita may apply for services or assistance under the program. In Louisiana, there are 37 local school districts covered by the disaster designation include:

Acadia, Allen, Ascension, Assumption, Beauregard, Calcasieu, Cameron, East Baton Rouge, Evangeline, Iberia, Iberville, Jefferson, Jefferson Davis, Lafayette, Lafourche, Livingston, Orleans, Plaquemines, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Terrebonne, Vermilion, Vernon, Washington, West Baton Rouge, City of Bogalusa, Zachary Community, and City of Baker.

What is an “LEA”?

The Restart legislation uses the definition of LEA as provided in section 9101 of the Elementary and Secondary Education Act (ESEA). Under that definition, an LEA is “a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary schools or secondary schools in a city, county, township, school district, or other political subdivision of a State, or for a combination of school districts or counties that is recognized in a State as an administrative agency for its public elementary schools or secondary schools.” The term includes educational service agencies and charter schools that are considered to be LEAs in accordance with their State charter law.

May charter schools receive assistance or services under the Restart program?

A public, nonprofit charter school that is an LEA may receive services or assistance if it serves an area in which the Federal government has declared a major disaster as a result of Hurricanes Katrina or Rita. A public, nonprofit charter school that is not an LEA, but is a school within an LEA, may receive assistance or services like other schools in the LEA.

What is a “non-public school”?

The Restart legislation defines a non-public school as a non-public elementary or secondary school that is accredited or licensed or otherwise operates in accordance with State law, and that was in existence prior to August 22, 2005. In Louisiana, this means a school must be academically approved and have a nondiscriminatory admissions policy in compliance with *Brumfield v Dodd*.

The SEA Award Process

What information must an eligible LEA or non-public school include in its application for Restart services or assistance?

The SEA will determine what information an eligible entity must include in its application in order to ensure expedited and timely provision of services or assistance to the LEA or non-public school.

What criteria must SEAs use to determine the level of services or assistance to be provided to eligible LEAs or non-public schools?

In determining the level of services or assistance to be provided to eligible LEAs or non-public schools, an SEA must consider the following:

- The number of school-aged children served by the LEA or non-public school during the 2004-2005 school year; and
- The severity of the impact of Hurricane Katrina or Hurricane Rita on the LEA or non-public school and the extent of the needs of these LEAs and non-public schools. **The LDE is seeking clarification on what factors would be an acceptable measure of severity.**

What are the deadlines for the submission of applications by LEAs or non-public schools?

Each SEA will set an appropriate deadline or deadlines for the submission of Restart applications. In establishing these deadlines, SEAs must consider the statutory requirements that services or assistance under this program be provided in an expedited and timely fashion. Note: In the Appropriations section of the federal law, it states that there is no end date to this grant.

May an SEA or LEA use Restart funds to defray the costs of administering the program?

Yes. An SEA or LEA may charge as an expense to the Restart program an amount that is reasonable and necessary to effectively administer the program. Administrative costs include costs (direct and indirect) involved in the proper and efficient performance and administration of this Federal grant. **The LDE is seeking clarification from the USDOE as to the appropriate amount of administration funds that should be allowed.**

This use of funds, as well as indirect costs and rates, must comply with Office of Management and Budget Circular A-87 (Cost Principles for State, Local, and Indian Tribal Governments) and the Department's administrative regulations. (See 34 CFR 76.560-76.569 on indirect costs.) Because the Restart program has a statutory supplanting prohibition, SEAs and LEAs must use their restricted indirect cost rate.

Are SEAs required to reserve a portion of their Restart allocation to provide services or assistance to non-public schools?

Yes. An SEA must reserve for non-public schools an amount of funds that is not less than the amount that bears the same relation to the total amount available for payments as the number of non-public elementary and secondary schools in the State bears to the total number of public and non-public elementary and secondary schools in the State. As provided in the legislation, ED will use the National Center for Education Statistics Common Core of Data for the 2003-2004 school year to determine the number of such schools and inform each of the four States of the proportion of funding that must be reserved for services or assistance to non-public schools.

Note: In a conference call with USDOE officials on Tuesday, January 10, 2006, a preliminary percentage of 22.46%, or \$22.46 million, was provided as the amount of funds that must be reserved for use by nonpublic schools of the first \$100 million. With this, there would be \$77.5 million available of this first payment for public schools.

If all of the funds reserved for non-public schools are not obligated within 120 days of the date of enactment of the Restart program, the SEA may use the unobligated portions of the funds to provide services or assistance to LEAs or non-public schools. (In other words, the SEA may still use those funds to assist non-public as well as public schools, but is no longer bound by the requirement to support non-public schools at the level described above.)

In providing services or assistance to eligible LEAs under this program, may an SEA award subgrants to the LEAs?

Yes. An SEA may award Restart subgrants to eligible LEAs so that the LEAs may arrange for services or assistance under the program. Alternatively, the SEA itself may provide services or assistance to eligible LEAs in addition to, or in lieu of, providing funds directly to eligible LEAs.

In providing services or assistance to eligible non-public schools, may an SEA award subgrants to these schools?

No. An SEA may not award Restart funds to a non-public school. When an SEA provides services or assistance under this program to non-public schools, the control of funds for these services or assistance must be maintained by a public agency. This agency could be the SEA itself, an LEA, or another appropriate public agency.

How does an SEA provide services or assistance to non-public schools?

An SEA provides services or assistance to non-public schools through employees of a public agency (such as an SEA or LEA), or through contract by the public agency with a public or private entity. In all cases, the employment or contract must remain under the control and supervision of a public agency, such as the SEA or an LEA.

Note: LEAs will be required to assist nonpublics within their school district with obtaining services and property. The LDE is currently collecting information on damages and closures of nonpublic schools to identify which districts will be required to participate. The extent of these administration activities has not yet been determined. However, LEAs will be provided monies to pay for administration of this grant. This exact amount has not yet been determined; the LDE is awaiting clarifications from the USDOE.

May a non-public school obtain title to material, equipment, or property purchased with Restart funds?

No. The title to any material, equipment, or property purchased with Restart funds must be in a public agency.

Are non-public schools that receive services or assistance under the Restart Program considered to be “recipients of Federal financial assistance”?

No. Under the Restart program, control of funds must be maintained by a public agency and no funds go to non-public schools; thus, non-public schools are not considered recipients of Federal financial assistance by virtue of receiving services or assistance under the Restart program. As a result, certain Federal requirements that apply to recipients of Federal financial assistance are not directly applicable to non-public schools receiving services or assistance under the Restart program, unless the school otherwise receives Federal financial assistance for other purposes.

Allowable Services or Assistance

What kinds of activities may be supported with Restart funds?

Restart funds may be used for the following activities:

- Recovery of student and personnel data, and other electronic information;
- Replacement of school district information systems, including hardware and software;
- Financial operations – the LDE is seeking clarification from the USDOE on the allowability of funds for the following two situations:
 - Paying the difference between the cost of expenditures paid by FEMA and insurance proceeds;
 - Using these funds to replace lost local revenue.
- Reasonable transportation costs – the LDE is seeking clarification from the USDOE on the types of costs included under this category.
- Rental of mobile educational units and leasing of neutral sites or spaces;
- Initial replacement of instructional materials and equipment, including textbooks – the LDE is seeking clarification from the USDOE on the allowability of replacing library books under this category.
- Redeveloping instructional plans, including curriculum development;
- Initiating and maintaining education and support services – the LDE is seeking clarification from the USDOE on the types of costs included under this category including the following two questions:
 - Payment of teacher salaries and benefits for all or a portion of the recovery/restart period
 - Payment of retirement benefits for all or a portion of the recover/restart period
- Other activities related to the purposes of the program subject to approval by ED.

Subject to the statutory supplanting prohibition, the recipients may use these funds for pre-award costs, including the reimbursement of expenditures incurred prior to the receipt of a grant.

In all instances, the services and assistance provided under the program, including equipment and materials, must be secular, neutral, and non-ideological.

May Restart funds be used for construction or major renovation?

No. The legislation expressly prohibits the use of Restart funds for construction or major renovation of schools. If necessary and reasonable, these funds may be used for minor remodeling.

What is minor remodeling?

Minor remodeling refers to minor alterations in a previously completed building. The term also includes the extension of utility lines, such as water or electricity, from points beyond the confines of the space in which the minor remodeling is undertaken but within the confines of the previously completed building. The term does not include building construction, structural alteration to buildings, building maintenance, or repairs.

May an LEA or non-public school use services or assistance under Restart in coordination with other available Federal, State, or local funds?

Yes. LEAs and non-public schools are encouraged to coordinate the services and assistance that they receive under Restart with other available services and assistance.

How does the supplanting prohibition apply to services or assistance available under the Restart program?

Restart funds must be used to supplement, and may not supplant, any funds made available through the Federal Emergency Management Agency (FEMA) or through a State. **The LDE is seeking clarification of how this provision will be applied to this grant.**

An eligible LEA or non-public school may receive, from another source, benefits for the same purposes as under the Restart program if –

- The LEA or non-public school has not received these other benefits by the time it submits its Restart application; and
- The LEA or school agrees to repay all duplicative Federal assistance received to carry out the purposes of the Restart program.

May an SEA or LEA seek a waiver of the Restart supplanting prohibition?

Yes. Under section 105 of the Hurricane Education Recovery Act, the Secretary may waive or modify, in order to ease fiscal burdens, the supplanting requirement in the Restart legislation. In seeking such a waiver, the SEA or LEA must demonstrate why such a waiver would be appropriate under the circumstances. **The LDE is examining appropriateness of a waiver request of the supplanting provision depending on clarifications from the USDOE on supplanting specific to this grant.**

Recordkeeping

What records must an SEA or LEA maintain after receiving Restart funds?

SEAs, LEAs, and other public agencies or contractors that administer portions of this program must maintain adequate written records to support how funds were received, disbursed, and spent under the program. The records must be made available to ED, if requested, for the purpose of examination or audit. The full requirements regarding recordkeeping for ED grants are in 34 CFR 80.42. The USDOE is working with the USDOE OIG to provide guidelines to States on documentation requirements.