



Arizona State Board of Education

AMENDED AGENDA

NOTICE OF PUBLIC MEETING

Pursuant to Arizona Revised Statutes (A.R.S.) §38-431.02, notice is hereby given to the members of the Arizona State Board of Education and to the general public that the Board will hold a meeting, open to the public, on **Monday, August 28, 2017, at 9:00 A.M. at the Arizona Department of Education, Room 122, 1535 W. Jefferson, Phoenix, AZ 85007**. A copy of the agenda for the meeting is attached. The Board reserves the right to change the order of items on the agenda, with the exception of public hearings. One or more members of the Board may participate telephonically. Agenda materials can be reviewed online at <http://azsbe.az.gov>

Pursuant to A.R.S. §38-431.02 (H), the Board may discuss and take action concerning any matter listed on the agenda.

Pursuant to A.R.S. § 38-431.03(A)(2), the Board may vote to convene in executive session, which will not be open to the public, to consider records exempt by law from public inspection, including the receipt of information and discussion of information that is required to be maintained as confidential by state or federal law.

Pursuant to A.R.S. § 38-431.03(A)3), the Board may vote to convene in executive session, which will not be open to the public, for discussion or consultation for legal advice with the Board's attorneys concerning any item on this agenda.

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting the State Board Office at (602) 542-5057. Requests should be made as early as possible to allow time to arrange the accommodation.

DATED AND POSTED this 24th day of August, 2017.

Arizona State Board of Education

By: _____

A handwritten signature in blue ink, appearing to be "K. Schmidt", written over a horizontal line.

Dr. Karol Schmidt
Executive Director
(602) 542-5057

AMENDED AGENDA

ARIZONA STATE BOARD OF EDUCATION

August 28, 2017

Page 2

Monday, August 28, 2017

9:00 AM

Arizona Department of Education, Room 122

1535 W. Jefferson, Phoenix, AZ 85007

9:00 a.m. CALL TO ORDER, PLEDGE OF ALLEGIANCE, NATIONAL ANTHEM,
PRAYER AND ROLL CALL

1. BUSINESS REPORTS: The Board may discuss and take action concerning any matters listed on the agenda for Business Reports.

A. President's Report

1. Update from Board retreat
2. Update on Executive Director search

B. Superintendent's Report

1. Update on Department activities

C. Executive Director's Report

1. Update from WestEd Annual Retreat
2. Update from ECS National Forum on Educational Policy

D. STUDY SESSION

Presentation and discussion regarding revisions and setting cut scores on A-F School Accountability letter grades

2. CALL TO THE PUBLIC: This is the time for the public to comment. Members of the Board may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. 38-431.01(H), action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism or scheduling the matter for further consideration and decision at a later date.

3. CONSENT AGENDA: All items on this Consent Agenda will be considered by a single motion with no discussion, unless an item is removed and discussed as a regular agenda item upon the request of any Board member.

A. Approval of the policies and procedures for the Early Literacy Grant Program

B. Approval of the Arizona Online Instruction (AOI) application and evaluation criteria for the 2018-2019 school year

C. Approval of the NASDTEC Prevention and Correction Course for Certification Enforcement Actions

AMENDED AGENDA

ARIZONA STATE BOARD OF EDUCATION

August 28, 2017

Page 3

- D. Receipt of update on AELAS Development and Implementation
 - E. Approval of Additional FFY 2017 Child and Adult Care Food Program Audit Funds
 - F. Approval of the Federal Grant Funding from the US Department of Education for operation of the Arizona Migrant Education Program (Migrant Basic Grant) pursuant to A.R.S. §15-207
 - G. Approval of the IRRC Consortium Grant for use by the Arizona Migrant Education Program pursuant to A.R.S. §15-207
 - H. Approval of the Arizona Migrant Education Program to fund Riverside Elementary School District No. 2 to operate and manage the Central Valley Consortium LEA Level Migrant Education Program pursuant to A.R.S. §15-207
 - I. Approval to receive a total of \$120,000 through June 30, 2018 from First Things First to support funding for one new early care and education provider in Tonopah
 - J. Approval of the contract between the State Board and approved Adult Education Local Providers listed to award funding for Adult Education services in FY2017/18.
 - K. Approval of the Dyslexia Handbook pursuant to A.R.S. § 15-249.10
 - L. Approval of Additional Monies for Teacher Compensation for the Fiscal Year 2017-2018 relating to A.R.S. §15-952 and §15-537
 - M. Approval of a Student Teaching Intern Written Supervision Plan pursuant to Board rule R7-2-614(K) for Arizona Christian University, University of Arizona South and University of Phoenix.
 - N. Approval of complaint policies and procedures for State Board of Education employee complaints concerning discrimination or harassment consistent with R2-5A-901 and R2-5A-902
 - O. Approval of the contract between the State Board of Education and ~~XX~~ **31** Local Educational Agencies (LEAs) for Homeless Education Services pursuant to Arizona Revised Statute (A.R.S.) §15-207
4. GENERAL SESSION
- A. Presentation and discussion of the School Safety Program FY 2018

AMENDED AGENDA

ARIZONA STATE BOARD OF EDUCATION

August 28, 2017

Page 4

Application Awards

AA. Presentation, discussion and possible action regarding approval of the Alternative Education 9-12 Schools Accountability Plan for 2016-2017.

AAA. Presentation, discussion and possible action regarding A-F School Accountability for 2016-2017:

1. Directing Arizona Department of Education staff to verify recommendations regarding revisions and setting cut scores
2. Revising the timeline for calculating and issuance of A-F School letter grades for K-8 and 9-12
3. Defining levels of performance for A, B, C, D and F schools

B. Presentation, discussion and possible action regarding public comment policy.

C. Presentation and discussion regarding the draft Arizona Online Schools (AOI) A-F School Accountability plan for 2016-2017.

D. Presentation, discussion and possible action regarding ESSA English Language (EL) Long-Term Goal and Measures of Interim Progress

~~E. Presentation, discussion and possible action to reconvene the K-3 Literacy Ad Hoc Committee for recommendations to the State Board of Education regarding a cut score for Move-on-When Reading~~

F. Presentation and discussion regarding the Arizona Career and Technical Education Commissioners

G. Presentation, discussion and possible action to approve the process for the approval of industry-based credentials and certifications related to the A-F accountability models

H. Presentation and discussion regarding recommendations for the proposed special education rule R7-2-401

I. Presentation, discussion and possible action to initiate rulemaking procedures for proposed amendments to Board rule R7-2-618 regarding Certification fees

II. Presentation, discussion and consideration regarding creation of the Alternative Educator Preparation Application Review Committee

AMENDED AGENDA

ARIZONA STATE BOARD OF EDUCATION

August 28, 2017

Page 5

- J. Presentation, discussion and possible action to approval the FY19 Budget of the State Board of Education
- K. Presentation, discussion and possible action to approve the recommended vendor for the Kindergarten Developmental Inventory RFP No. ADED17-00007144

Pursuant to A.R.S. § 38-431.03(A)(2) and (3), the Board may vote to convene in executive session, which will not be open to the public, to consider records exempt by law from public inspection, including the receipt and discussion of information that is required to be maintained as confidential by state or federal law, and/or for discussion or consultation for legal advice with the Board's attorneys on this agenda item.

- L. Presentation, discussion and possible action to approve the recommended vendor for Arizona Educator Proficiency Assessments RFP ADED17-00007146

Pursuant to A.R.S. § 38-431.03(A)(2) and (3), the Board may vote to convene in executive session, which will not be open to the public, to consider records exempt by law from public inspection, including the receipt and discussion of information that is required to be maintained as confidential by state or federal law, and/or for discussion or consultation for legal advice with the Board's attorneys on this agenda item.

- M. Presentation, discussion and possible action to approve American Board for Certification of Teacher Excellence as an alternative preparation program provider

Pursuant to A.R.S. § 38-431.03(A)(3), the Board may vote to convene in executive session to consider records exempt by law from public inspection, including the receipt and discussion of information that is required to be maintained as confidential by state or federal law, and/or for discussion or consultation for legal advice with the Board's attorneys on this agenda item.

- 5. **CONSENT AGENDA – CERTIFICATION ENFORCEMENT ACTIONS:**
All items on this Consent Agenda will be considered by a single motion with no discussion, unless an item is removed and discussed as a regular agenda item upon the request of any Board member.

AMENDED AGENDA

ARIZONA STATE BOARD OF EDUCATION

August 28, 2017

Page 6

A. Approval of the permanent revocation of any and all educator certificates, pursuant to A.R.S. § 15-550, held by:

1. Kirk Myrold

B. Approval of the voluntary surrender of the educator certificates held by:

1. Danielle Davis
2. Peter Kim
3. Egan McAlear
4. Jovanna Natale
5. Andre Perrault
6. Richard Ruffell
7. Joshua Schroder
8. John Shea
9. Richard Soos
10. Valerie Taylor
11. Benjamin Yazzie

6. GENERAL SESSION – CERTIFICATION ENFORCEMENT ACTIONS

A. Presentation and discussion on the Professional Practices Advisory Committee:

1. Update on training of Professional Practices Advisory Committee members
2. Update on use of hearing officer

B. Presentation, discussion and possible action to approve the Negotiated Settlement Agreements for:

1. Alissa Asch
2. Latasha Brock
3. Richard Winger

C. Presentation, discussion and possible action on the findings of fact, conclusions of law and recommendation of the Professional Practices Advisory Committee to approve the application for certification(s) of:

1. David Contreras
2. Matthew Gehrman
3. Jesse Peterson
4. Amy Rodas
5. Rene Rodriguez
6. Roland Youngling

AMENDED AGENDA

ARIZONA STATE BOARD OF EDUCATION

August 28, 2017

Page 7

D. Presentation, discussion and possible action on the findings of fact, conclusions of law and recommendation of the Professional Practices Advisory Committee to approve the suspension of certificate held by Jeffrey Canto.

7. **SUMMARY OF CURRENT EVENTS, FUTURE MEETING DATES AND ITEMS FOR FUTURE AGENDAS.** The executive director, presiding officer or a member of the Board may present a brief summary of current events pursuant to A.R.S. § 38-431.02(K), and may discuss future meeting dates and direct staff to place matters on a future agenda. The Board will not discuss or take action on any current event summary.

A – F Model Analysis

Accountability Advisory Group

Wendy Davy, Peoria Unified * Ildi Laczko-Kerr, Arizona Charter Association * Joe O'Reilly, Mesa Unified * Matt Strom, Chandler Unified * Kathy Marston, Phoenix Elementary * Sean Rickert, Pima Unified * Nichole Peterson, K12 * Mary Berg, Leona Group * John Wilson, Tempe Elementary * Maya Aleksic, Tempe Union * Kevin Kilborn, Saddle Mountain Unified * Jason Piontkowski, Madison Elementary * Amy Schlessman, Rose Academy * Anju Kuriakose, Higley Unified * Debbie Penn, Vail Unified * Rebecca Bolnick, Kyrene Elementary * Harriet Caruso, Challenger Schools * Jay Midyett, Amphitheatre Unified * Sarah Gamble, Primavera * Roger Freeman, Littelton Elementary * Gail Pletnick, Dysart Unified * Anna McCauley, Scottsdale Unified

The SBE Asked AAG To Examine

- Issue: Growth was restricted so that no school could obtain, or come close to, the full 50 points.
 - Develop a model that allows schools to access the full range of points.
- Issue: Most schools got a similar number of graduation rate points.
 - Determine if there is a way to distinguish schools based on graduation rate.
- Issue: Based on the revised models, how could cut scores be set.
 - Provide an analysis of different models and a recommendation.

Growth

Capping the possible points at a maximum of one limited the average growth points possible. We increased the maximum points for a minimally proficient student who is high growing to 2 and ensured that Highly Proficient students could get more than one point if they are high growing. We did not change the SGT points. Total points possible is capped at 50. Schools can now get the full range of points.

Possible points for growth – SGP, SGT

SGP: high growing students generate more than a full point

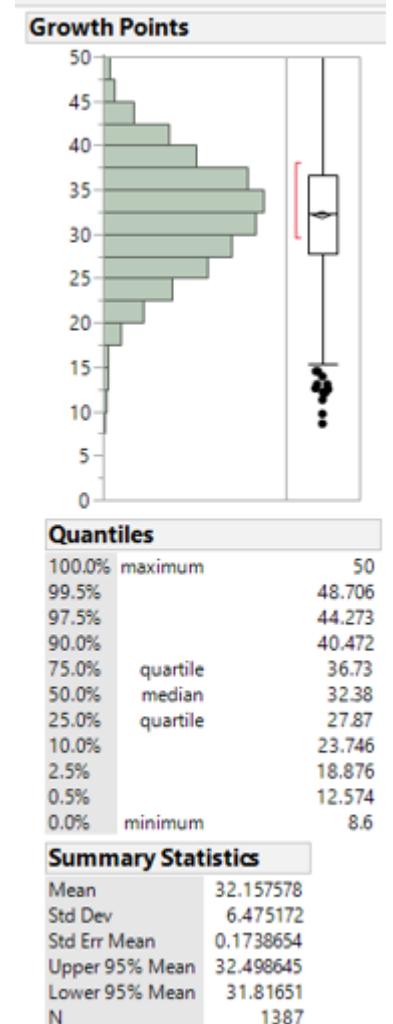
HP	0	0.4	1.25
P	0	0.6	1.5
PP	0	0.8	1.75
MP	0	1	2
	Low	Average	High

Increased from 1 to 2

SGT: students hitting their target generate at least a full point

HP	0	1
P	0	1.1
PP	0	1.2
MP	0	1.3
	Did Not Meet Target	Met or Exceeded Target

Total growth points for a school are capped at the number possible (50, 20)

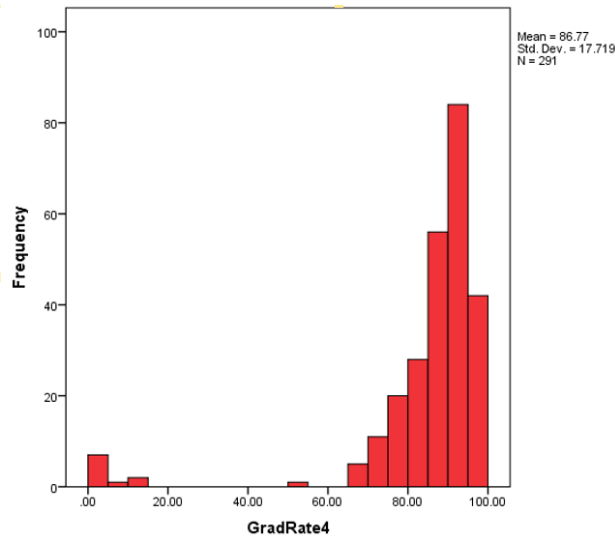


Previous distribution was 5-29 points.

Graduation Points

We made the current 4-5-6-7 year graduation rate calculation worth 10 points and made improvement of the four-year graduation rate worth 10 points. This distributed the points more widely.

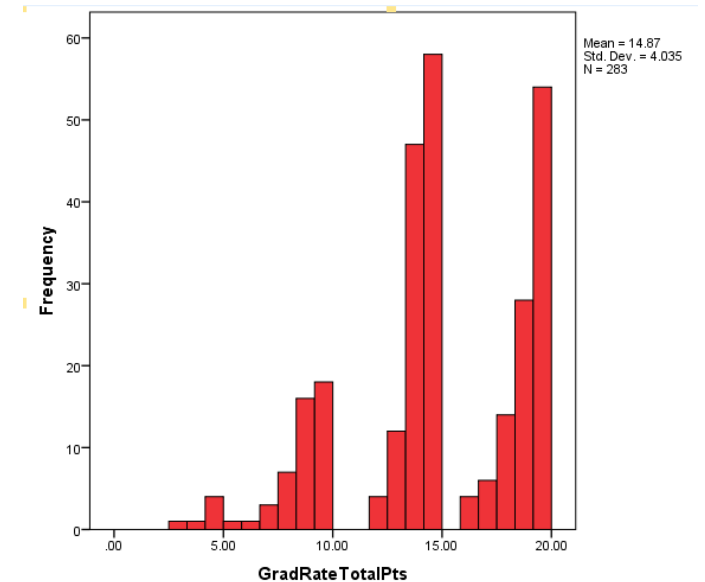
The four year grad rate is bunched at a 80%+ so grad rate points did not distinguish schools.



The Governor's goals, the ESSA plan, and the Progress Meter focus on improving the 4 year graduation rate. So, we are proposing adding a graduation rate improvement measure.

Schools improving graduation rates more than 2 percentage points or who are at a 95%+ rate would receive 10 points. Schools at or near their prior year rate (+/- 2 pts.) would receive 5 points. Schools that decline more than 2 points would get no points.

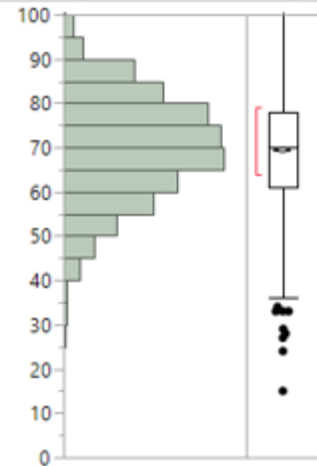
By combining the points for the 4-5-6-7 year graduation rate and the points for improvement, schools are distributed more widely.



These Changes More Widely Distributed the Schools Across the Percent of Points Possible

K-8

Percentage (Total Points/Eligible Points)



Quantiles

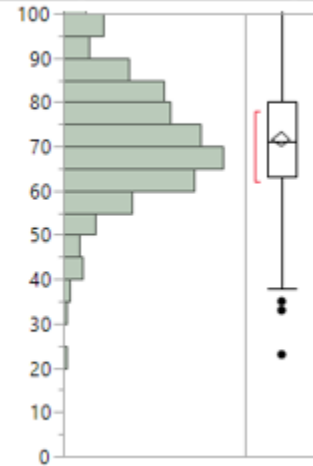
100.0%	maximum	102
99.5%		97.06
97.5%		91
90.0%		85
75.0%	quartile	78
50.0%	median	70
25.0%	quartile	61
10.0%		54
2.5%		44
0.5%		33
0.0%	minimum	15

Summary Statistics

Mean	69.416006
Std Dev	12.066822
Std Err Mean	0.3240072
Upper 95% Mean	70.051603
Lower 95% Mean	68.780408
N	1387

9-12

Percentage (Total Points/Eligible Points)



Quantiles

100.0%	maximum	105
99.5%		104.495
97.5%		101.475
90.0%		89
75.0%	quartile	80
50.0%	median	71
25.0%	quartile	63
10.0%		56
2.5%		43.525
0.5%		28.05
0.0%	minimum	23

Summary Statistics

Mean	71.643333
Std Dev	13.740407
Std Err Mean	0.7933028
Upper 95% Mean	73.204497
Lower 95% Mean	70.082169
N	300

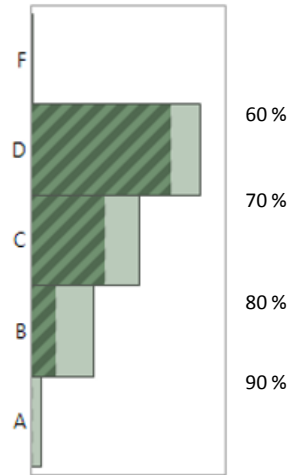
K-8 Cut Points

The traditional grading scale of 90% = A was too stringent. AAG found that setting the cut points based on standard deviations from the median were reasonable and had a strong statistical rationale.

The Board considered a traditional grading model last meeting. This is how a model with 90% = A, 80% = B, etc. would work.

There would be very few A's and too many D's.

Letter Grade (90-80-70...)



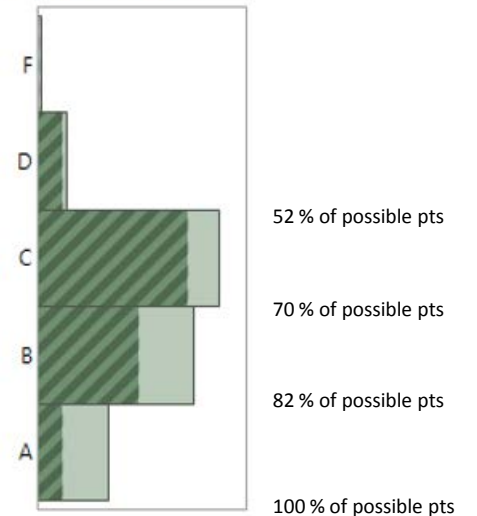
Frequencies

Level	Count	Prob
A	43	0.03100
B	243	0.17520
C	428	0.30858
D	664	0.47873
F	9	0.00649
Total	1387	1.00000
N Missing	0	
5 Levels		

The AAG recommends setting initial cut points based on standard deviations from the median. After they are set, maintain them for several years.

An A would be more 2 or more standard deviations above the median (82%+ of potential points), a B would be one SD above the median (70-81), C would be one SD below the median (52-69) and a D would be the next two SD's (34-51) and an F would be below that (0-33% of potential points).

Letter (STD DEV 2)



Frequencies

Level	Count	Prob
A	221	0.15934
B	493	0.35544
C	570	0.41096
D	94	0.06777
F	9	0.00649
Total	1387	1.00000
N Missing	0	
5 Levels		

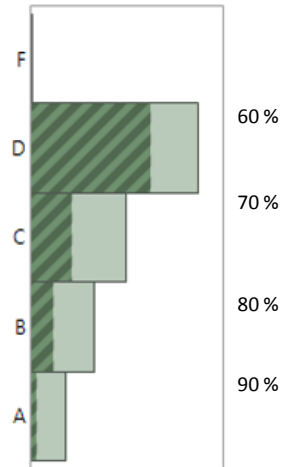
9-12 Cut Points

The traditional grading scale of 90% = A was too stringent. AAG found that setting them based on standard deviations from the median were reasonable and had a strong statistical rationale.

The traditional grading model works very similarly at the high school.

There would be very few A's and too many D's.

Letter Grade (90-80-70...)



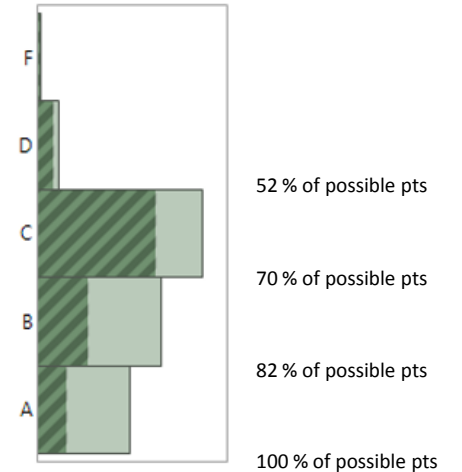
Frequencies

Level	Count	Prob
A	29	0.09667
B	53	0.17667
C	78	0.26000
D	138	0.46000
F	2	0.00667
Total	300	1.00000
N Missing	1	
5 Levels		

The high school standard deviations are very similar to the K-8 ones. For easier communication with the field, we recommend using the K-8 cut score points so the same percentage of possible points translates into the same grade.

This provides a distribution very similar to the K-8 model with slightly more A's (16% v. 23%) and slightly fewer B's and C's.

Letter Grade (STD DEV 2)



Frequencies

Level	Count	Prob
A	68	0.22667
B	92	0.30667
C	122	0.40667
D	16	0.05333
F	2	0.00667
Total	300	1.00000
N Missing	1	
5 Levels		

Questions or Discussion?

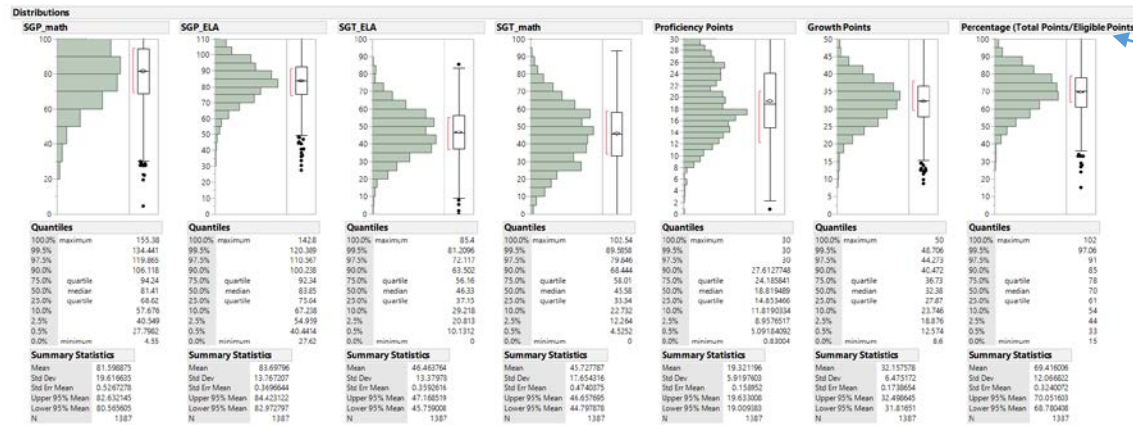
Appendix

The following slides provide information and analysis the AAG used to compare models, examine impacts and make a recommendation. It is provided for those members who want to explore more detailed information about the models.

K – 8 Model

Growth Analysis Interpretation Guide

The next page contains the distribution of points for each component and the percent of possible points. Note the following when interpreting the graphics on the following page.



Percent of possible points based on 100 points, 90 points (no ELL) or 80 points (no ELL, menu points)

Possible points for growth – SGP, SGT

FRL = Free or Reduced Price Lunch, which is 150% - 185% of the Federal Poverty Level

Component	Correlation to FRL
Proficiency	-0.796
Growth	-0.264
Overall	-0.538

SGP: high growing students generate more than a full point

SGT: students hitting their target generate at least a full point

Total growth points for a school are capped at the number possible (50, 20)

HP	0	0.4	1.25
P	0	0.6	1.5
PP	0	0.8	1.75
MP	0	1	2
	Low	Average	High

HP	0	1
P	0	1.1
PP	0	1.2
MP	0	1.3
	Did Not Meet Target	Met or Exceeded Target

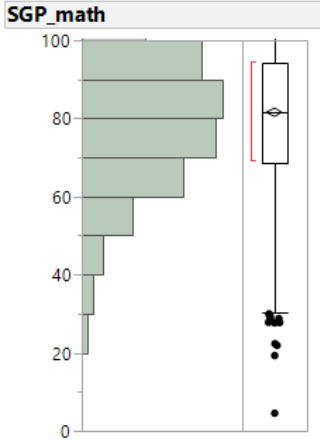
K-8 Full Growth to SGP to 2 & SGT 1.3

Component	Correlation to FRL
Proficiency	-0.796
Growth	-0.264
Overall	-0.538

HP	0	0.4	1.25
P	0	0.6	1.5
PP	0	0.8	1.75
MP	0	1	2
	Low	Average	High

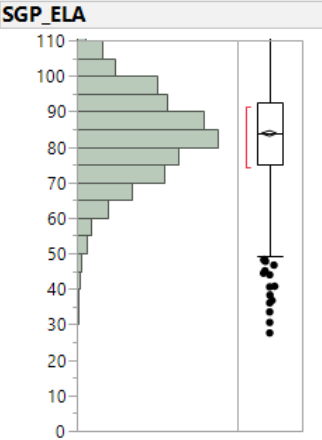
HP	0	1
P	0	1.1
PP	0	1.2
MP	0	1.3
	Did Not Meet Target	Met of Exceeded Target

Distributions



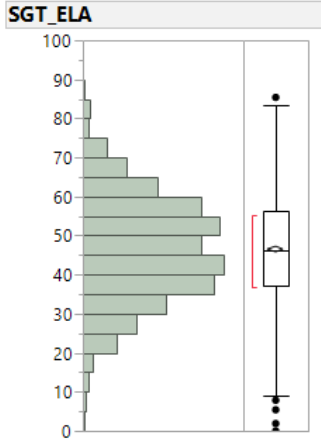
Quantiles		
100.0%	maximum	155.38
99.5%		134.441
97.5%		119.865
90.0%		106.118
75.0%	quartile	94.24
50.0%	median	81.41
25.0%	quartile	68.62
10.0%		57.676
2.5%		40.549
0.5%		27.7982
0.0%	minimum	4.55

Summary Statistics	
Mean	81.598875
Std Dev	19.616635
Std Err Mean	0.5267278
Upper 95% Mean	82.632145
Lower 95% Mean	80.565605
N	1387



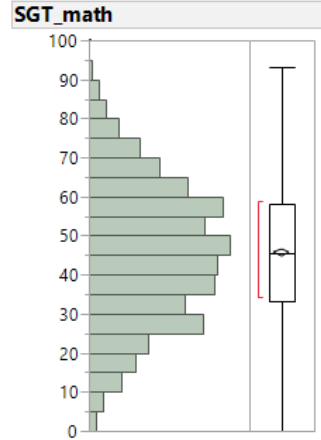
Quantiles		
100.0%	maximum	142.8
99.5%		120.389
97.5%		110.567
90.0%		100.238
75.0%	quartile	92.34
50.0%	median	83.85
25.0%	quartile	75.04
10.0%		67.238
2.5%		54.959
0.5%		40.4414
0.0%	minimum	27.62

Summary Statistics	
Mean	83.69796
Std Dev	13.767207
Std Err Mean	0.3696644
Upper 95% Mean	84.423122
Lower 95% Mean	82.972797
N	1387



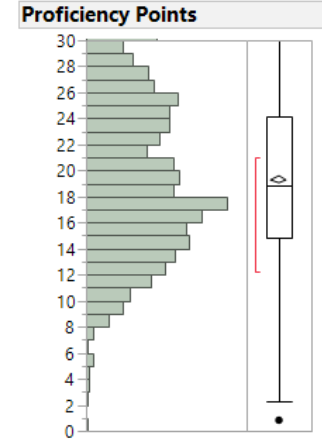
Quantiles		
100.0%	maximum	85.4
99.5%		81.2096
97.5%		72.117
90.0%		63.502
75.0%	quartile	56.16
50.0%	median	46.33
25.0%	quartile	37.15
10.0%		29.218
2.5%		20.813
0.5%		10.1312
0.0%	minimum	0

Summary Statistics	
Mean	46.463764
Std Dev	13.37978
Std Err Mean	0.3592616
Upper 95% Mean	47.168519
Lower 95% Mean	45.759008
N	1387



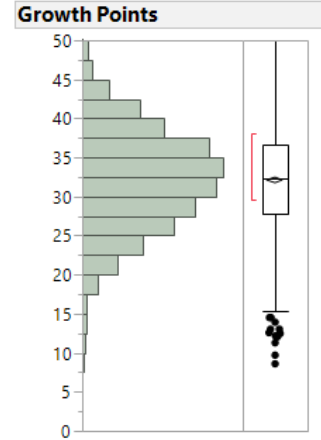
Quantiles		
100.0%	maximum	102.54
99.5%		89.5858
97.5%		79.846
90.0%		68.444
75.0%	quartile	58.01
50.0%	median	45.58
25.0%	quartile	33.34
10.0%		22.732
2.5%		12.264
0.5%		4.5252
0.0%	minimum	0

Summary Statistics	
Mean	45.727787
Std Dev	17.654316
Std Err Mean	0.4740375
Upper 95% Mean	46.657695
Lower 95% Mean	44.797878
N	1387



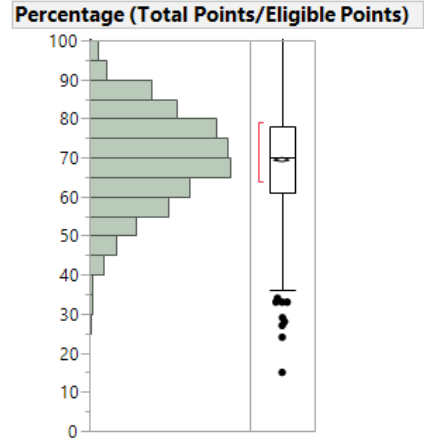
Quantiles		
100.0%	maximum	30
99.5%		30
97.5%		30
90.0%		27.6127748
75.0%	quartile	24.185841
50.0%	median	18.819489
25.0%	quartile	14.853466
10.0%		11.8190334
2.5%		8.9576517
0.5%		5.09184092
0.0%	minimum	0.83004

Summary Statistics	
Mean	19.321196
Std Dev	5.9197603
Std Err Mean	0.158952
Upper 95% Mean	19.633008
Lower 95% Mean	19.009983
N	1387



Quantiles		
100.0%	maximum	50
99.5%		48.706
97.5%		44.273
90.0%		40.472
75.0%	quartile	36.73
50.0%	median	32.38
25.0%	quartile	27.87
10.0%		23.746
2.5%		18.876
0.5%		12.574
0.0%	minimum	8.6

Summary Statistics	
Mean	32.157578
Std Dev	6.475172
Std Err Mean	0.1738654
Upper 95% Mean	32.498645
Lower 95% Mean	31.81651
N	1387



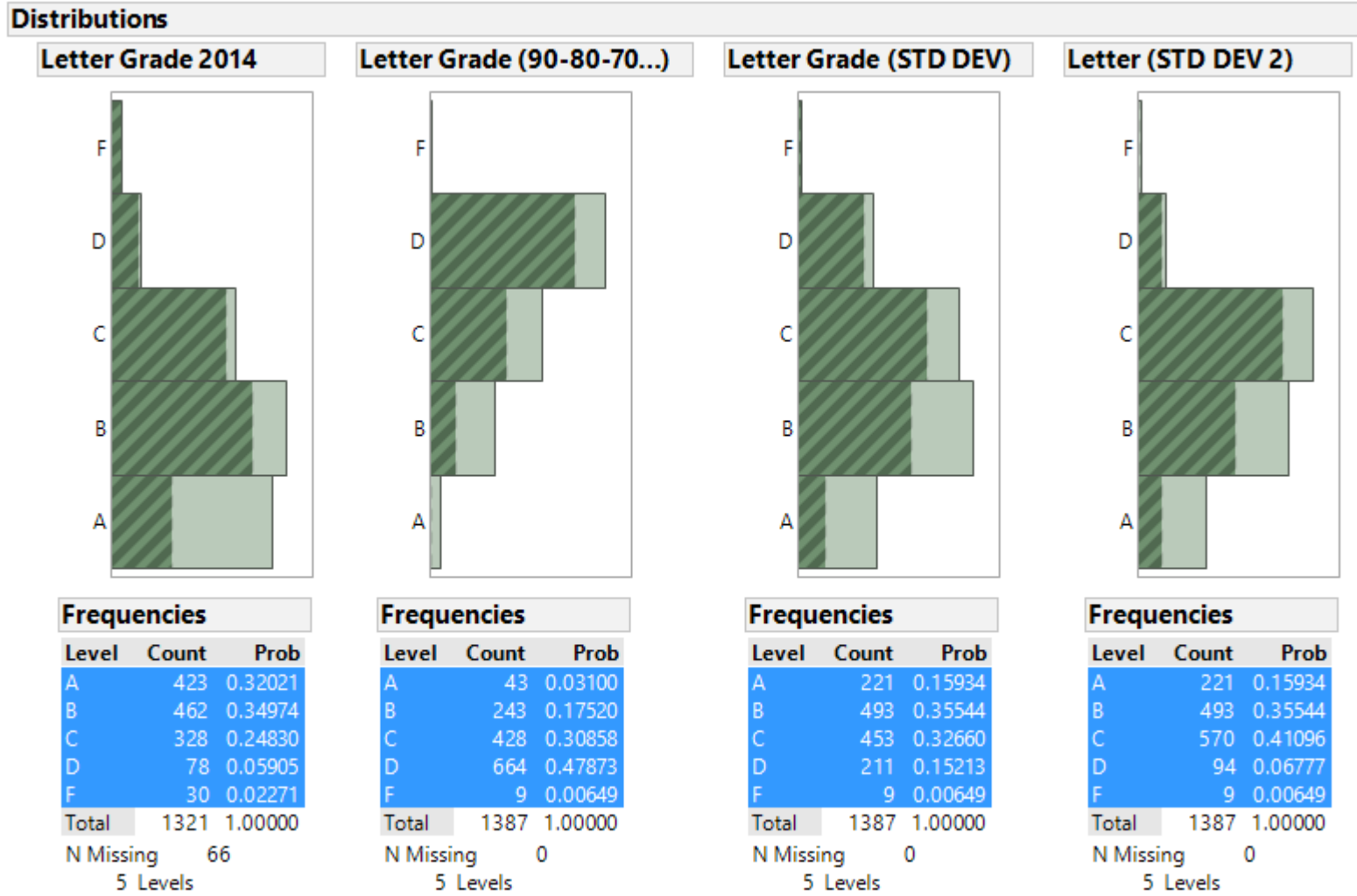
Quantiles		
100.0%	maximum	102
99.5%		97.06
97.5%		91
90.0%		85
75.0%	quartile	78
50.0%	median	70
25.0%	quartile	61
10.0%		54
2.5%		44
0.5%		33
0.0%	minimum	15

Summary Statistics	
Mean	69.416006
Std Dev	12.066822
Std Err Mean	0.3240072
Upper 95% Mean	70.051603
Lower 95% Mean	68.780408
N	1387

K-8 Full Growth to SGP to 2 & SGT 1.3

HP	0	0.4	1.25
P	0	0.6	1.5
PP	0	0.8	1.75
MP	0	1	2
	Low	Average	High

HP	0	1
P	0	1.1
PP	0	1.2
MP	0	1.3
	Did Not Meet Target	Met of Exceeded Target



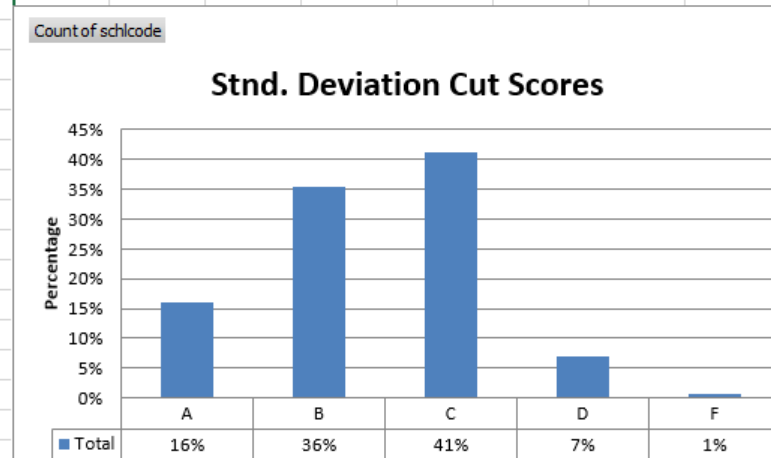
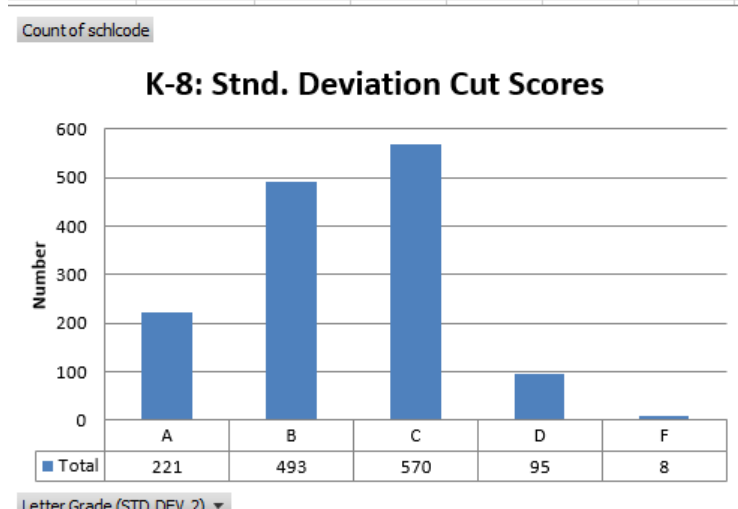
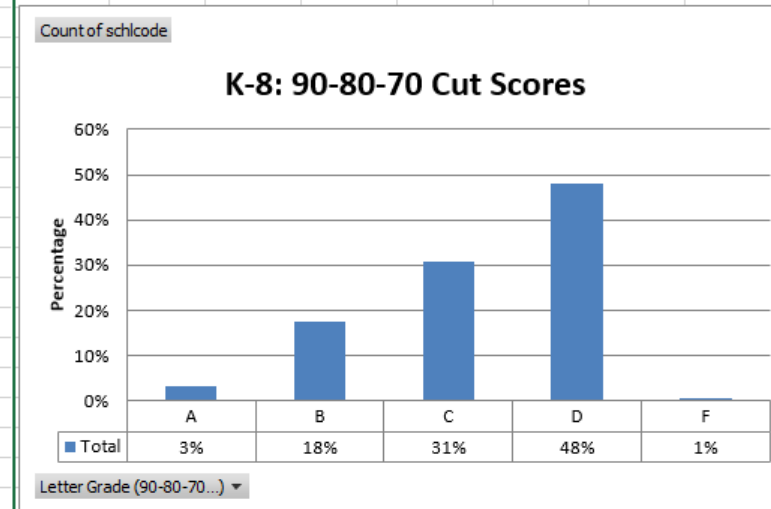
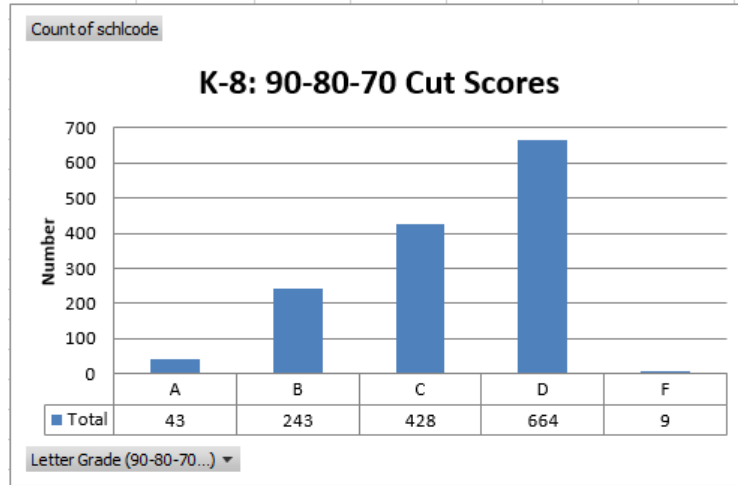
Growth Points Are Less Reflective of Wealth or Poverty than Proficiency Points

FRL	Proficiency Points				Growth Points			
	Min	Mean	Max	Std Dev	Min	Mean	Max	Std Dev
0	25	28	30	2	26	37	45	5
1	20	27	30	2	21	35	49	6
2	20	25	30	2	24	35	44	4
3	14	23	30	3	21	34	46	6
4	9	21	29	4	21	33	46	5
5	9	20	30	4	17	32	49	7
6	8	18	28	4	19	32	45	6
7	5	17	26	4	12	31	46	6
8	2	15	29	4	10	31	50	7
9	1	14	30	4	9	30	49	7

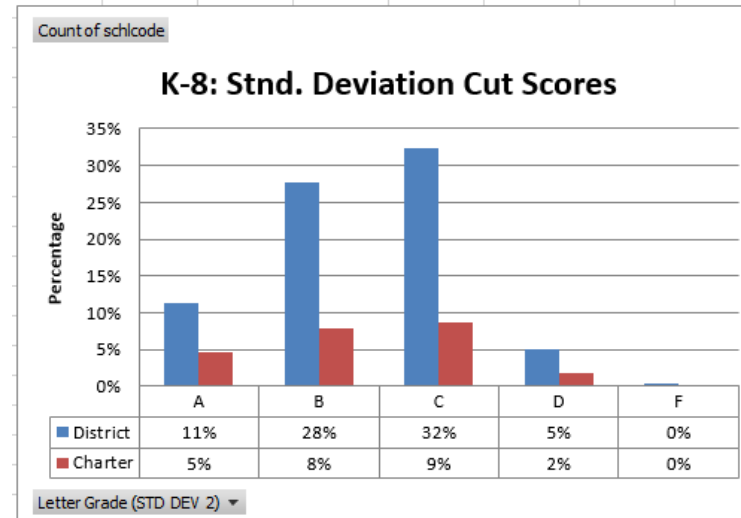
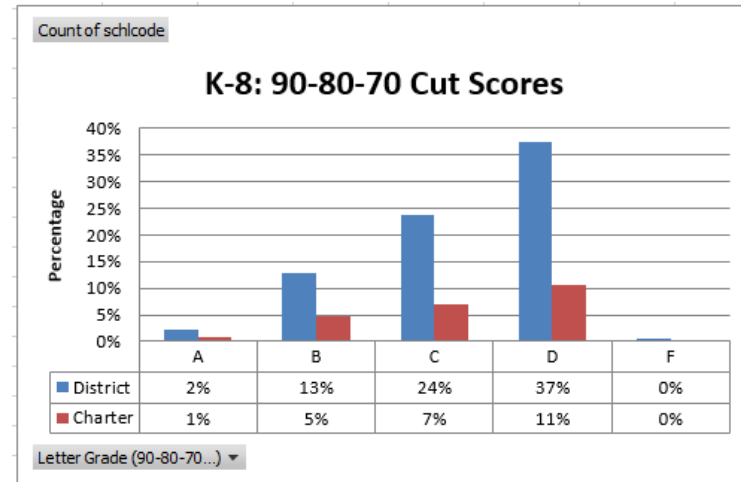
Proficiency & growth points by free/reduced lunch percentage. (0 = lowest, 9 = highest percentage)

* The (STD DEV) model was considered but it rated more schools as D's than there probably are truly D schools. To correct that, in the recommended (STD DEV 2) model, schools that are one or two standard deviations below the median were given a C, schools that were three standard deviations were given a D and schools that were more than three SDs were given an F.

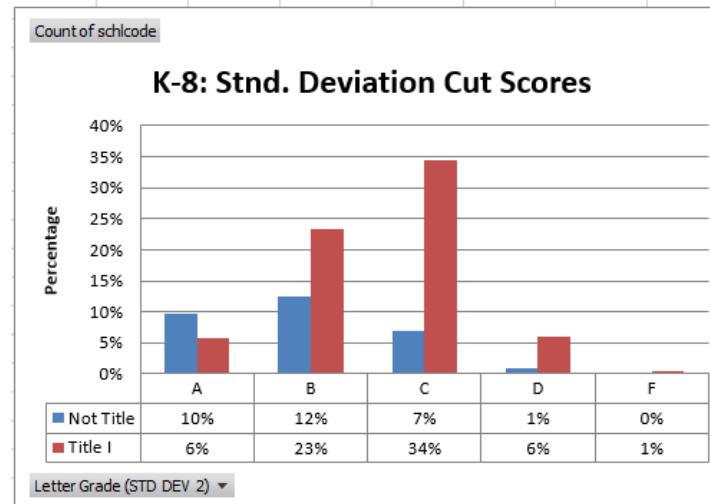
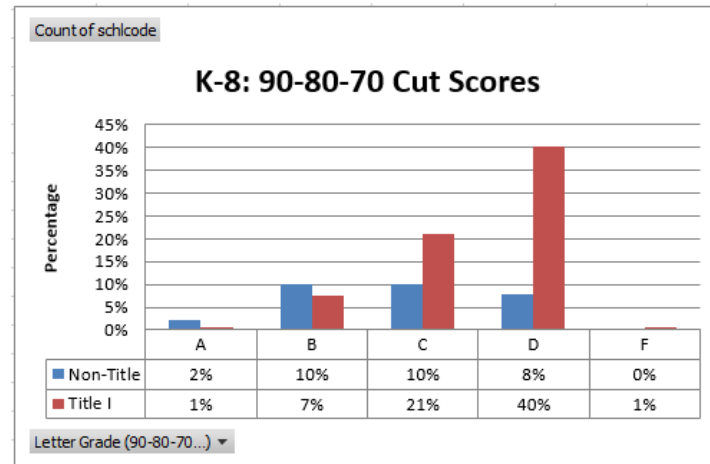
Comparison of the Number and Percent of Schools Under the Traditional Grading Approach & the Statistical Grading Approach



Grades By District & Charter Schools



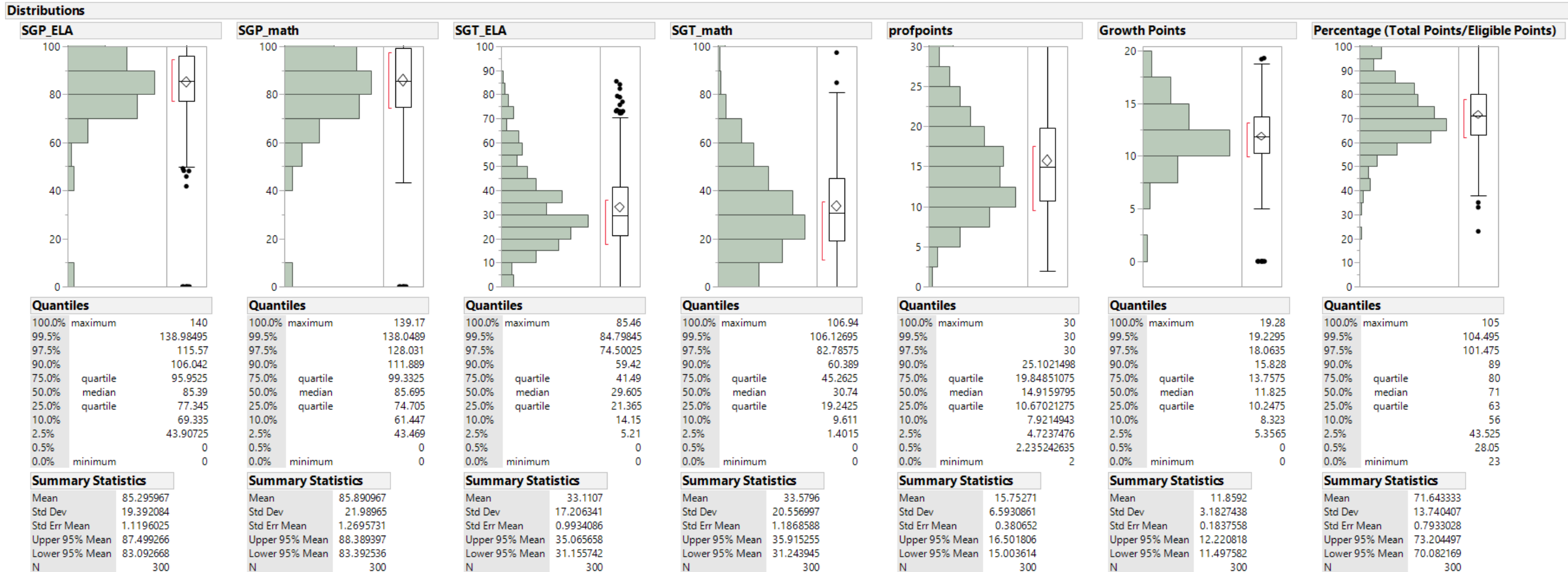
Grades By Title & Non-Title Schools



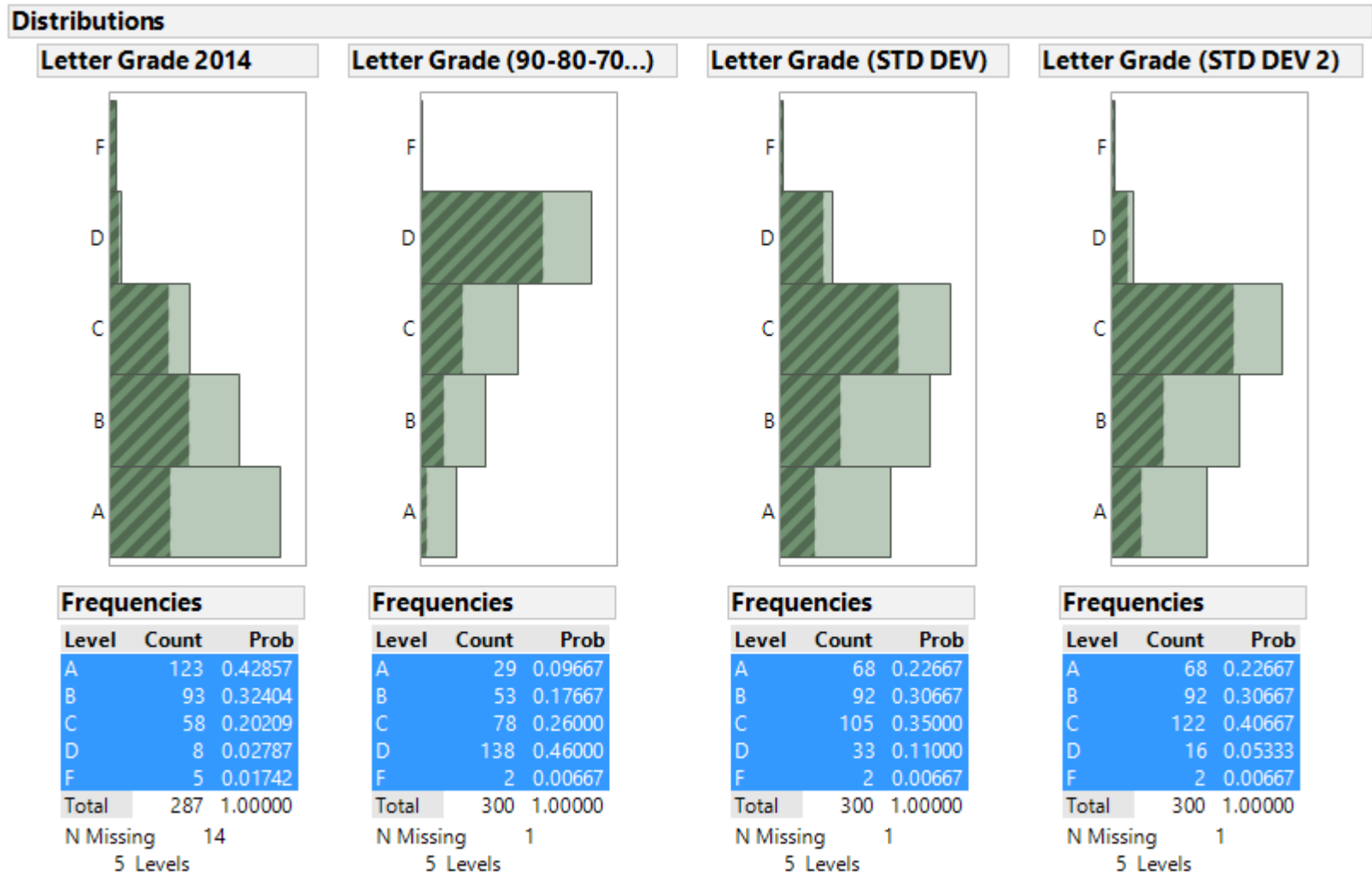
High School or 9-12 Model

HS Full Growth to SGP to 2 & SGT 1.3

HP	0	0.4	1.25
P	0	0.6	1.5
PP	0	0.8	1.75
MP	0	1	2
	Low	Average	High
HP	0		1
P	0		1.1
PP	0		1.2
MP	0		1.3
	Did Not Meet Target	Met of Exceeded Target	



HS Full Growth to SGP to 2 & SGT 1.3

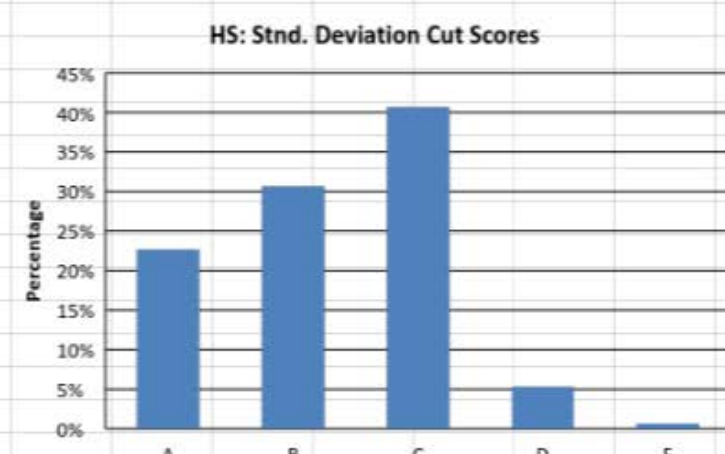
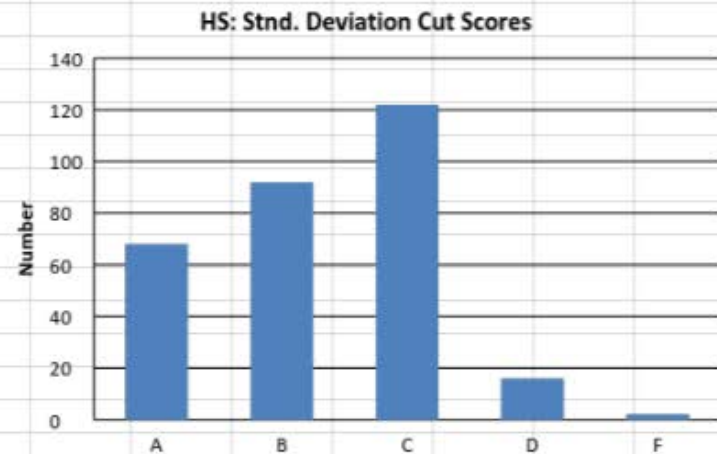


HP	0	0.4	1.25
P	0	0.6	1.5
PP	0	0.8	1.75
MP	0	1	2
	Low	Average	High
HP	0		1
P	0		1.1
PP	0		1.2
MP	0		1.3
	Did Not Meet Target		Met of Exceeded Target

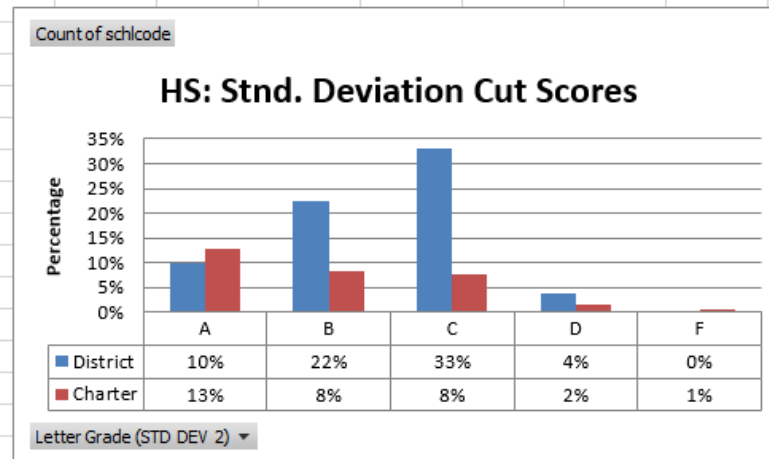
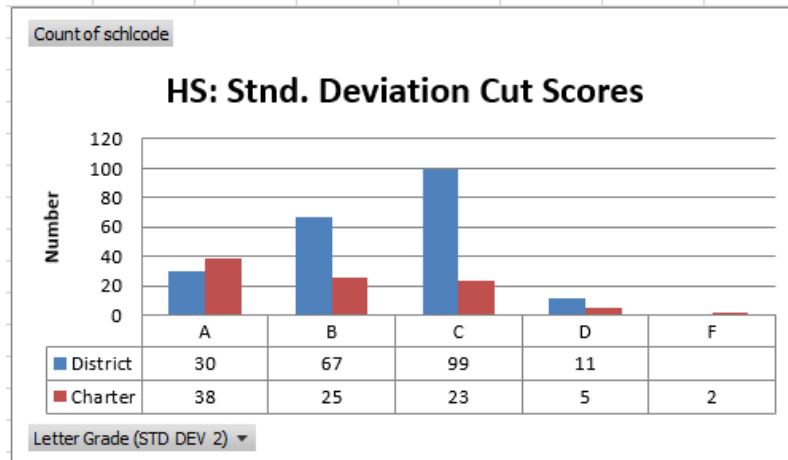
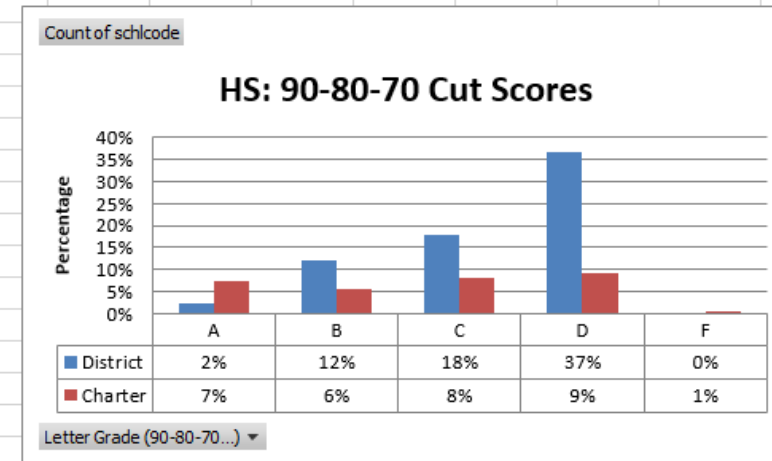
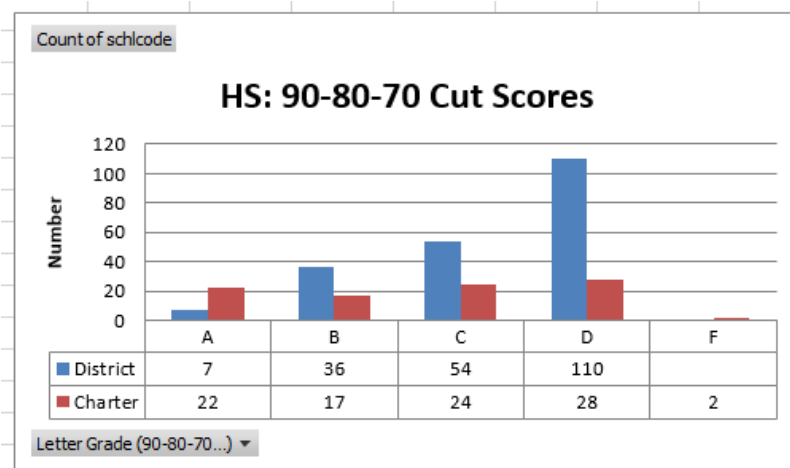
Component	Correlation to FRL
Proficiency	-0.689
Growth	0.027
Graduation (Old Model)	-0.230
CCRI	-0.416
Overall	-0.643

* The (STD DEV) model was considered but it rated more schools as D's than there probably are truly D schools. To correct that, in the recommended (STD DEV 2) model, schools that are one or two standard deviations below the median were given a C, schools that were three standard deviations were given a D and schools that were more than three SDs were given an F.

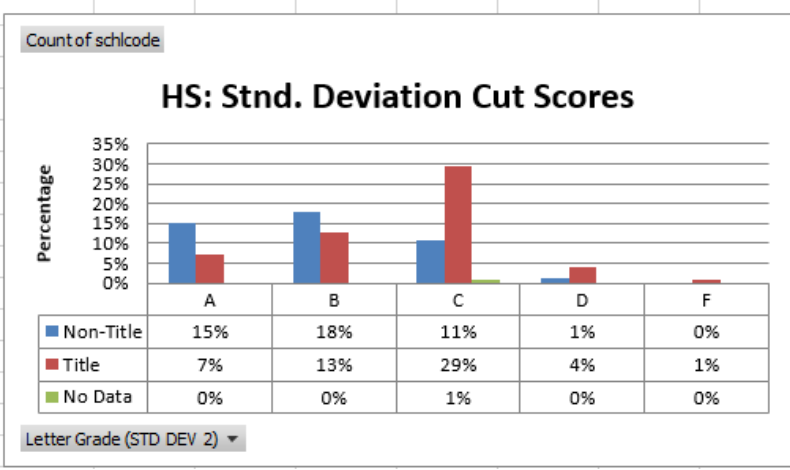
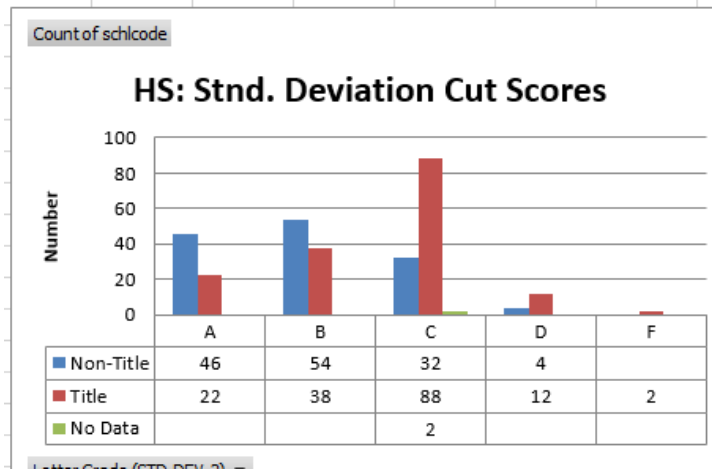
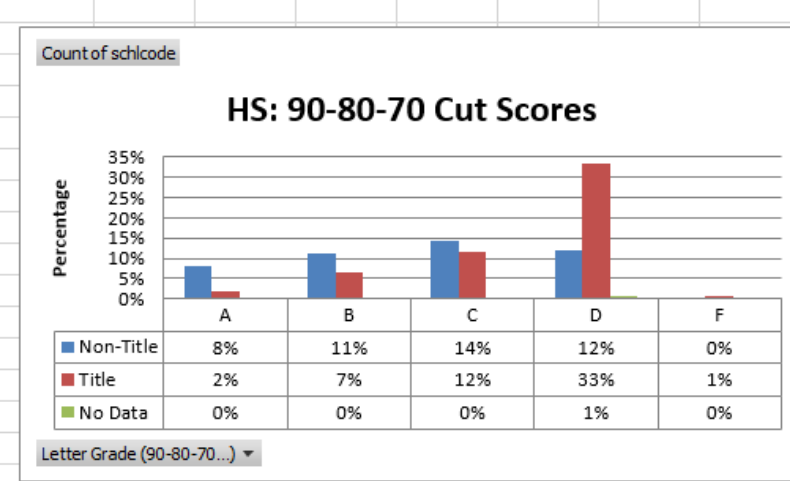
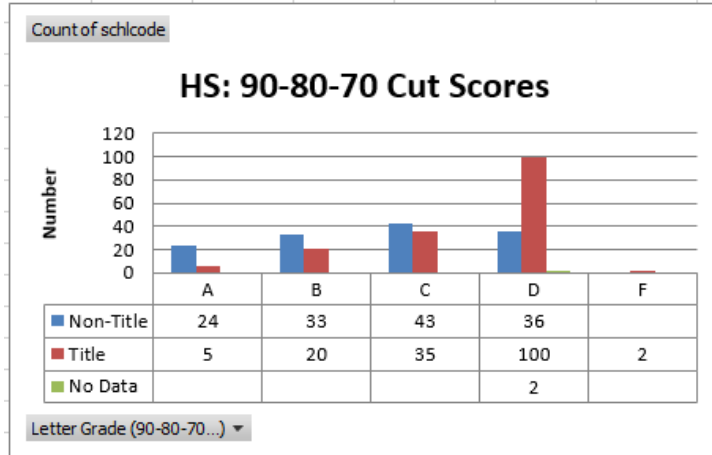
Comparison of the Traditional Grading Approach & the Statistical Grading Approach



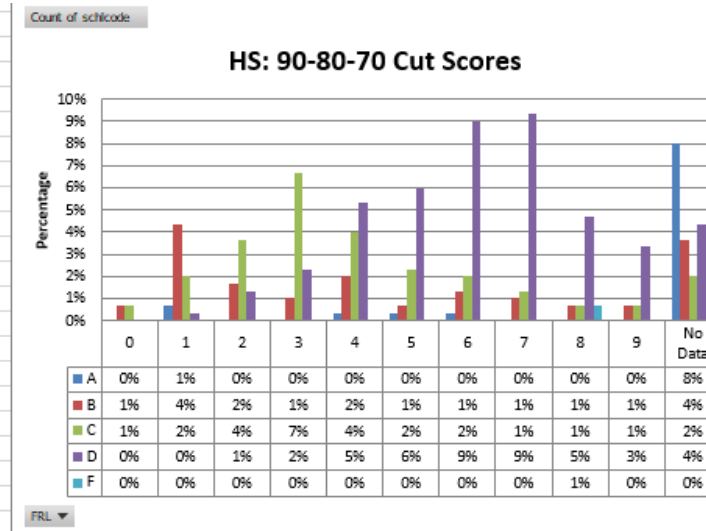
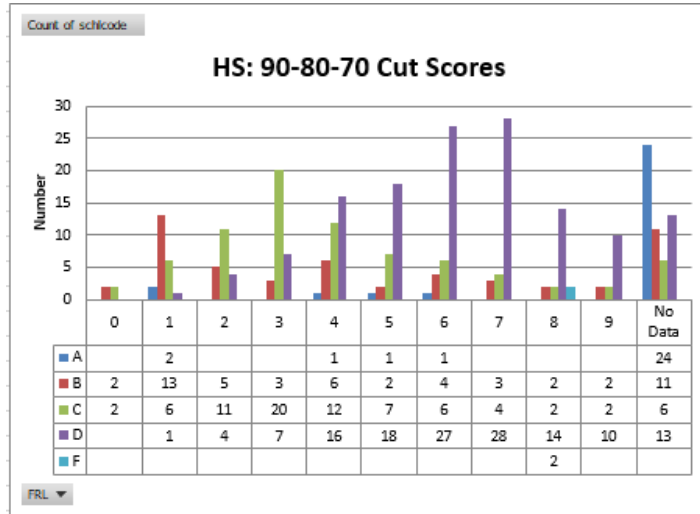
District & Charter Schools



Title & Non-Title Schools

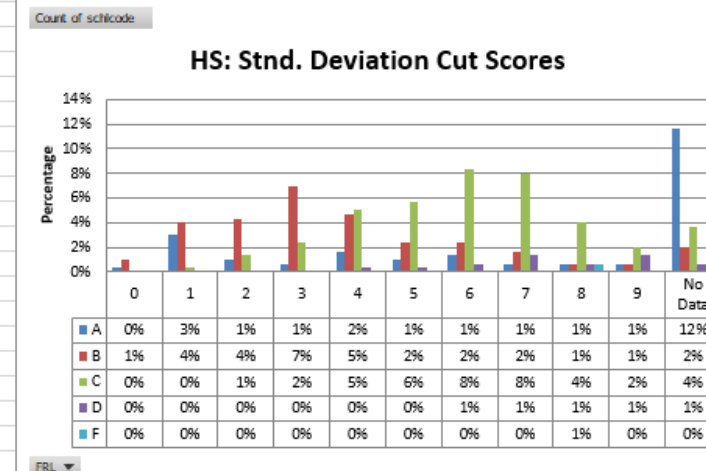
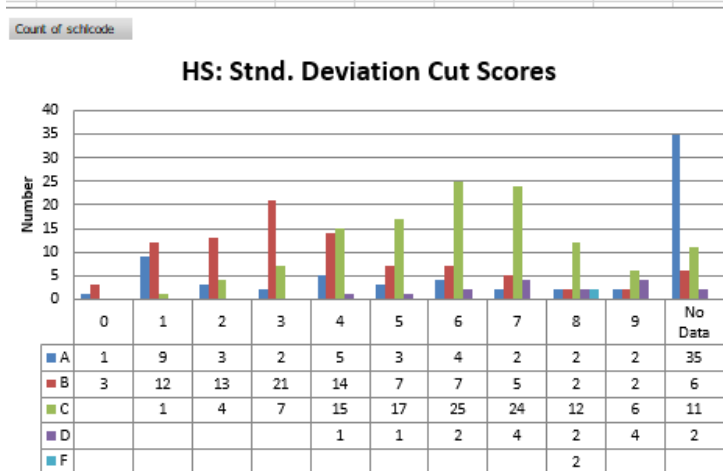


Grades By Free Lunch Percentage Grouping



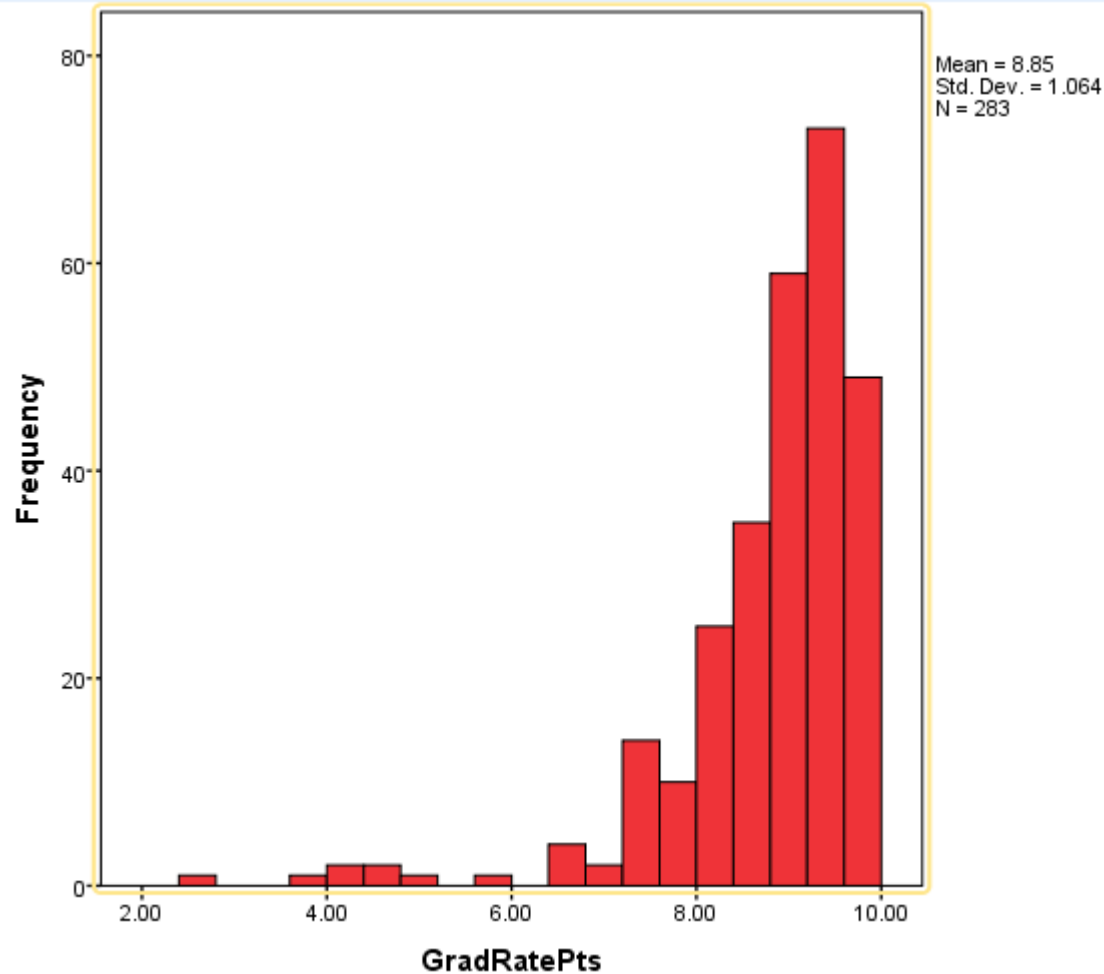
Free Lunch Groupings:

- 0 = 0-9%
- 1 = 10-19%
- 2 = 20-29%
- 3 = 30-39%
- 4 = 40-49%
- 5 = 50-59%
- 6 = 60-69%
- 7 = 70-79%
- 8 = 80-89%
- 9 = 90%+

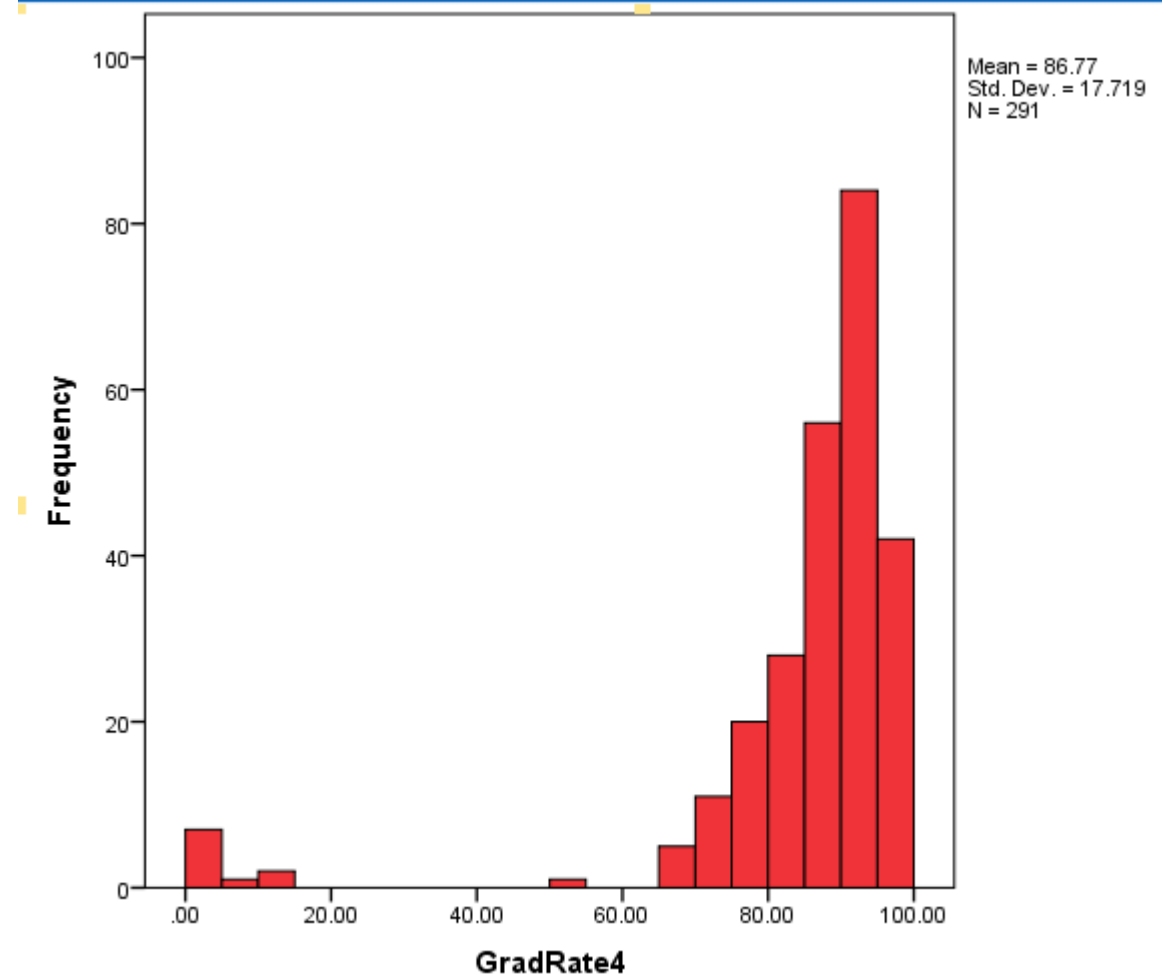


Graduation Rate Points

The 4-5-6-7 Year Combined Grad Rate Does Not Distinguish Among Schools



Most schools got 8-10 points for 4-5-6-7 year grad rate.



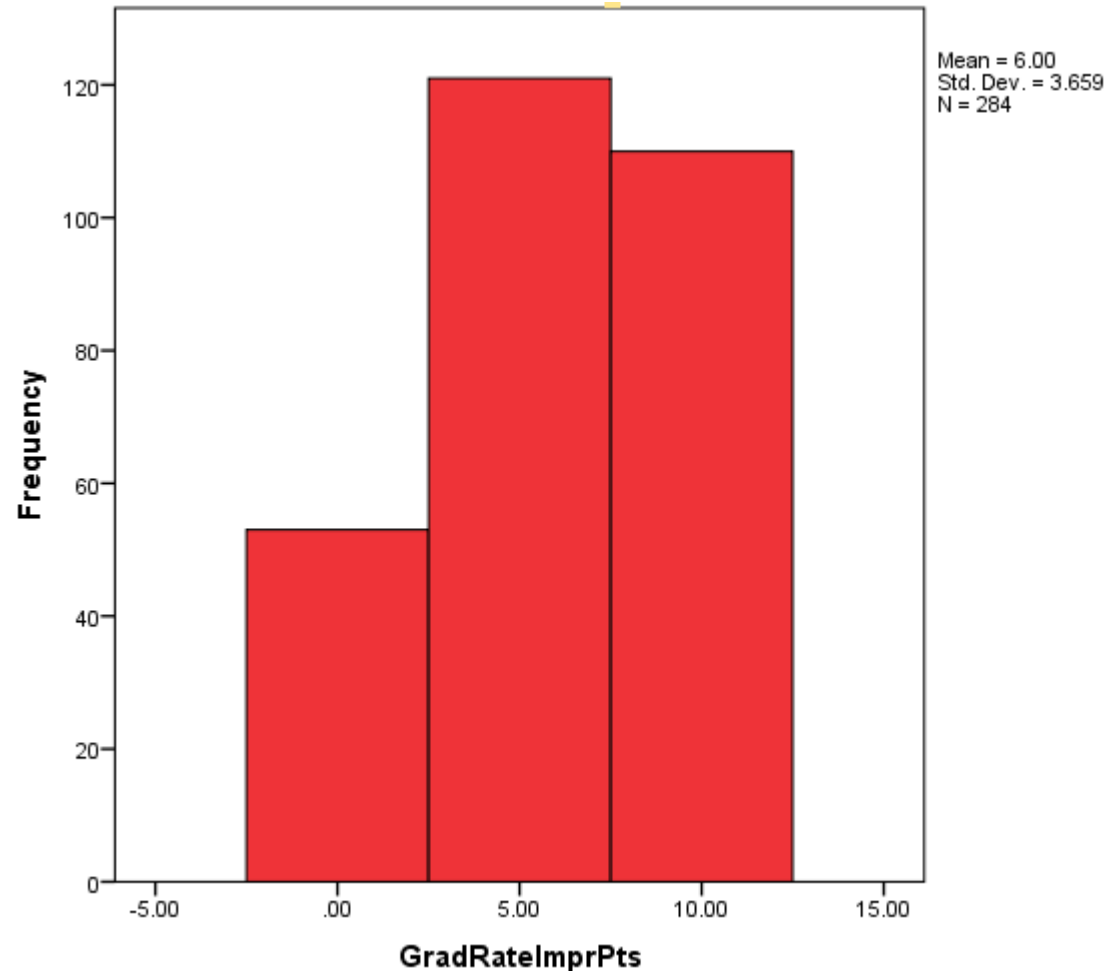
Schools' 4-5-6-7 grad rate was very high.

If We Rate Schools on Improvement In The 4-Year Grad Rate We Do Differentiate Among Schools

10 = 95% grad rate or GT 2% improvement

5 = +/- 2% of 2016 rate

0 = GT -2% pts change
(all rounded up at .5)



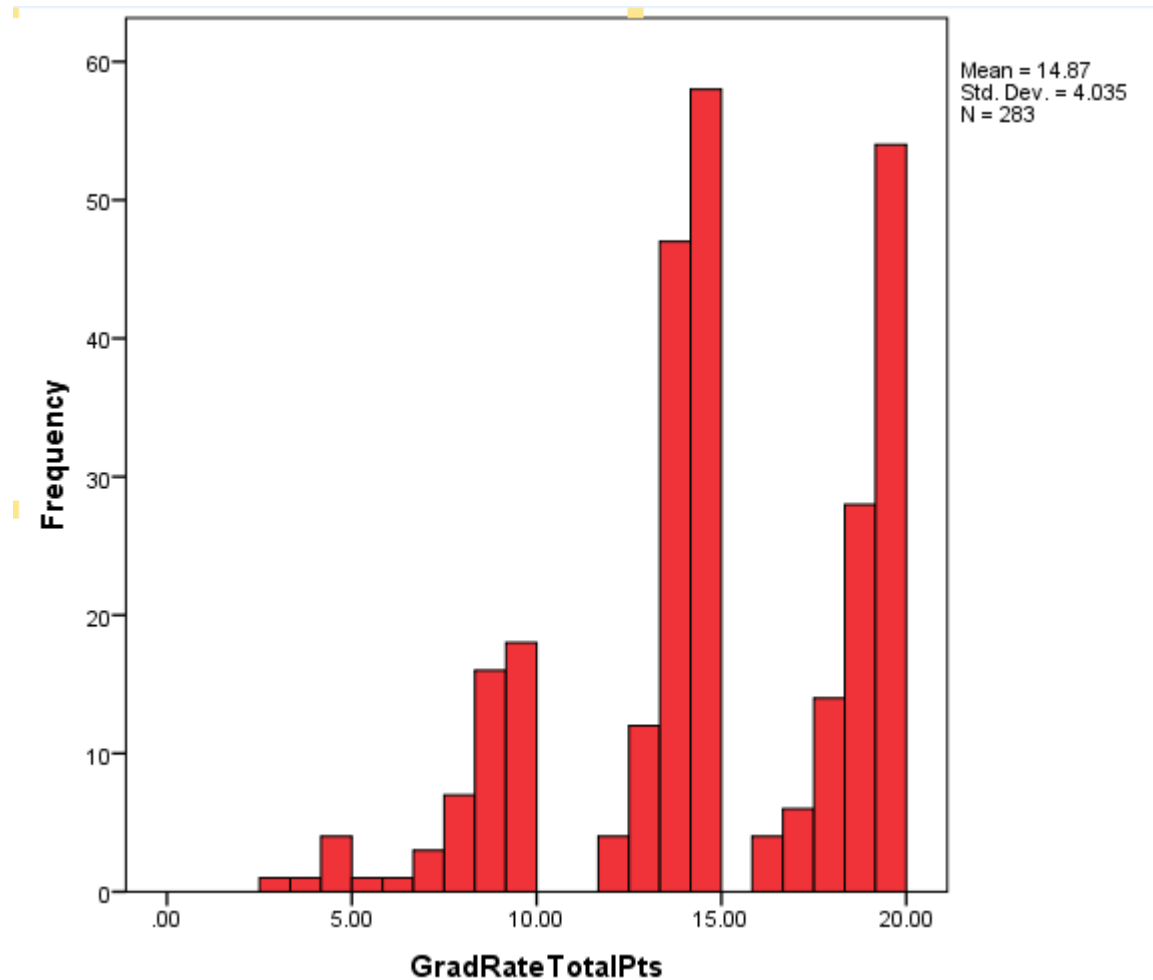
Combining Rate and Improvement gives this Distribution

We have 8 with funky grad rate differences (e.g., 0% to 100%) and a few with no grad rates.

54 schools had 96.5 grad rate or greater so got 10 points automatically. An additional 30 had 94.5 to 96.49% grad rates. Nine of these schools got 10 points, 20 got 5 and one got 0 points (went from 100% to 96%).

An additional 84 schools had 90%+ and 47 more had 85%+. There are 289 total schools.

With 97% grad rate we are impacting 19% of high schools. At 95% it is 29%, at 90 it is 58%, at 85% it is 74%.



EXECUTIVE SUMMARY

Issue: Approval of the policies and procedures for the Early Literacy Grant Program
--

Action/Discussion Item

Information Item

Background and Discussion

HB 2545 included the Early Literacy Grant program, codified as A.R.S. § 15-249.09, providing support to improve reading skills, literacy and proficiency for students in kindergarten programs and grades one through three. Eligible schools may also use the grant funding for eligible expenses to provide a full-day kindergarten program that is structured to increase reading proficiency. Grants shall be awarded on a three-year cycle to eligible schools. Eligible schools are defined as a public school with at least 90% of its students eligible for free and reduced lunch.

The program requires the Board to adopt rules and policies for eligible schools to receive early literacy grants. The Department administers the program. To assist the Department in meeting its annual reporting requirements, it is proposed that participating schools submit an annual report containing a description of the grants awarded each year, a summary of the funded activities, information on the recipient schools' progress toward achievement goals, specific findings on grant-funded strategies and activities, and the level of effectiveness in improving reading proficiency.

Fiscal Impact

Because schools submit grant applications, the Department and the Board will expend resources to submit, evaluate, review and approve grant applications. It is anticipated that existing processes to submit, evaluate, review and approve MOWR grant applications can be leveraged for the early literacy grants.

Recommendation to the Board

It is recommended that the Board adopt policies and procedures for the Early Literacy Grant Program.

Contact Information:

Dr. Karol Schmidt, Executive Director, State Board of Education
Catcher Baden, Deputy Director, State Board of Education

EXECUTIVE SUMMARY

**ARIZONA STATE BOARD OF EDUCATION
PROCEDURES FOR THE APPROVAL OF
EARLY LITERACY GRANTS
(A.R.S. 15-249.09)**

A. Definitions.

In this Section, the following definitions apply:

1. "Board" means the Arizona State Board of Education.
2. "Department" means the Arizona Department of Education.
3. "Early literacy grant" means a grant that provides support to improve reading skills, literacy and proficiency for students in kindergarten programs and grades one, two and three consistent with the requirements prescribed in A.R.S. §15-249.09.

B. Procedures.

1. Only a public school with at least 90% of its enrollment eligible for a free and reduced lunch consistent with the provisions of 42 U.S.C. §§ 1751-1758 may apply for an early literacy grant.
2. Early literacy grant applications shall:
 - a. state measurable achievement goals to increase reading proficiency; and
 - b. detail how proposed funded activities consist of evidenced-based strategies and interventions to improve reading proficiency in kindergarten programs and grades one, two and three; or
 - c. detail how proposed funded activities consist of full day kindergarten structured to increase reading proficiency; and
 - d. include a detailed budget of the requested funding that demonstrates the request supplements rather than supplants funding under A.R.S. §15-211.
3. For the 2017-2018 school year, early literacy grant applications shall be submitted no later than November 1 in a format prescribed by the Department. For following school years, early literacy grant applications shall be submitted no later than October 1 in a format prescribed by the Department.

EXECUTIVE SUMMARY

4. The Department shall review and evaluate the grant applications based on the criteria stated in section (B) (2) and submit recommendations to the Board for approval no later than its December meeting.

5. Grants shall be awarded on a three year cycle. After the first year of the grant award, and on an annual basis thereafter, schools awarded grants shall provide the Department with a report by October 1 in a format prescribed by the Department that:
 - a. Details progress toward measureable goals as stated in the initial grant application;
 - b. Evaluates the level of effectiveness of funded activities; and
 - c. Updates and revises the initial plan as appropriate for the school to achieve progress toward measureable goals as stated in the initial grant application and/or effectiveness of funded activities.

1 SECTIONS 15-211 AND 15-704, INCLUDING READING COACHES OR SPECIALISTS,
2 READING CURRICULA OR TUTORING PROGRAMS.

3 2. "ELIGIBLE SCHOOL" MEANS A PUBLIC SCHOOL WITH AT LEAST NINETY
4 PERCENT OF STUDENTS WHO ARE ELIGIBLE FOR FREE AND REDUCED-PRICED LUNCHES
5 UNDER THE NATIONAL SCHOOL LUNCH AND CHILD NUTRITION ACTS (42 UNITED STATES
6 CODE SECTIONS 1751 THROUGH 1785).

7 Sec. 4. Section 15-901, Arizona Revised Statutes, is amended to
8 read:

9 15-901. Definitions

10 A. In this title, unless the context otherwise requires:

11 1. "Average daily membership" means the total enrollment of
12 fractional students and full-time students, minus withdrawals, of each
13 school day through the first one hundred days or two hundred days in
14 session, as applicable, for the current year. Withdrawals include
15 students who are formally withdrawn from schools and students who are
16 absent for ten consecutive school days, except for excused absences
17 identified by the department of education. For the purposes of this
18 section, school districts and charter schools shall report student absence
19 data to the department of education at least once every sixty days in
20 session. For computation purposes, the effective date of withdrawal shall
21 be retroactive to the last day of actual attendance of the student or
22 excused absence.

23 (a) "Fractional student" means:

24 (i) For common schools, a preschool child who is enrolled in a
25 program for preschool children with disabilities of at least three hundred
26 sixty minutes each week that meets at least two hundred sixteen hours over
27 the minimum number of days or a kindergarten student who is at least five
28 years of age before January 1 of the school year and enrolled in a school
29 kindergarten program that meets at least three hundred fifty-six hours for
30 a one hundred eighty-day school year, or the instructional hours
31 prescribed in this section. Lunch periods and recess periods may not be
32 included as part of the instructional hours unless the child's
33 individualized education program requires instruction during those periods
34 and the specific reasons for such instruction are fully documented. In
35 computing the average daily membership, preschool children with
36 disabilities and kindergarten students shall be counted as one-half of a
37 full-time student. For common schools, a part-time student is a student
38 enrolled for less than the total time for a full-time student as defined
39 in this section. A part-time common school student shall be counted as
40 one-fourth, one-half or three-fourths of a full-time student if the
41 student is enrolled in an instructional program that is at least
42 one-fourth, one-half or three-fourths of the time a full-time student is
43 enrolled as defined in subdivision (b) of this paragraph.

EXECUTIVE SUMMARY

Issue: Approval of the Arizona Online Instruction (AOI) application and evaluation criteria for the 2018-2019 school year

Action/Discussion Item

Information Item

Background and Discussion

In 2009, the Legislature established the Arizona Online Instruction (AOI) Program. Similar to the previously created Technology Assisted Project Based Instruction (TAPBI) program, AOI allows the State Board of Education and the State Board for Charter Schools to select schools to provide online instruction to Arizona students. Unlike TAPBI there is no statutory limit on the number of AOI schools each board can approve. In 2010, the Board approved the application and evaluation criteria for interested school districts.

Recently, Board staff met with AOI evaluators from Rio Salado College for suggested enhancements to the application review process. These evaluators have been used by the Charter School Board to evaluate online charter schools. The Rio Salado evaluators suggested revisions to the evaluation portion of the AOI application, as well as technical changes to the application and rubric for conformity to current law. These changes include:

- The addition of a section in the application that requires articulation of the goals of the AOI program consistent with the provisions of A.R.S. § 15-808(B). These goals are set forth by the AOI School/Program to monitor the school/program's success, consistent with the state's accountability system, the school/program's mission, course outcomes, industry certification requirements and/or graduation requirements.
- The addition of a required demonstration of the online program by the school district during the evaluation portion of the rubric.
- The addition of clear directions and passing percentages in order to qualify for Board approval.

If approved, the AOI application and evaluation rubric will be posted on the State Board of Education's website. In addition, written communications will be disseminated to the field regarding the opening of the AOI application process.

Fiscal Impact

Currently, the State Board of Education would be charged for the evaluation fee of Rio Salado. This fee is \$3,000 per AOI application and has been budgeted in the SBE FY19 budget proposal at \$15,000 for five reviews.

Recommendation to the Board

That the Board approve the Arizona Online Instruction (AOI) application and evaluation criteria for submissions seeking approval for the 2018-2019 school year.

Contact Information:

Dr. Karol Schmidt, Executive Director, State Board of Education

Arizona State Board of Education

Application for Arizona Online Instruction (AOI) Schools and Programs



Application for 2018-2019 School Year

School District¹ Application for
Arizona Online Instruction (AOI) Schools and Programs

¹Interested charter schools must apply through the Arizona State Board for Charter Schools.

Application Package Deadline:

Close of business on **October 31, 2017.**

Applications should be sent to:

Arizona State Board of Education
1700 W. Washington St.
Executive Tower, Suite 300
Phoenix, Arizona 85007
(602)542-5057
(602)542-3046
inbox@azsbe.az.gov

Who is eligible to apply: Any school district

Application Package:

- Single original paper submission of Application Package, including Appendix and Statement of Assurances mailed to Board offices
- Electronic copy of entire submission send to inbox@azsbe.az.gov

Evaluation Process:

The Board will develop an evaluation team that will meet and score the application.

Consideration:

After each application has been scored on the established criteria, the Board will be provided with a copy of the application package, the results of the scoring, and the current fiscal and academic compliance of the applicant. It is anticipated that final consideration of each application will occur at the Board's meeting in January.

1.

Cover Page

Name of District applying to add a school or program Other:

LEA CTD (County, Type, District code)

Name of proposed AOI school or program

Proposed grade levels of AOI school or program (may not be grade levels outside of current authority)

Name of District Contact, including mailing address, phone number and email address

Name of AOI school or program administrator, including mailing address, phone number and email address

Mission of the District

Mission of the proposed AOI school or program

2.

Introduction (4 page maximum):

The Introduction must be specific, concise, and provide the reader with a sense of the educational intent of the school/program and a rationale for that intent. The following elements must be included in the narrative:

Needs Analysis: Provide an explanation of the need or interest for the proposed school's model for the selected community/population to be served. Include a description of the community, or the target population, and explain how the selected community/target population will benefit from the school.

Educational Philosophy: Identify the principles or concepts fundamental to the proposed school's instructional strategies.

Summary of Instructional Program: Describe the design of courses, delivery methods, and inclusion of course offerings beyond core requirements (based on Arizona K-12 Teaching Standards) and course offerings beyond those that are required. (e.g.: matrix, not a course catalog).

Implementation: Describes how the AOI School/Program will be integrated within the current school system. (Physically and through course offerings).

Governance and Leadership: Identify specifically, those in a leadership role, within the AOI school/program. Describe their experience in education, and their specific leadership role. Explain how they oversee the development, implementation, assessment, and accountability of the program.

Accessibility: Describes the accessibility of AOI courses and any limitations in access for your target population. Specify the technology requirements students will need to access the AOI program.

Enrollment: Describes what measures will be taken to ensure all enrolled students reside in Arizona. Explain the current or projected system for ensuring a shared apportionment of no more than 1.0. (Include who is or who will be responsible for monitoring student enrollment.)

3.

Describe the depth and breadth of curriculum choices.

A list of course offering with descriptions must be included as an appendix.

Evaluation Criteria:

The extent to which:

- The AOI High School/Program offers a comprehensive academic program that provides the minimum course of study and competency requirements for graduation from high school, based on their current cohort year requirements. (e.g.: Course Catalog)

- The AOI School/Program offers a variety of comprehensive courses to meet State Board of Education Academic Standards for the identified student population.

- The AOI School/Program offer concurrent, dual, Honors, or AP credit. (Secondary Schools only)

- The course offerings/content prepare students for post-secondary success in the world of work, technical school or college. (Secondary Schools only)

4.

Describe the variety of educational methodologies employed by the school and the means of addressing the unique needs and learning styles of targeted pupil populations.

Evaluation Criteria:

The extent to which:

- The AOI program's educational methodology includes computer assisted learning systems, virtual classrooms, virtual laboratories, electronic field trips, electronic mail, virtual tutoring, online help desk, group chat sessions and non-computer based activities performed under the direction of a certificated teacher.

- Various learning styles are addressed in the delivery methods.
- Modifications to content delivery by course or by lesson can be made.
- Methods provide synchronous and asynchronous support to AOI students.
- Learner support systems with methods of communication are included.
- Selected methodologies exhibit knowledge of current online delivery best practices and the ability to implement and evaluate these practices.

5.

Describe the availability of an intranet or private network to safeguard pupils against predatory and pornographic elements of the internet.

Evaluation Criteria:

The extent to which:

- The provision of Learning Management Systems (LMS) and Content Delivery Systems (CDS) that ensure user security through password protected access are described.

- The type and quantity of external links used in the course content are described, if external links are required as part of the content delivery and student learning process and how links are chosen, screened, and updated to ensure adequate protection. (Include specific criteria for evaluating external links and/or content.)

- A means for students to identify and report problems with external links.

9.

Describe the school's current partnerships with universities, community colleges and private businesses.

Evaluation Criteria:

The extent to which:

- Community partnerships that encompass the goals of post-secondary transition (e.g.: partnerships with universities, community colleges, and vocational/technical schools.) (Secondary Schools only).

- Community partnerships that enhance the school experience for AOI students. (e.g.: private business, career track organizations, community organizations, etc.)

- Partnerships do or will enhance the school experience for AOI students.

10.

Describe the services offered to developmentally disabled populations.

Evaluation Criteria:

The extent to which:

- The AOI School/Program will identify students with exceptionalities accordance with the requirements of IDEA - 2004.

- The content and the content delivery system can be adapted to meet the accommodation and modification requirements for students with exceptionalities.

- Students with exceptionalities will receive onsite/in-person support when the need is identified. (e.g.: related services, tutoring, testing accommodations, etc.)

11.

Describe the policies and procedures to ensure the academic integrity of the AOI School/Program.

Evaluation Criteria:

The extent to which:

- A process is in place for evaluating whether a pupil with declining academic achievement should be allowed to continue to participate in the AOI school/program. (Include a step-by-step process, with person(s) responsible for implementing the process.)
- The extent to which the AOI school/program will ensure/monitor student progress for at least one year's growth annually. (Include a step-by-step process, with person(s) responsible for implementing the process.)
- Courses offered exhibit a variety of formative and summative assessments of student competency.
- The AOI School/Program will ensure that course/grade outcomes are monitored for academic integrity. (e.g.: testing issues, plagiarism, etc.)

State Board Website: <https://azsbe.az.gov/resources/arizona-online-instruction>

12.

Describe the goals of the AOI School/Program.

Pursuant to ARS § 15-808 (B), each new school that provides online instruction shall provide online instruction on a probationary basis. After a new school that provides online instruction has clearly demonstrated the academic integrity of its instruction through the actual improvement of the academic performance of its students, the school may apply to be removed from probationary status.

The State Board of Education shall remove authorization of an Arizona online instruction probationary school that fails to clearly demonstrate improvement in academic performance within three years, measured against goals in the approved application and the state's accountability system.

Evaluation Criteria:

The extent to which:

- Goals are set forth by the AOI School/Program to monitor the school/program's success. These goals should be set in accordance with the state's accountability system, the school/program's mission, course outcomes, industry certification requirements and/or graduation requirements.

13.

Statement of Assurances:
See Attached.

Arizona Online Instruction (AOI) Application Scoring Rubric

School Name:
Contact email:
Contact name/Title:
Reviewers Names:

Part 1 - Cover sheet

Part 1 - Cover sheet	Do not score if not included and complete	No Score
-----------------------------	---	-----------------

Part 2: Introduction (limit 4 pages) - maximum 7 points

	Criterion	Not Present	Present but vague and unclear	Clear, concise, compelling, logical	Score column	Comments (Must provide comments if less than full points are given.)
Criteria 1	Needs Analysis: Provides an explanation of the need or interest for the proposed school's model for the selected community/population to be served. Include a description of the community, or the target population, and explain how the selected community/target population will benefit from the school.	0	0.5	1		
Criteria 2	Educational Philosophy: Identify and describe the principles or concepts fundamental to the proposed school's instructional strategies.	0	0.5	1		
Criteria 3	Summary of Instructional Program: Describes the design of courses, delivery methods, and inclusion of core requirements (based on Arizona K-12 Teaching Standards) and course offerings beyond those that are required. (e.g.: matrix, not a course catalog)	0	0.5	1		
Criteria 4	Implementation: Describes how the AOI School/Program will be integrated within the current school system. (Physically and through course offerings).	0	0.5	1		
Criteria 5	Governance and Leadership: Identify specifically, those in a leadership role, within the AOI school/program. Describe their experience in education, and their specific leadership role. Explain how they oversee the development, implementation, assessment, and accountability of the program.	0	0.5	1		
Criteria 6	Accessibility: Describes the accessibility of AOI courses and any limitations in access for your target population. Specify the technology requirements students will need to access the AOI program.	0	0.5	1		

Criteria 7

Enrollment: Describes what measures will be taken to ensure all enrolled students reside in Arizona. Explain the current or projected system for ensuring a shared apportionment of no more than 1.0. (Include who is or who will be responsible for monitoring student enrollment.)	0	0.5	1		
Subtotal for Part 2				0	

Part 3: Depth and Breadth of Curriculum Choices - maximum 8 points					
	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score column	Comments (Must provide comments if less than full points are given.)
Criteria 8 The extent to which the AOI High School/Program offers a comprehensive academic program that provides the minimum course of study and competency requirements for graduation from high school, based on their current cohort year requirements. (e.g.: Course Catalog)	0	1	2		
Criteria 9 The extent to which the AOI School/Program offers a variety of comprehensive courses to meet State Board of Education Academic Standards for the identified student population.	0	1	2		
Criteria 10 The extent to which the AOI School/Program offer concurrent, dual, Honors, or AP credit. (Secondary Schools only)	0	1	2		
Criteria 11 The extent to which the course offerings/content prepare students for post-secondary success in the world of work, technical school or college. (Secondary Schools only)	0	1	2		
Subtotal for Part 3			SUB-TOTAL	0	
Part 4: Describe the variety of educational methodologies employed by the school and the means of addressing the unique needs and learning styles of targeted pupil populations.- maximum 12 points					
Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score column	Comments (Must provide comments if less than full points are given.)
Criteria 12 The extent to which the AOI program's educational methodology includes computer assisted learning systems, virtual classrooms, virtual laboratories, electronic field trips, electronic mail, virtual tutoring, online help desk, group chat sessions and non-computer based activities performed under the direction of a certificated teacher.	0	1	2		
Criteria 13 The extent to which various learning styles are addressed in the delivery methods.	0	1	2		
Criteria 14 The extent to which modifications to content delivery by course or by lesson can be made.	0	1	2		
Criteria 15 The extent to which methods provide synchronous and asynchronous support to AOI students.	0	1	2		
Criteria 16 The extent to which learner support systems with methods of communication are included.	0	1	2		

Criteria 17

The extent to which selected methodologies exhibit knowledge of current online delivery best practices and the ability to implement and evaluate these practices.	0	1	2		
Subtotal for Part 4:			SUB-TOTAL	0	

Part 5: Describe the availability of an intranet or private network to safeguard pupils against predatory and pornographic elements of the internet.- maximum 6 points

	Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score column	Comments (Must provide comments if less than full points are given.)
Criteria 18	The extent to which the provision of Learning Management Systems (LMS) and Content Delivery Systems (CDS) that ensure user security through password protected access are described.	0	1	2		
Criteria 19	The extent to which the type and quantity of external links used in the course content are described, if external links are required as part of the content delivery and student learning process and how links are chosen, screened, and updated to ensure adequate protection. (Include specific criteria for evaluating external links and/or content.)	0	1	2		
Criteria 20	The extent to which the system incorporates a means for students to identify and report problems with external links.	0	1	2		
Subtotal for Part 5				SUB-TOTAL	0	

Part 6: Describe the availability of filtered research access to the Internet. - maximum 4 points

	Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score column	Comments (Must provide comments if less than full points are given.)
Criteria 21	The extent to which the AOI school/program identifies safe research practices for the student.	0	1	2		
Criteria 22	The extent to which the AOI school/program makes various avenues available to AOI students to support research requirements included in the course content and course requirements.	0	1	2		
Subtotal for Part 6				SUB-TOTAL	0	

Part 7: Describe the availability of private individual electronic mail between pupils, teachers, administrators and parents in order to protect the confidentiality of pupil records and information. - maximum 4 points

	Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
Criteria 23	The extent to which the AOI school/program has an internal email communication system available within the CDS that is only available to the student and any staff, parent, guardian or other stakeholder that plays an integral part in monitoring and supporting the success of the student.	0	1	2		
Criteria 24	The extent to which any communications between staff, student, and parents is logged and secure.	0	1	2		
Subtotal for Part 7					0	

Part 8: Describe the selection and training for online teachers. - maximum 6 points

	Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
Criteria 25	The extent to which the AOI School/Program has established, or plans to establish a system of <i>initial</i> and <i>ongoing</i> professional development and monitoring for teachers in an online environment.	0	1	2		
Criteria 26	The extent to which faculty members are, or will be required to exhibit competency in the use of the LMS so that the technology itself does not interfere with the instructional process and create barriers to student academic success.	0	1	2		
Criteria 27	The extent to which instructors will be appropriately certified as defined by Arizona certification rules.	0	1	2		
Subtotal for Part 8					0	

Part 9: Describe the school's current partnerships with universities, community colleges and private businesses. - maximum 6 points

	Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
Criteria 28	The extent to which the AOI school/program has or will establish community partnerships that encompass the goals of post-secondary transition (e.g.: partnerships with universities, community colleges, and vocational/technical schools.) (Secondary Schools only)	0	1	2		
Criteria 29	The extent to which the AOI school/program has or will establish community partnerships that enhance the school experience for AOI students. (e.g.: private business, career track organizations, community organizations, etc.)	0	1	2		
Criteria 30	The extent to which the above partnerships do or will enhance the school experience for AOI students.	0	1	2		
Subtotal for Part 9					0	

Part 10: Describe the services offered to students with disabilities as defined by IDEA - maximum 6 points

	Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
Criteria 31	The extent to which the AOI school/program will identify students with exceptionalities accordance with the requirements of IDEA - 2004.	0	1	2		
Criteria 32	The extent to which the content and the content delivery system can be adapted to meet the accommodation and modification requirements for students with exceptionalities.	0	1	2		
Criteria 33	The extent to which students with exceptionalities will receive onsite/in-person support when the need is identified. (e.g.: related services, tutoring, testing accommodations, etc.)	0	1	2		
Subtotal for Part 10					0	

Part 11: Describe the policies and procedures to ensure the academic integrity of the AOI School/Program.- maximum 8 points					
Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
Criteria 34 The extent to which a process is in place for evaluating whether a pupil with declining academic achievement should be allowed to continue to participate in the AOI school/program. (Include a step-by-step process, with person(s) responsible for implementing the process.)	0	1	2		
Criteria 35 The extent to which the AOI school/program will ensure/monitor student progress for at least one year's growth annually. (Include a step-by-step process, with person(s) responsible for implementing the process.)	0	1	2		
Criteria 36 The extent to which courses offered exhibit a variety of formative and summative assessments of student competency.	0	1	2		
Criteria 37 The extent to which the AOI school/program will ensure that course/grade outcomes are monitored for academic integrity. (e.g.: testing issues, plagiarism, etc.)	0	1	2		
Subtotal for Part 11				0	
Part 12: Describe the goals of the AOI School/Program					
Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
Criteria 38 Goals are set forth by the AOI School/Program to monitor the school/program's success. These goals should be set in accordance with the state's accountability system, the school/program's mission, course outcomes, industry certification requirements and/or graduation requirements.	0	1	2		
Subtotal for Part 12				0	
Part 13 - Statement of Assurances					

Assurances are present				
	Yes		No	No Score

Circle correct response

GRAND TOTAL				0	
Passing Criteria					
	Points Awarded		Points Total		Percent Needed for Passing
K-8 AOI Program					
Narrative Portion			53		85% or 45/53 points
Demonstration Portion			8		87.5% or 7/8 points
9-12 AOI Program					
Narrative Portion			59		85% or 50/59 points
Demonstration Portion			8		87.5% or 7/8 points

Total Number of Items		Unless an item was purposely skipped, this should be 38
-----------------------	--	---

	% of criteria "Met"	To pass, this must be 85%
--	---------------------	---------------------------

	Sections with more than one score of "Present but vague or unclear"	
--	---	--

	Total number of "Not present or minimal" sections	
--	---	--

After the evaluation of your narrative, you will be scheduled for a in-person demonstration of your AOI program. If your narrative score did not meet the 85% passing threshold, you will have the opportunity to show the evaluators more evidence at the demonstration, in regard to those narrative areas that were below the passing score. Every application will be required to participate in the demonstration and pass both sections in order to be recommended to the State Board of Education for approval.

The following is a table that lists the requirements for your demonstration:

Demonstration 1 - Learning Management System

Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
The school demonstrated this selected LMS showing: Secure login process and password protection, secure email system, tutoring (virtual or on-site), and technology help desk process.					
The school is able to demonstrate selected items from the Curriculum Planning Document					
The School demonstrated the types of modifications which can be made within the course management systems to support individual student needs.					
The School demonstrated both synchronous and asynchronous methods available to support AOI students.					
The School demonstrated at least three "best practices" in online instruction and explain how this practice will be implemented.					

Demonstration 2 - Safe Research

Criterion	Not present or minimal	Present but vague and unclear	Clear, concise, compelling, logical	Score Column	Comments (Must provide comments if less than full points are given.)
The School demonstrated and explained the process by which students will be taught Internet Safety					
The School demonstrated and identified the process and resources available to support any research, when students are required to research outside of the course management system.					

EXECUTIVE SUMMARY

Issue: Approval of the NASDTEC Prevention and Correction Course for Certification Enforcement Actions
--

Action/Discussion Item

Information Item

Background and Discussion

The State Board of Education is charged with disciplining certificated individuals accused of immoral or unprofessional conduct.

In connection with accepting settlement agreements or otherwise imposing discipline, the State Board of Education has the option of mandating that the certificated individual complete certain conditions, including additional coursework or professional development.

The State Board of Education is a member of the National Association of State Directors of Teacher Education and Certification (NASDTEC), which is a national organization that represents professional standards boards, commissions and state departments of education in all 50 states which are responsible for the preparation, licensure, and discipline of educational personnel. NASDTEC has created a Prevention and Correction Course, based on the Model Code of Ethics for Educators, to provide intervention and remedial training related to ethical and professional conduct.

Approving the NASDTEC course will allow for consistency in the quality of the remedial coursework imposed as a condition in an enforcement action.

An overview of the NASDTEC course and supporting documentation are attached.

Fiscal Impact

The cost associated with this course, \$198, would be paid by the disciplined educator.

Recommendation to the Board

That the State Board approve the NASDTEC Prevention and Correction Course as required coursework, as applicable, in certification enforcement actions.



PREVENTION AND CORRECTION: OVERVIEW COURSE OUTLINE

Minimum time for completion of the course is 4.5 hours

I. **Section 1: Educator Ethics Booster and Refresher:** Author, Troy Hutchings, Ed.D.

I. **Objectives**

- A. Participants will gain a working knowledge of, and know the difference between, dispositions, conduct, and statutes.
- B. Participants will gain a working knowledge of, and know the difference between, employment, licensure, and criminal sanctions.
- C. Participants will gain a working knowledge of, and be able to implement, an ethical framework of decision-making.
- D. Participants will be able to identify systemic contributors that contribute to an ethical decision- making slippery slope.
- E. Participants will be able to identify reasons why educators become vulnerable to ethical violations and statutory violations.
- F. Participants will be able to identify and use tools for navigating through the competing tensions inherent in the teaching profession.
- G. Participants will be able to reflect on their own ethical teaching practice.

II. **Introduction**

- A. Complexity of the profession
- B. Why Ethics?

III. **Defining ethics**

- A. Differentiation between ethics, morality, and law
- B. Confusion within the profession
- C. Educators defer to the law

IV. Challenges of being a teacher

- A. Intense commitment to help children (dispositions)
- B. Lack of knowledge of the regulatory framework
- C. Lack of training in ethical decision-making
- D. Alone in making decisions
- E. The struggle for teachers between being a caring person with in loco parentis responsibilities, and a teacher who is tasked to uphold and follow rules in which they may feel do not apply to a given situation
- F. Public scrutiny of educators (from media reports to web sites, teacher behaviors are continually made public)

V. Ethical equilibrium

- A. Graphic of frameworks: dispositions, ethics, and law
- B. Case study: Teacher at music camp

VI. Individual educator decision-making and the situational variables that impact decision-making

- A. Green, yellow, red light decisions Challenge of variance
 - 1. Different implicit norms
 - 2. Shifting of school administration
 - 3. Life changes/pressures
- B. What is red for one educator, may be green for another
- C. Slope of decision-making (GONE)
 - 1. Gradualism...
 - 2. Objectivity can be lost
 - 3. Neutrality can be lost
 - 4. Erosion of boundaries may occur
- D. In actuality, the slippery slope is imperceptible

VII. Systemic variables that contribute to slippery slope Socio-structural practices create risk conditions for educators

- A. Inherent within profession
- B. School specific
- C. Socio-schooling milieu
- D. Blurring of boundaries between children and adults

“Attempting to understand the situational and systemic contributions to an individual’s behavior does not excuse the person or absolve him responsibility in engaging, in immoral, illegal, or evil deeds” (Zimbardo)

SECTION 2: Cybertraps for Educators: Author, Fred Lane, J.D.

I. Introduction and Course Objectives

- A. Familiarize Teachers with New and Emerging Technologies
- B. Educate Teachers about Risks of Misconduct Arising out of the Use and Misuse of Digital Devices
- C. Provide Teachers with Strategies to Avoid Misconduct in the Future

II. Review of New and Emerging Technologies

- A. Overview of Impact of Technology on Teaching
- B. Examples of Technology-Related Misconduct by Teachers
- C. Review of New and Emerging Technologies

III. Educator Cybertraps

- A. Professional Misconduct
 - 1. Cyberloafing / Lack of Productivity
 - 2. Inappropriate or Hostile Communications with Others
 - 3. Inappropriate, Threatening, or Disturbing Online Activity
 - 4. Creation of a Hostile Work Environment
 - 5. Immoral Online Activity (Intentional and Unintentional)
 - 6. Inappropriate Interaction with Students (non-criminal)
- B. Criminal Activity
 - 1. Cyberbullying, Cyberharassment, and Cyberstalking
 - 2. Mishandling of Student Sexts
 - 3. Obstruction of Justice
 - 4. Voyeurism and Invasion of Privacy
 - 5. Solicitation, Sexting, and Sexual Assault

IV. Strategies and Precautions

- A. Reflection and Conscious Action
- B. The Importance of a Digital Self-Audit
- C. Choose "Friends" Carefully
- D. Students Are Not Your "Friends"
- E. Practice Transparency
- F. When in Doubt, Don't
- G. Understand Technology Before You Use It

V. Conclusion / Review

Section 3: Educator Relationships and Boundaries: Author, Glen Lipson, Ph.D.

I. Definition of Learning Objectives

- A. To recognize and preserve the value of the teacher-student or teacher-child relationships while recognizing the opportunities provided by the learning environment and acknowledging the potential pitfalls.
- B. To recognize and enhance the importance of the instructional alliance.

II. The Complexity of Relationships in Schools

- A. Relationships are an important conduit for learning, the acquisition of skills, and the absorption of knowledge.
- B. Many of the rewards inherent in education arise out of the teacher-student alliance.
- C. The many different roles filled by a teacher during the course of a day may complementary or contradictory.
- D. Students and/or children in the school environment may have significant unmet needs or personal difficulties that affect a teacher's ability to perform his or her job.
- E. Training in the dynamics of relationships and ethical principles helps teachers better understand the risks in the teacher-student alliance and affirms safe practices.

III. Vulnerabilities in Caring and Sharing

- A. Educational communities expect teachers to be accessible by their students.
- B. Digital and cyber conversations exacerbate the risks of inappropriate interactions
- C. Efforts to pull away increase the potential for misunderstanding and emotional harm.

IV. Educator Risk Factors

- A. A teacher's personal experience growing up may make him or her more vulnerable to over-identifying or over-empathizing with a student.
- B. A teacher may also be facing issues in his or her current situation that will increase his or her vulnerability to an inappropriate connection with a student.
- C. Some teachers may be vulnerable to manipulation by a student.
- D. Other teachers are vulnerable to infatuation or love-sickness with students.

V. Student Risk Factors

- A. A student's desire, consciously or unconsciously, to replicate traumatic experiences.

- B. A student's need to feel secure.
- C. The potential for a student to misconstrue interest as affection.
- D. The potential for putting a teacher on a pedestal due to family dynamics or systems issues.

VI. Prevention and Resiliency

- A. Teachers need to take steps to understand vulnerabilities and the potential for students to exploit them.
- B. Teachers need to exercise self-care to help cope with a stressful (but hopefully rewarding) profession.
- C. Teachers need to have the confidence to listen to their intuition (i.e., embrace the gift of fear).
- D. Teachers need to work on these issues as an educational community, and within the context of the broader general community.
- E. Teachers need to pay attention to the issue of life balance.

VII. Conclusion

- A. Everyone, including teachers and students, learn about themselves through relationships.
- B. The teaching profession has unique opportunities to make a difference in the life of a student.
- C. A teacher's vulnerabilities may intersect with pathology or needs of others and result in harm to a student or to the teacher (or both).
- D. Each member of the educational community has an obligation to pay attention to relationships, to be aware of potential problems, to work as a community, and to recognize in themselves and others when too much is simply too much. Doing so will help provide safety for all.
- E. Ethics and policies can and should be utilized as tools to mark the limits of what teachers are allowed to do as a member of an educational commu



NASDTEC ACADEMY

PREVENTION AND CORRECTION

Things to Know About NASDTEC

Founded in 1928

Represents professional standards boards/commissions and state departments of education in all 50 states, U.S. Territories, 2 Canadian Provinces, DODEA

Associate membership available to school districts, teacher preparation programs, education agencies/organizations

Exercise leadership in matters related to the preparation and certification of ethical and effective professional school personnel

www.nasdtec.net is the NASDTEC Online Community website

Things to Know About this Course...

Commissioned by the NASDTEC Executive Committee at the request of members

Reviewed by the NASDTEC Professional Education Committee

Developed by national subject matter experts

Aligns with the Model Code of Ethics for Educators (MCEE)

Risk Management Intervention & Documentation

For those that have crossed boundaries, committed ethical and other violations

Or their if their actions have created suspicion

The courses recognize the challenges in education

There is also a recognition of the investment of educators in their profession



Addressing Foreseeability

Past behavior is the best predictor of future behavior

Evident in the legal issue of foreseeability

The basis of damages if misconduct is not addressed and continues

The goal is also to foster greater public safety and confidence

A good intervention places the responsibility back in the hands of the educator

This impacts the apportionment of responsibility to agencies and schools

An agreed-upon set of courses helps to set standard of practice



Collaboration facilitated through NASDTEC

Courses are specifically designed to address regulatory and school liability needs

Earlier intervention may save careers and reduce damages

These courses are vetted through a formal review process

These courses are multidisciplinary in design

- Ethics Realignment
- Relationships
- Cybertraps (Risks in the opportunities created through technology)

A corrective and prevention intervention by:

Regulatory Boards, Unions, Districts, Schools and Colleges



Changes facilitated by the courses

Changes in accountability

Decreased adversarial stances

Clearly defined issues make it easier to address violations

Promulgates an understanding of boundaries and reasonable behavior

Builds on a teacher's strengths

Assists educators in recognizing vulnerabilities



Samples Continued: Cybertraps Example from Outline

- A. Overview of Impact of Technology on Teaching
 - i. A leveling effect between children and adults
 - ii. Teachers often rely on students for tech help, but are also at risk of cyberattacks by students.
 - iii. Digital technology makes it far too easy for teachers to communicate directly with students without supervision or mediation by other adults.

Samples from Outlines: Ethics Corrections Learning Objectives

Participants will gain a working knowledge of, and know the difference between, dispositions, conduct, and statutes.

- Participants will gain a working knowledge of, and know the difference between, employment, licensure, and criminal sanctions.
- Participants will gain a working knowledge of, and be able to implement, an ethical framework of decision-making.
- Participants will be able to identify systemic contributors that contribute to an ethical decision- making slippery slope.
- Participants will be able to identify reasons why educators become vulnerable to ethical violations and statutory violations.
- Participants will be able to identify and use tools for navigating through the competing tensions inherent in the teaching profession.
- Participants will be able to reflect on their own ethical teaching practice.

From my Section On the Instructional Alliance

Prevention and Resiliency

- A. Recognizing your vulnerabilities (some of the children will)
- B. Self-care for a stressful and rewarding profession
- C. Listening to your intuition (the gift of fear)
- D. Working at this as a community
- E. Life balance

EXECUTIVE SUMMARY**Issue:** Update on AELAS Development and Implementation Action/Discussion Item Information Item**Background and Discussion**

ADE has entered its sixth year of development of the Arizona Education Learning and Accountability System (AELAS). The Department continues to contract with WestEd/CELT for quarterly, independent, third-party monitoring. WestEd/CELT recently completed their site visit from July 2017, conducting project reviews and attending several meetings vital to AELAS implementation. A full report from the WestEd/CELT visit detailing their observations and quarterly findings was provided to the Executive Director via email. The team will conduct its first quarterly review for FY18 the first week of September 2017.

During its final review for Fiscal Year 2017, the WestEd/CELT team monitored progress on the Department's efforts in the following areas (as approved by the State Board and the Joint Legislative Review Committee):

- Ongoing AELAS support and operations
- Statewide Student Information System Implementation
- AzEDS development
- Limited School Finance refactoring discovery and design work for APOR, CHAR and Budget payment processes

The team provided commendation for the successful end-of-year AzEDS roll over. The switch between years was completed quickly and without incident, a significant accomplishment for its first year. ADE was also commended for its efforts to remain in line with the Ed-Fi data standards and API. While onsite at ADE this visit the WestEd/CELT team observed a daily standup team meeting, a practice used by many of the IT teams, that ensures good team communications, proper progress toward team objectives/deliverables and productivity (team and individual). The monitors noted that this is a good practice for ensuring that resources are being effectively used.

The review team provided recommendations with respect to sustainability funding and once again included an appendix with potential stable revenue sources to consider. There were also recommendations on how best to approach the APOR/CHAR requirements work in FY2108. They noted that timing is critical to ensure the development team is ready when funding becomes available for the coding work needed to replace these outdated systems.

Contact Information:

Lisa Blyler, Deputy Associate Superintendent
(Satish Pattisapu, CIO/Associate Superintendent)

A Quarterly Performance Review of the Arizona Education Learning and Accountability System: AELAS

Submitted to the Arizona Department of Education
by WestEd and CELT

Date: July 2017



Contents

Introduction	3
Findings.....	3
Recommendations	6
Commendations.....	8
Appendix A: Ensuring AELAS Sustainability Funding.....	11
Appendix B: Help Desk Aggregate Scorecard.....	12

INTRODUCTION

This report documents a quarterly performance review of the Arizona Education Learning and Accountability System (AELAS) by an independent evaluator as required by *Arizona Revised Statutes* (A.R.S.) 15-249 that was conducted July 12-13, 2017. WestEd, the prime contractor, and the Center for Educational Leadership and Technology (CELТ), the subcontractor, were hired by the Arizona Department of Education (ADE) to serve as that independent evaluator. This quarterly monitoring report is a follow-up to the initial performance review conducted in 2013, with a report submitted on September 9, 2013. This report follows and builds on all previous quarterly monitoring reports, updating commendations and recommendations.

This report, as did the prior report, will focus on the fiscal instability of the funding sources for the completion and ongoing support of the key components of AELAS, including the replacement of the old SAIS. Concern for AELAS funding and ongoing support has been a finding by the WestEd/CELТ reports since the first report in 2013. There are other current risks to AELAS that this report will discuss, but these are relatively minor in comparison to the risks created by the fiscal instability concern.

FINDINGS

The main findings from this monitoring visit include:

1. **New CIO** – In May 2017 ADE transitioned to a new CIO, Satish Pattisapu. The former CIO, Mark Masterson, has emeritus status until Aug 1, 2017. The IT department will undergo minor organizational adjustments, but nothing substantial. The new CIO intends to maintain the momentum and vision for AELAS as did his predecessor. There appears to be no negative impact on staffing. In fact, some former staff members are returning to ADE in the wake of the transition.
2. **Fiscal Year 2018 Sustainability Funding:** The FY2018 budget request was \$10.1 million for the support, maintenance, and ongoing operation of AELAS and \$7.5 million for further development. The budget that was approved, with the request for an ITAC review document and a presentation of overall AELAS program status was \$7.3 million, broken down as follows:
 - \$5.3 million for maintenance for:
 - AzEDS Support
 - User bugs and ticket analysis and fixes to resolution
 - 2 API releases and enhancements to rules, portal, reports, tools, etc
 - AZDash
 - ADEConnect
 - Data migration and State/Federal reporting
 - Design support for applications migrating to ODS
 - Analysis support for Program area reporting to Feds
 - \$1.5 million for AzEDS/ODS/OEMS new development which includes four main deliverables for FY 2018 in AzEDS
 - Single-source Agency data, and decommission legacy apps via Operational Data Store

- LEA vendor Calendars submissions via the AzEDS API
- ESSA requirement for Financial Transparency data collection
 - New LEA Finance/Teacher API
 - Requirements, design and prototype only
- Self-servicing LEA user interface and Agency approval workflow for Organizational Entity Management System (OEMS)
- \$0.5 million APOR/CHAR Requirements:
 - Develop high-level requirements for new payment system
 - Includes breaking down the existing APOR and CHAR (20+ processes and steps for monthly payment alone)
 - Annual payment separate process
 - Create statute-based modeling for proposed replacement
 - Automate existing manual processes
 - Decouple APOR/CHAR from legacy Enterprise

This budget amount is still in non-recurring funds. While this is much more workable for AELAS than the initial proposed budget of zero dollars, the long-term concern expressed in the April 2017 reports still exists. The concern for sustained funding for the build out and maintenance funding for AELAS has been well documented in almost all preceding reports and continues to be a serious threat to the future of the system. AELAS appears to be falling into the same pattern as its predecessor, SAIS. This pattern is:

- i. The SAIS system was developed and became operational;
- ii. As the system moved from development to operation, funding was reduced to include only maintenance;
- iii. As budget deliberations each year became difficult, IT dollars were seen as more politically “safe” to reduce;
- iv. SAIS funding was reduced over time such that the system was kept as-is, rather than continuously upgraded and enhanced to keep it current and reliable;
- v. SAIS eventually fell far behind current systems designs and capabilities and became more and more difficult (and costly) to support;
- vi. Support costs began to rise, but there was no increased funding to meet the support demands;
- vii. Support demands went unmet, customer satisfaction suffered, system performance and reliability trended downward and data errors and reporting errors became issues and risks; and
- viii. Eventually, frustration and risk associated with SAIS became such a known state-wide issue that political support was mustered to correct the problem.

3. **APOR/CHAR:** The ADE received the WestEd¹ report on the APOR/CHAR legislative requirements review on June 1, 2017. This work was well received by School Finance. A

¹ Note that this report was conducted by a separate program within WestEd, and not by the monitoring staff to ensure complete autonomy and objectivity to the review of the fiscal policies.

revision to the report to incorporate feedback is due the first week in September 2017. Currently it is unknown whether this rules review will affect the funding that schools receive. The review did find some legislation that has not been used for many years that might be obsolete. More work remains to be done to take these legislative requirements and document business rules accurately. The plan is to get a full set of business rules by end of this fiscal year. There is a need to engage school business leaders as stakeholders as well as other key stakeholders (i.e., JLBC). Coding doesn't begin until funding is received in FY 19.

4. **SIS Opt-in:** The legislative stipulation that prohibits ADE from using funds to actively market the SIS Opt-in option has contributed to the lack of new districts coming onboard with this strategy. This, together with the low margins for small districts creates a funding imbalance such that the program is nearing the point where it is no longer self-sustaining. But finances have leveled off such that ADE may be able to sustain the program for a longer period of time. This is a different situation than during the April 2017 visit. The ADE IT team agrees with the recommendations from the April report, but the needs of the districts should be considered before making a decision to discontinue the program. The SIS Opt-in is a good program, especially for smaller districts, and one that other states have successfully applied. The ADE IT team needs a decision and a clear path forward for this program.
5. **Data Governance:** As of the April 2017 report, ADE was placing a renewed emphasis on data governance after a period of inactivity in this area. Data stewards had not met for about a year, and were not actively collaborating to solve data issues, develop and populate a data dictionary, and consolidate data collection/reporting.

The new Data Governance support person left shortly after the April 2017 visit. The new CIO (Satish) anticipates helping to name the new data governance person. It is important that new staff become informed about the past history and the needed infrastructure to effectively deal with data privacy and data governance.

Data privacy has become an increasingly important area for the department to safeguard, and data governance provides the structure for this by getting data stewards actively involved in assigning access rights to data. Past reports have highlighted the need for ADE to focus efforts in this area. Additionally, the Data Governance Commission is a legislated entity with responsibility to approve how ADE uses funds and what data they collect. This commission has not met under the current administration because they are short a quorum from unappointed positions. The department has a draft data governance policy, but it has not been fully vetted and adopted.

6. **Legacy Applications:** Converting the legacy applications from SAIS is an important remaining step for the AELAS project. This conversion is to occur in two phases – first to point the legacy applications to data marts created from the ODS instead of SAIS enterprise and then to look at collapsing and combining these applications. The work to create the data marts is underway. The overall intent is to create as few data marts as practical and maintain read-only access by the legacy apps. The ADE IT team is working on a generic data mart now to point the remaining apps to a standard data mart for the data they need. They have most of the domains that are needed for this data mart already designed. The team's goal is to enable all apps to point to data marts off of the ODS instead of enterprise by the end of this fiscal year.

7. **ESSA Financial Requirements:** ESSA financials to track per-pupil spending at the school level is a project that is on the roadmap but the specifications/requirements have not been worked out. This is an excellent project that can be done with/through the Ed-Fi APIs. This is also a project that can be developed jointly with other Ed-Fi states and possibly as part of a grant effort.

RECOMMENDATIONS

The WestEd/CELT team recommends the following:

1. New CIO recommendations include:

- The new CIO is committed to the previous vision for AELAS. However, the implementation of the foundational components of this vision is nearing completion. An updated vision for the new CIO that leverages the capabilities of real-time data transfers and accurate data should be developed to get the next level of return on investment from this ground-breaking work.
- The CIO has begun to engage program leadership. Having their support for and recognition of the importance AELAS can play is importance to the effective functioning of the system within the department. The CIO should continue to nurture and sustain these important relationships.

2. Fiscal Year 2018 Sustainability Funding recommendations include:

- From the April 2017 Report: Consider options that ensure AELAS does not follow the same historical track as SAIS. These include:
 - i. Charge districts a per student fee for AELAS;
 - ii. Vigorously pursue the sale of AELAS components and maintenance services to other education agencies;
 - iii. Vigorously pursue the sale of AELAS components to a software/services company; and
 - iv. Put out an RFP for the ongoing support and development of AELAS. As part of the RFP, offer co-ownership of the AELAS software, such that the winning firm can develop, market and generate revenue from the AELAS software.

These options are further explored in the Appendix.

- The Portfolio Manager for ADE IT has a very sophisticated set of planning spreadsheets that capture project assignments, project costs by deliverable and projections for future project costs. This spreadsheet is a good way to be more transparent and demonstrate to a detailed level where past, present and future expenditures are occurring. This is a good resource for answering legislative, JLBC and ITAC questions about where the money goes. The need for such reporting was noted in the initial report from 2013:

“The AELAS, SAIS, and SLDS project costs, actual spend to date, funding sources and future costs are not well understood by the key stakeholders, governing bodies and legislature. This is a complex project, and the costs and funding structures are difficult to convey and to comprehend. This lack of understanding will make it more challenging over time to advocate for continuing expenditures.”

WestEd/CELT recommends that the tool be aligned with budget reports and demonstrated to key stakeholders and made available to the offices of key stakeholders for their staff's review.

- This AELAS budget amount for 2018 is all still in non-recurring funds. The ongoing maintenance and operation portion of the budget for AELAS should be placed in recurring funding accounts. This is essential to the future stability and functioning of the system.

3. APOR/CHAR recommendations include:

- The APOR/CHAR project is in the requirements/design phase for FY 2018. The coding phase is currently estimated to cost \$5.0 million for FY 19 and \$3.75 million for FY 20. This funding needs to be included in the requisite budget year, otherwise requirements and modeling work which will take until end of FY 18 will not be used and a path forward for getting off of the obsolete servers/infrastructure will not be in place.
- With the thorough legislative review documentation and the work on the business rules, there is an opportunity to engage school business leaders, key legislators, committees (TTAC, JLBC) and business leaders as stakeholders in this process to shape a future vision of funding for Arizona education. Such a vision could take advantage of the timely and accurate data that passes into AzEDS to promote and perhaps reward specific programs or progress (i.e. graduation rate, attendance). This is a way to build support for long-term AELAS support and help ensure funding for APOR/CHAR.

4. SIS Opt-in recommendations include:

- The WestEd/CELT team feels that this type of program is beneficial to smaller districts and a valid service that other states have successfully offered. The ADE IT team needs a decision and a clear path forward for this program. WestEd/CELT recommends that during the next site visit, we conduct a focus group discussion with key stakeholders from the district to discuss the pros and cons of the SIS opt-in approach and discern their preferred approach for the long term for this program.

5. Data Governance recommendations include:

- The new CIO should help to select and mentor the new data governance person. Such a person needs to have both policy and data experience and credibility, and be able to lead/influence the work of others (i.e. data owners and stewards) that are not in their direct line of supervision. It is important that the recommendations from the April 2017 report be pursued by the new data governance person. These included:
 - a. Re-engage the data stewards to continue work to solve known data issues, develop and populate a data dictionary, and consolidate data collection/reporting;
 - b. Most importantly, use the data stewards to review and authorize data access to strengthen the data privacy practices of the department;

- c. Work with the Governor's office to get the Data Governance Commission appointments made and the group to begin meeting again in support of ADE data initiatives; and
- d. Finalize and publish the data governance policy.

6. Legacy Applications recommendation include:

- This report has no specific recommendations in this area, except to encourage the continuance of this work.

7. ESSA Financial Requirements recommendation include:

- Look for an opportunity to jointly pursue with other states/organizations an effort to secure grant dollars to leverage Ed-Fi as a central component to meet the financial data gathering requirements of ESSA reporting. WestEd/CELT may be a resource for facilitating such discussions with other states and organizations.

COMMENDATIONS

Commendations pertain to activities that ADE is doing especially well and are highlighted as examples of superlative performance. The WestEd/CELT team has noted the following commendations from observations during the April 2017 site visit:

1. **End-of-Year Rollover for AzEDS:** The April 2017 report expressed concern for the end of year rollover for AzEDS for 2017 since this was the first year that AzEDS has been fully operational and the process for rollover had not at that time been fully documented and tested. The rollover went well with no major issues or problems. The process has been documented for next year. The system is accepting 2018 data now, however as of the July 12-13 visit no district had sent any data. Last year some districts started sending data on July 1.
2. **End of Year Closeout:** Closing out FY 2017 occurred on July 14, 2017. AzEDS FY17 year-end process was completed successfully around midnight. Every job that runs post year-end closeout was also completed successfully. This is the first time that ADE has closed a year overnight. This process used to take several weeks during which the system would be unavailable for data receipts or any other processes.
3. **AzEDS Award:** AzEDS won *Network Product Guide's* Gold Award Winner in the 12th Annual 2017 IT World Awards® in the category of Best IT Products and Services for Education. (See <http://www.azed.gov/communications/2017/06/23/ade-it-wins-gold-at-2017-it-world-awards/>).
4. **Use of Standard Data Model and APIs:** The ADE has taken steps to remain in line with the Ed-Fi data standards and API. The API for Ed-Fi version 2.1 has been deployed in production.

This promotes adoption of these standards by other agencies and vendors and lowers the costs in the long run for maintaining the APIs. It also helps with vendor certification/compliance and sharing of Ed-Fi based code across states.

5. **Old SAIS Server Security:** IT Production Services continues to work with ADOA to implement better security controls. Of the 16 security controls provided by ADOA, ADE has adopted 12. The 4 yet to implement include controls such as:
 1. Active directory tool to back it up and do restore points – not implemented by ADOA yet;
 2. File integrity monitor – ADOA still deciding on tool – ADE currently has such a tool that was developed in-house;
 3. Multifactor authentication (based on smartphone or key fob); and
 4. Server hardening – not ready by ADOA.

IT Production Services is moving the older SAIS servers to Azure to ensure better operational support. This has gone well; the servers were more compatible than expected. Some were able to be virtualized; some were moved to a newer SharePoint. But most are not able to change operating systems. ADE will not move the older SQL 2000 boxes to Azure but ultimately will move them to the IO data center with ADOA (August of 2018) because of costs and the option for more nuanced support. They are also planning an IP VLAN installation to better control the server access.

6. **Tools for Schools and School Districts:** ADE IT is putting in place tools to make processing of the AzEDS data easier for schools and districts. These include:
 - a. Work-flow tool for a better 915 process. The tool provides district control to the student level that was not in place before. This is 30 to 40% complete. Requirements gathering revealed a new piece of scope – changing the data push from ACE into SFS (school finance system). Can select what schools are pushed. Looking at an early October completion date.
 - b. Student analysis tool – deployed – allows district to see all student information in one view – draws from AzEDS, not ODS.
 - c. Split tool – deployed and in use (with some bugs being corrected) – complex tool – where two students have same number and have to split records.
 - d. Merge tool (duplicate records) in production.

These tools are appreciated by districts. Fixes the data in AzEDS – but district still has to correct data in SIS.

7. **Help Desk:** A finding in a previous report (October 2016) was that the ADE help desk services did not reflect the commonly accepted best practices and use of metrics as recommended by such frameworks as ITIL or COBIT. This had resulted in a backlog of tickets and long average resolution times. The ADE has focused on this issue. This has resulted in an improved help desk service and a better focus on KPIs for help desk operations (see Appendix). As of July 1, all of IT was reported to be using a common help desk tracking tool (Service Manager). Also, the help desk team is now on the front line for UAT and has approval on the change management board, a best practice for call centers/help desks.

There are additional metrics that ADE IT can develop for use in driving continuous process improvement for all IT areas (not just the help desk) through this type of data. This includes:

- a. Capturing and analyzing calls by application and operations area. This can be trended over time with the goal of reducing the calls by area. Spikes in call volume for an area can be analyzed to determine root cause (i.e. new release rollout, time-of-year related process such as report cards or scheduling of students, etc.). Teams can use this information to improve the processes for the future to minimize impact on customers.

- b. Capturing and analyzing customer satisfaction and time to resolve for tier 2 and 3 tickets by application or operations area. This feedback can also be used to create constructive tension for process improvement at the tier 2 and 3 level.

There is still some remaining work to be done to establish the help desk best practices across the whole IT department, but significant progress has been made to reduce average ticket backlog and resolution time. Appendix B shows evidence of the performance of help desk services.

- 8. **Team Productivity/Communication:** While onsite at ADE this visit the WestEd/CELT team observed (uninvited and unobtrusively) a standup team meeting to review progress on their project. This is a practice used by many of the ADE IT teams on a daily basis to ensure good team communications, proper progress toward team objectives/deliverables and productivity (team and individual). This is a good practice for ensuring that resources are being effectively used.
- 9. **Programmatic Relationships:** The new CIO is nurturing essential relationships with program staff throughout ADE, creating knowledge of AELAS and providing an important foundation for the continued important of having the data available the data available from the system.

APPENDIX A: ENSURING AELAS SUSTAINABILITY FUNDING

In addition to moving AELAS funding into the recurring fund category, which still is at risk of future budget cuts, this report recommends further effort be expended to ensure the long-term sustainability of AELAS. This is important in order to prevent the AELAS system from going down the same funding strangulation path as SAIS before it.

Four potential options are suggested in the body of this report:

1. Charge districts a per student fee for AELAS.
2. Vigorously pursue the sale of AELAS components and maintenance services to other education agencies. This option will fall under the SB 1438 (Chapter 317: software; computer system; sale; lease) and as such, 60% of the realized revenue will go into the general fund and 40 percent into the AELAS support fund.
3. Vigorously pursue the sale and co-ownership of AELAS components to a software/services company (public/private venture). The company can in turn market AELAS components to other education agencies. Such an option might include terms that either generate revenue immediately from the sale or over time in the form of profit sharing, or both. This option also falls under SB 1438.
4. Release an RFP for the ongoing support and development of AELAS (privatize AELAS support). As part of the RFP, offer co-ownership of the AELAS software, such that the winning firm can develop, market and generate revenue from the AELAS software. This revenue would either be shared directly with ADE (and also come under the SB 1438) or used indirectly to reduce the ongoing support and development costs for ADE.

Each option is intended to leverage the \$38 million invested to date in AELAS development in order to help cover future AELAS support and maintenance costs.

The pros and cons of each are outlined in the table below:

Pros	Cons
Charge districts a per student fee for AELAS	
Requires no major expenditures to enact this approach.	This is a politically sensitive arrangement and will be unpopular with the districts.
Does not require ADE to market the AELAS product.	Districts will likely seek ways to get out of the arrangement over time, jeopardizing AELAS sustainability funding.
Sell AELAS to other education agencies	
Generates revenues that come to Arizona directly and are not shared with other (private) entities.	ADE is not allowed to use funds to market IT products per SB 1438
	ADE is not positioned or funded to create a version of AELAS that is usable by other education entities.
	ADE does not have the staff and processes necessary to go into the product and services business.

Pros	Cons
	Developing and supporting software for use by external entities is a risk to ADE – money will need to be spent to position ADE for this type of business and there is no guarantee that any sales will occur.
Sell AELAS to a software/services company (public/private venture)	
Does not require extensive marketing, which is not allowed under SB 1483.	Revenues that are generated must be shared with other (private) entities.
May generate revenue for the state from the \$38 million investment to develop AELAS.	ADE IT must still maintain staff and expertise to support AELAS for Arizona.
ADE does not need to create a version of AELAS that is usable by other education entities.	
ADE does not have to develop the staff and processes necessary to go into the product and services business.	
Presents a low risk option for generation of revenues that can be applied to the support of AELAS.	
Retains co-ownership of AELAS components, which reduces future risks associated with vendor performance.	
Can be pursued in the near term.	
Privatize the AELAS software support and maintenance	
May generate revenue (or reduced support costs) from the \$38 million investment to develop AELAS.	Revenues that are generated must be shared with other (private) entities.
Requires no further investment in AELAS to pursue this approach.	Creates future risks associated with vendor performance and dependence.
Does not require ADE to market the AELAS product.	Will be difficult to bring the support back in house in the event that the vendor underperforms.
The vendor selected to support AELAS carries the risks associated with sales and support to other education agencies.	Loss of control over a critical state process (school financing).
Can be pursued in the near term.	
ADE IT does not have to maintain staff and expertise to support AELAS for Arizona. These staff can be moved to the vendor.	
Helps to prevent (by contract) legislated cuts in AELAS future support.	

This report recommends a more in-depth review of the benefits and risks associated with Option 3 (sale to private software company) and Option 4 (privatization) for sustaining the ongoing support and maintenance of the AELAS system. This review might include a request for information (RFI) to determine interest in such public private ventures.

Outsourcing and Privatization Risks

Privatization in the context of government operations refers to strategies that governments employ to take advantage of services and capabilities available from the private sector in order to provide better value (e.g., lower costs, better service, etc.) for taxpayers. Many states have studied privatization, and information on their findings is readily available (e.g., New Jersey, Illinois, Texas, Florida, to name a few).

In 2010, Governor Christie created the New Jersey Privatization Task Force. This Task Force concluded that, “through sensible planning and implementation, privatization offers a variety of benefits to governments and taxpayers, including lower costs, improvements in the quality of public services and access to private sector capital and professional expertise”. An example offered by the study included a Florida effort begun in 2002 which was a \$350 million privatization contract to “consolidate and automate human resource, payroll administration, staffing and benefits functions”. This effort was reported to save the state “\$12 million from staff reductions and \$80 million by avoiding the cost of rebuilding its own system, in addition to other efficiencies gained through the elimination of duplicative services”.

IT privatization (or outsourcing) by state governments is known to have risks and less than stellar performance¹. A study performed in 2010² on the Florida HR outsourcing contract mentioned above outlined the aspects of this effort that created less-than perfect results. Texas cut short its seven-year contract with IBM to provide data center and disaster recovery services for 27 state agencies. Virginia’s contract with Northrop Grumman to run the state’s computers, e-mail systems and help desk has been an example of cost overruns and poor performance.

Such risks can be mitigated by thorough understanding of the costs and benefits, careful planning, proper service level agreements, strong oversight and well-designed contract terms. It is the recommendation of this report that this diligence be applied to any effort to privatize AELAS.

Note 1: Management and Labor - The Pros and Cons of Privatizing Government Functions, by Russell Nichols, December 2010

Note 2: Florida's HR Reforms: Service First, Service Worst, or Something in Between? Elsie B Crowell; Mary E Guy; Public Personnel Management; Spring 2010; 39, 1; ABI/INFORM Global pg. 15

APPENDIX B: HELP DESK AGGREGATE SCORECARD

The following data provided by ADE attests to the performance of the Help Desk Services.

June 2017 - TEAM
Support

Performance Metric	Metric Weighting	Performance Range		Actual Performance	Metric Score	Balance Score
		Worst Case	Best Case			
Cost per contact	15%	\$9.22	\$6.29	\$7.96	43%	6.5%
Customer Satisfaction	25%	72%	95%	89%	74%	18.5%
Agent Utilization	15%	3%	65%	31%	45%	6.8%
FCR	20%	18%	20%	19%	50%	10.0%
Contact Quality	10%	27%	80%	57%	56.2%	5.6%
SLA	10%	58%	72%	80%	157%	15.7%
Schedule Adherence	5%	22%	61%	30%	21%	1%
Total	100%	NA	NA	NA	NA	64.1%

EXECUTIVE SUMMARY

Issue:	Consideration to Approve Additional FFY 2017 Child and Adult Care Food Program Audit Funds
---------------	--

Action/Discussion Item

Background and Discussion

The U.S. Department of Agriculture (USDA), Food and Nutrition Service (FNS) allows State agencies to request an additional .5 percent Child and Adult Care Program (CACFP) audit funds as dictated by 7 CFR 235.5(b) for Federal Fiscal Year (FFY) 2017. The additional funds are a result of Section 335 Healthy Hunger-Free Kids Act amending section 17(i) of the Richard B. Russell National School Lunch Act. Arizona's allocation is \$246,929. Allowable audit fund activities include funding the CACFP portion of organization-wide audits and the resulting CACFP audit resolution activities, conducting, handling and processing CACFP-related audits and performing the resulting audit resolution activities, and conducting administrative reviews of the CACFP. In addition, allowable costs include but are not limited to: salaries, the purchase of equipment, information technology and systems projects, technical assistance to CACFP organizations and State agency staff and travel expenses.

Recommendation to the Board

That pursuant to ARS 15-1152 and 1153, the State Board authorize the USDA increase in CACFP audit funding from 1.5 percent to 2 percent of the State Administrative Expenditure funds used by Arizona Department of Education, Health and Nutrition Services Division (HNS). Additionally, authorize the Department of Education, (HNS) to utilize these funds on the required CACFP audit functions in accordance with USDA Federal regulations.

Contact Information:

(Melissa Conner, Associate Superintendent)



Food and
Nutrition
Service

Park Office
Center

3101 Park
Center Drive
Alexandria
VA 22302

DATE: April 12, 2017

MEMO CODE: CACFP 11-2017

SUBJECT: Request for Additional FY 2017 CACFP Audit Funds

TO: Regional Directors
Special Nutrition Programs
All Regions

State Directors
Child Nutrition Programs
All States

This memorandum provides further clarification of the procedures for State agencies requesting additional fiscal year (FY) 2017 Child and Adult Care Food Program (CACFP) Audit funding. As discussed in memorandum CACFP 10-2016 issued on May 9, 2016, Section 335 of the Healthy, Hunger-Free Kids Act of 2010 amended Section 17(i) of the National School Lunch Act to allow USDA to increase funding from 1.5 percent to a total of up to 2 percent of the funds used by each State agency in the Program. The request for additional funds replaces the previous CACFP Audit funding reallocation procedure.

As a reminder, allowable uses of CACFP audit funds include: funding the CACFP portion of organization-wide audits and the resulting CACFP audit resolution activities, conducting, handling and processing CACFP-related audits and performing the resulting audit resolution activities, and conducting administrative reviews of CACFP. In addition, allowable costs include, but are not limited to: salaries, the purchase of equipment, information technology and systems projects (please see Attachment A, *Guidance for ITS Procurements*), technical assistance to CACFP organizations and State agency staff and travel expenses. However, to be funded, such costs must be incurred strictly to meet the audit requirements of §226.8 and, subsequent to the completion of the administrative review requirements of §226.6.

On September 21, 2016, the Food and Nutrition Service (FNS) Regional offices were provided with State agency funding levels at the established 1.5 percent and the maximum of 2 percent for each eligible State agency in their respective Region.

Further, notice was provided at that time that State agencies had the opportunity to request up to the maximum of 2 percent at the beginning of FY 2017 and again at the end of the 2nd quarter of FY 2017. This memo serves as the second opportunity for State agencies to request additional CACFP audit funding. State agencies may not

exceed a *cumulative* amount of 2 percent of the funds available for their use in any fiscal year.

Regional and State Directors

Page 2

Request Procedures:

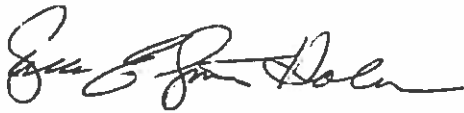
- **By Friday, May 5, 2017** State agencies that recognize an existing need for additional funds to meet the Program requirements under 7 CFR 226.8 and 7 CFR 226.6 should send their funding level request to their respective FNS Regional offices.
- **No additional information is needed** from the State agency requesting additional funds. This was changed from the procedures outlined in memo CACFP 10-2016 to alleviate unnecessary burden.
- **By Friday, May 12, 2017** FNS Regional offices should send all State agency funding requests to the FNS National Office at cnstatesystems@fns.usda.gov. Please be sure the subject line contains “FY 2017 CACFP Audit Funds Request – [add Region and State(s) name].”
- **Reporting requirements have not changed.** State agencies must continue to report on the use of the CACFP Audit Funds on a quarterly basis on the FNS-777 *Financial Status Report* in the Food Program Reporting System (FPRS).
- **State agencies that have made previous requests** for additional CACFP Audit funds, may request additional funds as long as the total requested does not exceed 0.5 percent.
- **State agencies will not receive more than 0.5 percent** additional CACFP Audit funds regardless of previously submitted requests.
- **Additional funding will be added** to the FY 2017 CACFP Audit fund allocation for the State agencies requesting these funds as soon as all requests are processed.

FNS Regional offices will be notified of the additional funds allocated to State agencies by the FNS National office and State agencies will receive notice of their funding increases by their respective Regional offices.

Regional and State Directors

Page 3

This is the final opportunity for State agencies to submit a request for additional FY 2017 funding. State agencies with questions should contact their respective FNS Regional office. Regional office questions should be sent to Jessica Saracino at jessica.saracino@fns.usda.gov.

A handwritten signature in black ink, appearing to read "Sarah E. Smith-Holmes". The signature is fluid and cursive, with the first name "Sarah" being the most prominent.

Sarah E. Smith-Holmes
Director
Program Monitoring and Operational Support Division
Child Nutrition Programs



**United States
Department of
Agriculture**

June 13, 2017

Food and
Nutrition
Service

Western Region

90 Seventh St.
Suite 10-100
San Francisco, CA
94103

Ms. Melissa Conner
Associate Superintendent
Health & Nutrition Services
Arizona Department of Education
1535 West Jefferson Street, Bin #7
Phoenix, AZ 85007

Re: 2017 Additional Child and Adult Care Food Program Audit Funds

Dear Ms. Conner:

Food and Nutrition Service (FNS) is pleased to announce the results of the review of Federal Fiscal Year (FFY) 2017 requests for additional Child and Adult Care Food Program (CACFP) audit funds. Arizona Department of Education will receive additional audit funds in the amount of \$246,929.

CACFP Memorandum 10-2016, issued May 9, 2016, advised State agencies that Section 335 Healthy Hunger-Free Kids Act of 2010 amended section 17(i) of the Richard B. Russell National School Lunch Act to place a new maximum amount of CACFP Audit funds made available to State agencies administering the Program.

Effective with FFY 2016, in addition to the 1.5 percent of funds annually allocated under 7 CFR 226.4 (j), State agencies may request up to 0.5 percent in additional funding to meet the requirements under 7 CFR 226.8. The cumulative amount of CACFP Audit funds received by a State agency may not exceed a maximum of 2 percent annually.

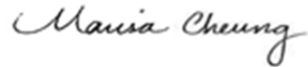
These additional funds are available for use only in the fiscal year that they are provided. **All FFY 2017 CACFP Audit funds must be obligated by September 30, 2017.**

Please note that any funds received are contingent on the State agencies performing the activities for which the funds are approved. **Any funds that are not spent at the end of the grant period must be returned to the FNS.**

Ms. Melissa Conner
Page 2

If you have any questions, please feel free to contact your State Point of Contact, Kathryn Lee, at (415) 645-1918 or via email at kathryn.lee@fns.usda.gov.

Sincerely,

A handwritten signature in cursive script that reads "Marisa Cheung".

Marisa Cheung, MPH, RD
Director
Special Nutrition Programs
Western Region

Electronic cc: FNS WRO FM

SNP File Code: CACFP 226/Additional Audit Funds

EXECUTIVE SUMMARY

Issue: Consideration to approve the Federal Grant Funding from the US Department of Education for operation of the Arizona Migrant Education Program (Migrant Basic Grant). Pursuant to Arizona Revised Statutes (A.R.S.) §15-207

Action/Discussion Item

CONTRACT ABSTRACT

Background and Brief Explanation of Contract

Background: The Migrant Education Program (MEP) is a federally funded, state-operated program under Title I, Part C of the Elementary and Secondary Education Act (ESEA) of 1965, that provides supplemental program services to the children, ages 3 through 21, of seasonal or temporary agricultural workers. In Arizona, the program delivers services primarily through local educational agencies (LEAS) that design programs to meet the unserved needs of children residing in their area. To facilitate broader services, some provisions are delivered through statewide models which, in particular, are designed to meet the credit accrual and informational needs for students.

Purpose of the Contract: With this Contract Abstract we seek authority to use the funding from this federal grant award to operate the Arizona Department of Education Migrant Education Program, and fund local education agencies (LEAs) throughout the state who meet the qualifications for operating a local Migrant Education Program.

Name of Contracting Party(ies)

Proposed contract between the State Board of Education, acting for and on behalf of the Department of Education, and the following:

Arizona Migrant Education Program

Contract Amount

\$7,260,834.00

Source of Funds

US Department of Education PR / Award Number: S011A170003

Authorizing Legislation/Statute

Title I, Part C of the Elementary and Secondary Education Act (ESEA) of 1965

Contact Information:

Mary Haluska, State Migrant Director
Kate Wright, Deputy Associate Superintendent, OELAS/Migrant

EXECUTIVE SUMMARY

Responsible Unit at the Department of Education

Associate Superintendent:	Carol Lippert
Unit Deputy Associate Superintendent	Kate Wright
State Program Director	Mary Frances Haluska

Dates of Contract

The agreement shall take effect when approved by the Board and shall terminate on September 30, 2018.

Previous Contract History

This is the same revenue source that has always been utilized to fund the Arizona Migrant Education Program.

Number Affected (Students, Teachers, and Public, as appropriate)

All Migrant Education Program (MEP) staff, administration, students, and families in the State of Arizona (roughly 12,000 individuals).

Method of Determining Contract Amount(s)

Amount of award determined annually by US Department of Education based around qualifying student counts in each state as reflected in the Consolidated State Performance Report (CSPR).

Evaluation Plan

Arizona MEP will allocate funds for fiscal year 2018 based around funding formula already approved by the State Board of Education. Compliance, monitoring, and accountability will be enforced per the non-regulatory guidance from the US Department of Education Office of Migrant Education (OME).

Recommendation to the Board

It is recommended that the Board accept the funding from the US Department of Education on behalf of the Arizona Migrant Education Program to operate the state MEP program.

Contact Information:

Mary Haluska, State Migrant Director
Kate Wright, Deputy Associate Superintendent, OELAS/Migrant

Migrant Basic

S011A170003

Mary Haluska

Arizona Department of Education

1535 W. Jefferson Street, Bin 14

Phoenix, AZ 85007

S011A170003

Diane Douglas
Arizona Department of Education
1535 W. Jefferson Street, Bin 2
Phoenix, AZ 85007



**US Department of Education
Washington, D.C. 20202
GRANT AWARD NOTIFICATION**

10 PR/AWARD NUMBER: S011A170003
RECIPIENT NAME: Arizona Department of Education

TERMS AND CONDITIONS

- (1) The Office of Management and Budget requires all Federal agencies to assign a Federal Award Identifying Number (FAIN) to each of their financial assistance awards. The PR/AWARD NUMBER identified in Block 2 is your FAIN.

If subawards are permitted under this grant, and you choose to make subawards, you must document the assigned PR/AWARD NUMBER (FAIN) identified in Block 2 of this Grant Award Notification on each subaward made under this grant. The term subaward means:

- 1. A legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
- 2. The term does not include your procurement of property and services needed to carry out the project or program (The payments received for goods or services provided as a contractor are not Federal awards, see 2 CFR 200.501(f) of the OMB Uniform Guidance: "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards").
- 3. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
- (2) The negotiated indirect cost rate or the indirect cost allocation plan approved for the entity identified in Block 1 of this GAN applies to this grant award.
- (3) This grant award is made subject to the provisions of all applicable acts, regulations, and assurances.

This grant is subject to the provisions of Title I, Part C, and Title VIII, as applicable, of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act, and the General Education Provisions Act (P.L. 103-382). This grant is also subject to the Title I, Part C regulations in 34 CFR Part 200, the General Provisions regulations in 34 CFR Part 299 and the Education Department General Administrative Regulations (EDGAR) in 34 CFR Parts 76 (except for 76.650 - 76.662 (participation of students enrolled in private schools)), 77, 79, 81, 82, 84, 97, 98, and 99, 2 CFR 3485, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Parts 200 and 3474.

- (4) UNDER THE "TYDINGS AMENDMENT," SECTION 421(b) OF THE GENERAL EDUCATION PROVISIONS ACT, 20 U.S.C. 1225(b), ANY FUNDS THAT ARE NOT OBLIGATED AT THE END OF THE FEDERAL FUNDING PERIOD SPECIFIED IN BLOCK 6 SHALL REMAIN AVAILABLE FOR OBLIGATION FOR AN ADDITIONAL PERIOD OF 12 MONTHS.



**US Department of Education
Washington, D.C. 20202
GRANT AWARD NOTIFICATION**

A handwritten signature in cursive script that reads "Jason Botel".

**Jason Botel
Acting Assistant Secretary**

07/01/2017

AUTHORIZING OFFICIAL

DATE

EXPLANATION OF BLOCKS ON THE GRANT AWARD NOTIFICATION

For Discretionary, Formula and Block Grants (See Block 2 of the Notification)

- 1. RECIPIENT NAME** - The legal name of the recipient or name of the primary organizational unit that was identified in the application, state plan or other documents required to be submitted for funding by the grant program.
- 2. AWARD INFORMATION** - Unique items of information that identify this notification.
 - PR/AWARD NUMBER** - A unique, identifying number assigned by the Department to each application. On funded applications, this is commonly known as the "grant number" or "document number." The PR/Award Number is also known as the Federal Award Identifying Number, or FAIN.
 - ACTION NUMBER** - A numeral that represents the cumulative number of steps taken by the Department to date to establish or modify the award through fiscal or administrative means. Action number "01" will always be "NEW AWARD"
 - ACTION TYPE** - The nature of this notification (e.g., NEW AWARD, CONTINUATION, REVISION, ADMINISTRATIVE)
 - AWARD TYPE** - The particular assistance category in which funding for this award is provided, i.e., DISCRETIONARY, FORMULA, or BLOCK. If this award was made under a Research and Development grant program, the terms RESEARCH AND DEVELOPMENT will appear under DISCRETIONARY, FORMULA OR BLOCK.
- 3. PROJECT STAFF** - This block contains the names and telephone numbers of the U.S. Department of Education and recipient staff who are responsible for project direction and oversight.
 - *RECIPIENT PROJECT DIRECTOR** - The recipient staff person responsible for administering the project. This person represents the recipient to the U.S. Department of Education.
 - EDUCATION PROGRAM CONTACT** - The U.S. Department of Education staff person responsible for the programmatic, administrative and business management concerns of the Department.
 - EDUCATION PAYMENT CONTACT** - The U.S. Department of Education staff person responsible for payments or questions concerning electronic drawdown and financial expenditure reporting.
- 4. PROJECT TITLE AND CFDA NUMBER** - Identifies the Catalog of Federal Domestic Assistance (CFDA) subprogram title and the associated subprogram number.
- 5.* KEY PERSONNEL** - Name, title and percentage (%) of effort the key personnel identified devotes to the project.
- 6. AWARD PERIODS** - Project activities and funding are approved with respect to three different time periods, described below:
 - BUDGET PERIOD** - A specific interval of time for which Federal funds are being provided from a particular fiscal year to fund a recipient's approved activities and budget. The start and end dates of the budget period are shown.
 - PERFORMANCE PERIOD** - The complete length of time the recipient is proposed to be funded to complete approved activities. A performance period may contain one or more budget periods.
 - *FUTURE BUDGET PERIODS** - The estimated remaining budget periods for multi-year projects and estimated funds the Department proposes it will award the recipient provided substantial progress is made by the recipient in completing approved activities, the Department determines that continuing the project would be in the best interest of the Government, Congress appropriates sufficient funds under the program, and the recipient has submitted a performance report that provides the most current performance information and the status of budget expenditures.
- 7. AUTHORIZED FUNDING** - The dollar figures in this block refer to the Federal funds provided to a recipient during the award periods.
 - *THIS ACTION** - The amount of funds obligated (added) or de-obligated (subtracted) by this notification.
 - *BUDGET PERIOD** - The total amount of funds available for use by the grantee during the stated budget period to this date.
 - *PERFORMANCE PERIOD** - The amount of funds obligated from the start date of the first budget period to this date.
 - RECIPIENT COST SHARE** - The funds, expressed as a percentage, that the recipient is required to contribute to the project, as defined by the program legislation or regulations and/or terms and conditions of the award.
 - RECIPIENT NON-FEDERAL AMOUNT** - The amount of non-federal funds the recipient must contribute to the project as identified in the recipient's application. When non-federal funds are identified by the recipient where a cost share is not a legislation requirement, the recipient will be required to provide the non-federal funds.
- 8. ADMINISTRATIVE INFORMATION** - This information is provided to assist the recipient in completing the approved activities and managing the project in accordance with U.S. Department of Education procedures and regulations.

DUNS/SSN - A unique, identifying number assigned to each recipient for payment purposes. The number is based on either the recipient's assigned number from Dun and Bradstreet or the individual's social security number.

***REGULATIONS** - Title 2 of the Code of Federal Regulations(CFR), Part 200 as adopted at 2 CFR 3474; the applicable parts of the Education Department General Administrative Regulations (EDGAR), specific program regulations (if any), and other titles of the CFR that govern the award and administration of this grant.

***ATTACHMENTS** - Additional sections of the Grant Award Notification that discuss payment and reporting requirements, explain Department procedures, and add special terms and conditions in addition to those established, and shown as clauses, in Block 10 of the award. Any attachments provided with a notification continue in effect through the project period until modified or rescinded by the Authorizing Official.

9. LEGISLATIVE AND FISCAL DATA - The name of the authorizing legislation for this grant, the CFDA title of the program through which funding is provided, and U.S. Department of Education fiscal information.

FUND CODE, FUNDING YEAR, AWARD YEAR, ORG.CODE, PROJECT CODE, OBJECT CLASS -

The fiscal information recorded by the U.S. Department of Education's Grants Management System (G5) to track obligations by award.

AMOUNT - The amount of funds provided from a particular appropriation and project code. Some notifications authorize more than one amount from separate appropriations and/or project codes. The total of all amounts in this block equals the amount shown on the line, "THIS ACTION" (See "AUTHORIZED FUNDING" above (Block 7)).

10. TERMS AND CONDITIONS - Requirements of the award that are binding on the recipient.

***PARTICIPANT NUMBER** - The number of eligible participants the grantee is required to serve during the budget year.

***GRANTEE NAME** - The entity name and address registered in the System for Award Management (SAM). This name and address is tied to the DUNS number registered in SAM under the name and address appearing in this field. This name, address and the associated DUNS is what is displayed in the SAM Public Search.

***PROGRAM INDIRECT COST TYPE** - The type of indirect cost permitted under the program (i.e. Restricted, Unrestricted, or Training).

***PROJECT INDIRECT COST RATE** - The indirect cost rate applicable to this grant.

***AUTHORIZING OFFICIAL** - The U.S. Department of Education official authorized to award Federal funds to the recipient, establish or change the terms and conditions of the award, and authorize modifications to the award

FOR FORMULA AND BLOCK GRANTS ONLY:

(See also Blocks 1, 2, 4, 6, 8, 9 and 10 above)

3. PROJECT STAFF - The U.S. Department of Education staff persons to be contacted for programmatic and payment questions.

7. AUTHORIZED FUNDING

CURRENT AWARD AMOUNT - The amount of funds that are obligated (added) or de-obligated (subtracted) by this action.

PREVIOUS CUMULATIVE AMOUNT - The total amount of funds awarded under the grant before this action.

CUMULATIVE AMOUNT - The total amount of funds awarded under the grant, this action included.

* This item differs or does not appear on formula and block grants.

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE CHIEF FINANCIAL OFFICER
& CHIEF INFORMATION OFFICER

Mary Haluska
Arizona Department of Education
1535 W. Jefferson Street, Bin 2

Phoenix, AZ 85007

SUBJECT: Payee Identification for Grant Award S011A170003

This is to inform you that the United States Department of Education does not have a payee and bank account of record designated for the above listed grant award. You will not be able to request funds for this grant award until a payee and bank account of record are established.

- 1) All SF-1199A, Direct Deposit and Fedwire Sign-Up forms must be mailed to the Department of Education. The SF-1199A must contain original signatures for both the recipient and bank officials.
- 2) First time recipients establishing a bank account for a new award must include a copy of the grant award document with the cover letter and SF-1199A, Direct Deposit or Fedwire Sign-Up forms.
- 3) The Grant Administration and Payment System (GAPS) has been enhanced to produce an automated notification when bank account data has been changed or deleted. This automated notification is transmitted via e-mail to Payees having e-mail capacity or mailed to recipients without an e-mail address.
- 4) All banking information requests, including establishing a new bank account, modifying an existing bank account or deleting a bank account must be accompanied with a cover letter requesting the specific action. The cover letter must be on the letterhead of the requesting payee. The cover letter must contain the following information:
 - DUNS Number
 - e-mail address (if available) for the person to receive automated notification
 - signature and phone number of the person requesting the bank information change

Mail Cover Letters and accompanying forms to:

U.S. Department of Education
400 Maryland Ave, SW, Rm. 4C146
Washington, DC 20202-4110
Attn: Financial Management Operations

If you have any questions or require assistance concerning establishing a payee record for a bank account please contact the G5 Hotline at 1-888-336-8930.

Dear G5 Payee:

To obtain your G5 Login ID, you will need to complete the G5 External User Access Request Form and return it notarized to the U.S. Department of Education. Attached are the instructions for accessing and completing the form. Upon receiving the notarized form, the Department will send you an email with your new G5 Login ID.

Please mail the form to:

U.S. Department of Education
Office of the Chief Information Officer
Mail Stop - 4110
400 Maryland Avenue S.W.
Washington, DC 20202
Attn: Functional Applications Team

Thank you for your continued support of the U.S. Department of Education's G5 Grant Management System. Please contact the G5 Hotline (888-336-8930) if you have any

Sincerely,
G5 Administration

Instructions for Completing the G5 External User Access Request Form

To establish direct access to your U.S. Department of Education G5 Grant Management System account, please complete the G5 External User Access Request Form attached, have it notarized, and mail the completed form to the address below.

Steps for Completing the G5 External User Access Request Form -

1. Go to <http://www.g5.gov> and click on the link, "Not Registered? Sign up".
2. Complete each data element of the form including the following elements:
 - a. User Type (Select Payee unless you are specifically a Servicer)
 - b. Dun and Bradstreet Number (DUNS)
 - b. Desired Role (Select Full Access to enable you to continue to draw funds, or View Only if you will only need to review account activity).
3. Print the form and then Submit your online registration.
4. You will immediately receive an email asking you to activate your account.
5. Click on the link in the email and select your password and Secret Question and Answer.
6. Congratulations! You now have an active account. Only one more step!!
7. Sign the printed (from step 3) G5 External User Access Request Form as the Authorized Payee in the presence of a Notary Public.
8. Assure the G5 External User Access Request Form is notarized with appropriate seal and signature and expiration date.
9. Mail the completed, notarized G5 External User Access Request Form to the following address:

U.S. Department of Education
Office of the Chief Information Officer
Mail Stop - 4110
400 Maryland Avenue S.W.
Washington DC 20202
Attn: Functional Applications Team
10. Allow two weeks for delivery and account updates.
11. You will receive Email notification that your G5 External User Access Request Form has been processed and your roles have been assigned.
12. Congratulations, You're now able to access G5 directly.

As always, please contact the G5 Hotline (888-336-8930) with any questions.

INSTRUCTIONS
ACH DIRECT DEPOSIT SIGN-UP FORM
SF-1199A

Recipients can obtain an SF-1199A (Figure D-1) from their financial institution. The preprinted instructions on the reverse side of the SF-1199A should be disregarded and the following instructions should be followed in completing the SF-1199A.

The recipient is to complete Sections 1 and 2 of the SF-1199A. The recipient's financial institution is to complete Section 3 and mail the completed form to the Department of Education. The financial institution will mail a copy of the completed SF-1199A to the recipient.

INSTRUCTIONS - SECTION 1

ITEM A	Name of Payee Address Telephone Number	Enter the name and address of payee's organization. Enter telephone number of person authorized to certify the payment request.
ITEM B	Name of Person(s) Entitled to Payment	Leave Blank.
ITEM C	Claim or Payroll ID Number	Enter the following information Prefix: 9 digit D-U-N-S Number, Suffix: 11 character Grant Award nUmber.
ITEM D	Type of Depositor	Place an "X" in the Appropriate Box.
ITEM E	Depositor Account	Enter the payee's account number at the financial institution in which funds are to be deposited. Include blanks or dashes when entering the account number.
ITEM F	Type of Payment	Enter "X" in the "Other" box.
ITEM G	Box for Allotment of Payment Only	Leave Blank.
Payee/Joint Certification		Authorized Certifying Official for the payee is to sign the form.

INSTRUCTIONS - SECTION 2

Government Agency Name	Enter:	U.S. Department of Education
Government Agency Address	Enter:	400 Maryland Avenue, SW Room 4C138 Washington, DC 20202

INSTRUCTIONS - SECTION 3

To be completed by financial institution.

Director, Financial Payment Group
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202 - 4331

Ref: PR/Award No. S011A170003

Dear Sir:

Please transfer FEDWIRE payments for Arizona Department of Education to the following financial institution and depositor account beginning on this date: Month____, Day____, Year____.

Information regarding the financial institution to which payments for D-U-N-S_____ are to be transferred is provided below.

Financial Institution

Name:_____
Street:_____
City:_____
State:_____
Zip:_____

ABA Number:_____
Account Number:_____
Contact Name:_____
Telephone No:_____

Corresponding Bank (if applicable):

Name:_____
Street:_____
City:_____
State:_____
Zip:_____

ABA Number:_____
Telegraphic
Abbrev.:_____

Please update my account with the information as indicated above. If you have any questions, I may be reached at (____) _____.

Sincerely,

Chief Financial Officer

SPECIFIC GRANT CONDITIONS FOR PAYMENTS

THE G5 PAYMENTS MODULE

Payments under this award will be made through the G5-Payments module of the U.S. Department of Education's (Department) electronic payments system. The G5 Payments module within the Education Central Automated Processing Systems (EDCAPS) is administered by the Office of the Chief Information Officer, Financial Systems Services.

The internet address for G5 is <https://www.g5.gov>. To access the G5 Payments module, you must first have a G5 User Id and Password. You will need to request a G5 User Id and Password from the Department of Education by submitting an **External Access Security Form**. This form is electronically available during online registration under "*Not Registered? Sign Up*", when you access the website. The Department will issue G5 User IDs and Passwords to those individuals authorized by the payee to access G5 to request funds and report expenditures. User IDs and Passwords cannot be faxed or given over the phone, and may not be shared by multiple users. The External User Access Request Form must be completed and mailed to the following address:

U.S. Department of Education
Office of the Chief Information Officer
Mail Stop – 4138
Attn: G5 Functional Application Team
400 Maryland Avenue, SW
Washington, DC 20202

New grantees will be requested to provide pertinent information before they may begin requesting funds. Information to be provided includes:

- Designation of payee;
- Payee contacts and mailing addresses;
- Depositor account information; and
- Individuals authorized by the payee to access G5 to request funds - these individuals will be provided User IDs and passwords to access G5.

The payee is the entity identified by the grantee to handle the financial aspects of the grant (e.g., request payments, report expenditures, etc.). While a grantee may designate an entity to be its payee, alternatively, a grantee and payee may be the same entity.

Payees may begin requesting funds for the grantee once their award authorization is entered into G5 and the award start date is reached.

A copy of the Department of Education G5 Training Guide (*Guide*) is available on the G5 website at the "Help" link. The guide provides detailed instructions on all electronic payment processes. If you are not Internet capable, please contact the G5 Hotline at toll free 1 (888) 336-8930 to request a hard copy of the Guide.

REQUESTING FUNDS USING THE G5 MODULE

Payees can access the G5-Payments Module on-line to request funds. To access the G5 Payments Module, payees need a Web browser (such as Microsoft Internet Explorer) and Internet connectivity. Payees will request funds by award using **the PR/Award Number** found in **Block 5** of the **Grant Award Notification**. Instructions for navigating through the G5-Payments screens to make a payment request are given in the G5 Training Guide and in the G5 On Demand training located under the "Help" link. Instructions for modifying payment requests, adjusting drawdown amounts, and viewing award and authorization histories are also included in the Guide.

Those payees who do not have the technology to access G5-Payments on-line may request funds by calling ED's G5 Hotline by at 1-888-336-8930.

AWARD INFORMATION

Payees can get information on this award on-line, or by calling ED's G5 Hotline Staff at 1-888-336-8930.

➤ On-Line:

Payees may access G5 via the Internet at <https://www.G5.gov> to retrieve and view information on their awards, such as:

- Net authorization and authorization history;
- Net draws;
- Available balance;
- History of pending and completed payments;
- Award status; and
- Award history - including detailed transactions on drawdowns, returns, refunds, and adjustments.

➤ ED's G5 Hotline Staff:

Payees can contact a G5 Hotline Staff for information on any award. Because award information is organized in G5 by a unique identifier - the Dun & Bradstreet Number (DUNS Number) - payees should have their DUNS number, identified in **Block 8** of the **Grant Award Notification**, available when contacting a G5 Hotline Staff Representative.

FINANCIAL REPORTS:

When a Payee requests a drawdown of funds by grant award, the Department records this drawdown as an expenditure against the specified grant award. This method of identifying expenditures, at the time of drawdown, and the capability to make adjustments on-line, eliminates the need for the submission of the Federal Cash Transactions Report Form 272. Thus, additional financial reporting generally will not be required, unless otherwise specified by ED.

**An Overview of Single Audit Requirements of States,
Local Governments, and Non-Profit Organizations**

To meet audit requirements of U.S. Office of Management and Budget (OMB) Uniform Guidance: Cost Principles, Audit, and Administrative Requirements for Federal Awards (Uniform Guidance), grantees must submit all documents required by Uniform Guidance 2 CFR 200.512, including Form SF-SAC: Data Collection Form, to:

Federal Audit Clearinghouse
1201 East 10th Street
Jeffersonville, Indiana 47132
(301) 763-1551 (voice)
(800) 253-0696 (toll free)
(301) 457-1540 (fax)

Below is a summary of the single audit requirements:

- (1) **Single Audit.** A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with 2 CFR 200.514, "Scope of Audit," except when it elects to have a program specific audit conducted.
- (2) **Program-specific audit election.** When an auditee expends Federal awards under only one Federal program (excluding R&D), and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.
- (3) **Exemption when Federal awards expended are less than \$750,000.** A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

(4) Federally Funded Research and Development Centers (FFRDC). Management of an auditee that owns or operates a FFRDC may elect to treat the FFRDC as a separate entity.

(5) Report Submission. The audit must be completed, and the data collection form and reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period. If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day. Unless restricted by Federal statutes or regulations, the auditee must make copies available for public inspection. Auditees and auditors must ensure that their respective parts of the reporting package do not include protected personally identifiable information. (2 CFR 200.512)

Grantees are strongly urged to obtain the "OMB Compliance Supplement" and to contact their cognizant agency for single audit technical assistance.

The designated cognizant agency for single audit purposes is "the Federal awarding agency that provides the predominant amount of direct funding to the recipient." Grantees should obtain a copy of the OMB Compliance supplement. This supplement will be instructive to both grantees and their auditors. Appendix III of the supplement provides a list of Federal Agency Contacts for Single Audits, including addresses, phone numbers, fax numbers, and e-mail addresses for technical assistance.

If the U.S. Department of Education is the cognizant agency, grantees should contact the Non-Federal Audit Team in the Department's Office of Inspector General, at the address, phone, or fax number provided on page 3 of this attachment.

Grantees can obtain information on single audits from:

The OMB Publications Service, (202) 395-7332. (To obtain OMB Compliance Supplement, and Form SF-SAC: Data Collection Form)

The OMB web site. The Internet address is www.omb.gov. Look under OMB "Information for Agencies", then in OMB Circulars. (To obtain OMB Compliance Supplement, and Form SF-SAC: Data Collection Form)

The Federal Audit Clearinghouse, 1-888-222-9907. (to obtain Form SF-SAC: Data Collection Form), or

The American Institute of Certified Public Accountants (AICPA). AICPA has illustrative OMB Single Audit report examples that might be of interest to accountants, auditors, or financial staff. The examples can be obtained by their fax hotline: (202) 938-3797, request document number 311; or from their Internet page. The Internet address is www.aicpa.org.

If the U.S. Department of Education is the cognizant agency for the grantee organization, the following shows, according to the location of the grantee entity, which location of the Office of Inspector General to contact for single audit-related questions. For programmatic questions, grantees should contact the Education Program Contact shown on the Department's Grant Award Notification.

U.S. Department of Education Non-Federal Audit Teams

Director, Non-Federal Audits
Office of Inspector General
U.S. Department of Education
Wanamaker Building
100 Penn Square East, Suite 502
Philadelphia, PA 19107
Phone: Voice (215) 656-6900
FAX (215) 656-6397

NATIONAL OFFICE CONTACT and audits in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Puerto Rico, and the Virgin Islands.

Non-Federal Audit Team
Office of Inspector General
U.S. Department of Education
1999 Bryan Street, Suite 2630
Dallas, TX 75201-6817
Phone: Voice (214) 880-3031
FAX (214) 880-2492

For audits in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas.

Non-Federal Audit Team
Office of Inspector General
U.S. Department of Education
8930 Ward Parkway, Suite 2401
Kansas City, MO 64114-3302
Phone: Voice (816) 268-0502
FAX (816) 823-1398

For audits in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Ohio, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming, and the Pacific Islands.

GRANT ATTACHMENT 8

Trafficking in Persons

The Department of Education adopts the requirements in the Code of Federal Regulations at 2 CFR 175 and incorporates those requirements into this grant through this condition. The grant condition specified in 2 CFR 175.15(b) is incorporated into this grant with the following changes. Paragraphs a.2.ii.B and b.2.ii. are revised to read as follows:

“a.2.ii.B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 34 CFR part 85.”

“b.2.ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 34 CFR part 85.”

Under this condition, the Secretary may terminate this grant without penalty for any violation of these provisions by the grantee, its employees, or its subrecipients.

12/2014

Reporting Prime Awardee Executive Compensation Data As Required under the Federal Funding Accountability and Transparency Act

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. To this end, FFATA requires that executive compensation data be reported for all new Federal grants funded at \$25,000 or more that meet the reporting conditions as set forth in this grant award term, and that are awarded on or after October 1, 2010. For FFATA reporting purposes, the prime awardee (i.e. the grantee) is the entity listed in box 1 of the Grant Award Notification.

a. Reporting Total Compensation of the Prime Awardee's Executives:

1. *Applicability and what to report.* The prime awardee must report total compensation for each of its five most highly compensated executives for the preceding completed fiscal year, if all of the following conditions are applicable: —

i. the total Federal funding authorized to date under this award is \$25,000 or more; **and**

ii. in the preceding fiscal year, the prime awardee received--

(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); **and**

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); **and**

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Securities and Exchange Commission total compensation filings at www.sec.gov/answers/execomp.htm.)

2. *Where, what and when to report.* The prime awardee must report executive compensation described in paragraph **a.1.** of this grant award term as part of its registration profile in the System for Award Management (www.SAM.gov).

i. The types of compensation that must be reported for each subrecipient are listed in the definition of "total compensation" appearing in item **b** of this grant award term. If this is the first award the prime awardee has received that is subject to the reporting requirements in paragraph **a.1.**, the prime awardee must report by the end of the month following the month in which this award is made, and on each anniversary of this award.

b. Definitions. For purposes of this grant award term:

1. *Entity* means all of the following, as defined in 2 CFR Part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;
- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. *Executive* means officers, managing partners, or any other employees in management positions.

3. *Total compensation* means the cash and noncash dollar value earned by the executive during the prime awardee's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

Reporting Subgrant Data and Executive Compensation Data for Subrecipients As Required under the Federal Funding Accountability and Transparency Act

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. To this end, FFATA requires that subgrant data be reported for all new Federal grants funded at \$25,000 that meet the reporting conditions as set forth in this grant award term, and that are awarded on or after October 1, 2010. Subgrant data and executive compensation data for subrecipients must be reported by the prime awardee. For FFATA reporting purposes, the prime awardee (i.e. the grantee) is the entity listed in box 1 of the Grant Award Notification. Only subgrants made by the prime awardee to **first-tier subrecipients** are reportable in accordance with FFATA.

a. Reporting of First-tier Subgrants:

- 1. *Applicability.*** Unless the prime awardee is exempt as provided in paragraph **c** of this grant award term, the prime awardee must report each action that obligates \$25,000 or more in Federal funds for a subgrant to an entity (see definitions in paragraph **e** of this award term).
- 2. *Where to report.*** The prime awardee must report each obligating action described in paragraph **a.1.** of this award term at www.FSRS.gov.
- 3. *What to report.*** The prime awardee must report the information about each obligating action that the submission instructions posted at www.FSRS.gov specify.
- 4. *When to report.*** The prime awardee must report subgrants described in paragraph **a.1.**, by the end of the month following the month during which the prime awardee makes the subgrant. For example, if the prime awardee obligates a subgrant on any date during the month of October of a given year (i.e., between October 1 and 31), the prime awardee must report the subgrant by November 30 of that year.

b. Reporting of Total Compensation of Subrecipient Executives:

1. *Applicability and what to report.* Unless the prime awardee is exempt as provided in paragraph **c** of this award term, for each first-tier subrecipient under this award, the prime awardee shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year if all of the following conditions are applicable to the subrecipient:

- i.** in the subrecipient's preceding fiscal year, the subrecipient received--
 - (A)** 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); **and**

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and

ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Securities and Exchange Commission total compensation filings at www.sec.gov/answers/execomp.htm.)

2. **Where to report.** The prime awardee must report subrecipient executive compensation described in paragraph b.1 of this award term at www.FSRS.gov.

3. **What to report.** The types of compensation that must be reported for each subrecipient are listed in the definition of “total compensation” appearing in item d of this grant award term.

4. **When to report.** The prime awardee must report subrecipient executive compensation described in paragraph b.1., by the end of the month following the month during which the prime awardee makes the subaward. For example, if the prime awardee obligates a subgrant on any date during the month of October of a given year (i.e., between October 1 and 31), the prime awardee must report any required compensation information of the subrecipient by November 30 of that year.

5. **Conditions imposed on subgrants.** The prime awardee must include a condition on its subgrants that requires the subrecipients to timely report the information required under paragraph b.1. to the prime awardee, or in the System for Award Management (www.SAM.gov) as executive compensation data entered in www.SAM.gov by the subrecipient will pre-populate in www.FSRS.gov.

c. **Exemptions:**

If, in the previous tax year, the prime awardee had gross income, from all sources, under \$300,000, the prime awardee is exempt from the requirements to report:

1. Subawards, and
2. The total compensation of the five most highly compensated executives of any subrecipient.

d. **Definitions. For purposes of this award term:**

1. **Entity** means all of the following, as defined in 2 CFR part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;

- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. **Executive** means officers, managing partners, or any other employees in management positions.

3. Subaward:

i. Is an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a Federal award received by the pass-through entity. A subaward does not include payments to a contractor, small purchase agreements, vendor agreements, and consultant agreements, when goods or services under these relationships are provided for the benefit of the pass-through entity.

ii. Payments to an individual that is a beneficiary of a Federal program are not considered subawards for FFATA reporting purposes.

iii. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a [subgrant] or a contract, and is reportable in accordance with FFATA when the subrecipient of the subaward: (1) determines who is eligible to receive what Federal assistance; (2) has its performance measured in relation to whether objectives of a Federal program were met; (3) has responsibility for programmatic decision making; (4) is responsible for adherence to applicable Federal program requirements specified in the Federal award; and (5) in accordance with its agreement, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity from which it received the subaward (see 2 CFR 200.330(a)). Subgrants as referenced in EDGAR § 75.708, are considered subawards and are reportable in accordance with FFATA, if they are awarded by a pass-through entity to a subrecipient, and the conditions and requirements as addressed within this definition are applicable.

4. Subrecipient means an entity that:

i. Receives a subgrant from the prime awardee (i.e. the entity listed in box 1 of the Grant Award Notification) under this award; and

ii. Is accountable to prime awardee (i.e. the entity listed in box 1 of the Grant Award Notification) for the use of the Federal funds provided by the subaward.

5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

**SPECIFIC CONDITIONS FOR DISCLOSING
FEDERAL FUNDING IN PUBLIC ANNOUNCEMENTS**

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, U.S. Department of Education grantees shall clearly state :

- 1) the percentage of the total costs of the program or project which will be financed with Federal money;
- 2) the dollar amount of Federal funds for the project or program; and
- 3) the percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

Recipients must comply with these conditions under Division H, Title V, Section 505 of Public Law 113-76, Consolidated Appropriations Act, 2014.

**PROHIBITION OF TEXT MESSAGING AND EMAILING WHILE
DRIVING DURING OFFICIAL FEDERAL GRANT BUSINESS**

Federal grant recipients, sub recipients and their grant personnel are prohibited from text messaging while driving a government owned vehicle, or while driving their own privately owned vehicle during official grant business, or from using government supplied electronic equipment to text message or email when driving.

Recipients must comply with these conditions under Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009.

Registration of Data Universal Numbering System (DUNS) Number and Taxpayer Identification Number (TIN) in the System for Award Management (SAM)

The U.S. Department of Education (Education) Grants Management System (G5) will begin disbursing payments via the U.S. Department of Treasury (Treasury) rather than directly through the Federal Reserve as in the past. The U.S. Treasury requires that we include your Tax Payer Identification Number (TIN) with each payment. Therefore, in order to do business with Education you must have a registered DUNS and TIN number with the SAM, the U.S. Federal Government's primary registrant database. If the payee DUNS number is different than your grantee DUNS number, both numbers must be registered in the SAM. Failure to do so will delay the receipt of payments from Education.

A TIN is an identification number used by the Internal Revenue Service (IRS) in the administration of tax laws. It is issued either by the Social Security Administration (SSA) or by the IRS. A Social Security number (SSN) is issued by the SSA whereas all other TINs are issued by the IRS.

The following are all considered TINs according to the IRS.

- Social Security Number "[SSN](#)"
- Employer Identification Number "[EIN](#)"
- Individual Taxpayer Identification Number "[ITIN](#)"
- Taxpayer Identification Number for Pending U.S. Adoptions "[ATIN](#)"
- Preparer Taxpayer Identification Number "[PTIN](#)"

If your DUNS number is not currently registered with the SAM, you can easily register by going to www.sam.gov. Please allow 3-5 business days to complete the registration process. If you need a new TIN, please allow 2-5 weeks for your TIN to become active. If you need assistance during the registration process, you may contact the SAM Federal Service Desk at 866-606-8220.

If you are currently registered with SAM, you may not have to make any changes. However, please take the time to validate that the TIN associated with your DUNS is correct.

If you have any questions or concerns, please contact the G5 Hotline at 888-336-8930.

System for Award Management and Universal Identifier Requirements

1. Requirement for System for Award Management (SAM)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the SAM until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

2. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

3. Definitions

For purposes of this award term:

1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (see 2 CFR 200.501 of the OMB "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards").
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. Subrecipient means an entity that:
 - a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

UNITED STATES DEPARTMENT OF EDUCATION
Office of the Chief Financial Officer

MEMORANDUM to ED GRANTEEES REGARDING THE USE OF GRANT FUNDS FOR CONFERENCES AND MEETINGS

You are receiving this memorandum to remind you that grantees must take into account the following factors when considering the use of grant funds for conferences and meetings:

- Before deciding to use grant funds to attend or host a meeting or conference, a grantee should:
 - Ensure that attending or hosting a conference or meeting is consistent with its approved application and is reasonable and necessary to achieve the goals and objectives of the grant;
 - Ensure that the primary purpose of the meeting or conference is to disseminate technical information, (e.g., provide information on specific programmatic requirements, best practices in a particular field, or theoretical, empirical, or methodological advances made in a particular field; conduct training or professional development; plan/coordinate the work being done under the grant); and
 - Consider whether there are more effective or efficient alternatives that can accomplish the desired results at a lower cost, for example, using webinars or video conferencing.
- Grantees must follow all applicable statutory and regulatory requirements in determining whether costs are reasonable and necessary, especially the Cost Principles for Federal grants set out at 2 CFR Part 200 Subpart E of the, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." In particular, remember that:
 - Federal grant funds cannot be used to pay for alcoholic beverages; and
 - Federal grant funds cannot be used to pay for entertainment, which includes costs for amusement, diversion, and social activities.
- Grant funds may be used to pay for the costs of attending a conference. Specifically, Federal grant funds may be used to pay for conference fees and travel expenses (transportation, per diem, and lodging) of grantee employees, consultants, or experts to attend a conference or meeting if those expenses are reasonable and necessary to achieve the purposes of the grant.
 - When planning to use grant funds for attending a meeting or conference, grantees should consider how many people should attend the meeting or conference on their behalf. The number of attendees should be reasonable and necessary to accomplish the goals and objectives of the grant.
- A grantee hosting a meeting or conference may not use grant funds to pay for food for conference attendees unless doing so is necessary to accomplish legitimate meeting or conference business.
 - A working lunch is an example of a cost for food that might be allowable under a Federal grant if attendance at the lunch is needed to ensure the full participation by conference attendees in essential discussions and speeches concerning the purpose of the conference and to achieve the goals and objectives of the project.
- A meeting or conference hosted by a grantee and charged to a Department grant must not be promoted as a U.S. Department of Education conference. This means that the seal of the U.S. Department of Education must not be used on conference materials or signage without Department approval.

UNITED STATES DEPARTMENT OF EDUCATION

Office of the Chief Financial Officer

- All meeting or conference materials paid for with grant funds must include appropriate disclaimers, such as the following:
 - The contents of this (insert type of publication; e.g., book, report, film) were developed under a grant from the Department of Education. However, those contents do not necessarily represent the policy of the Department of Education, and you should not assume endorsement by the Federal Government.
- Grantees are strongly encouraged to contact their project officer with any questions or concerns about whether using grant funds for a meeting or conference is allowable prior to committing grant funds for such purposes.
 - A short conversation could help avoid a costly and embarrassing mistake.
- Grantees are responsible for the proper use of their grant awards and may have to repay funds to the Department if they violate the rules on the use of grant funds, including the rules for meeting- and conference-related expenses.

12/2014




UNITED STATES DEPARTMENT OF EDUCATION

MEMORANDUM

ENCLOSURE 4

DATE: July 12, 2016

TO: Recipients of grants and cooperative agreements

FROM: Tim Soltis 
Delegated the Authority to perform the Duties and Functions of the Chief
Financial Officer

SUBJECT: Department of Education Cash Management Policies for Grants and Cooperative
Agreements

The purpose of this memorandum is to remind the Department of Education's (the Department's) grant and cooperative agreement recipients (grantees) of existing cash management requirements regarding payments. The Department expects that grantees will ensure that their subgrantees are also aware of these policies by providing relevant information to them.

There are three categories of payment requirements that apply to the draw of funds from grant accounts at the Department. The first two types of payments are subject to the requirements in the Treasury Department regulations implementing the Cash Management Improvement Act (CMIA) of 1990, 31 U.S.C.6513, and the third is subject to the requirements in the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) at 2 CFR part 200,¹ as follows:

- (1) Payments to a State under programs that are covered by a State's Treasury State Agreement (TSA);
- (2) Payments to States under programs that are not covered by a TSA; and
- (3) Payments to other non-Federal entities, including nonprofit organizations and local governments.

CMIA Requirements Applicable to Programs included in a TSA

Generally, under the Treasury Department regulations implementing the CMIA, only major assistance programs (large-dollar programs) are included in a State's written TSA. See 31 CFR part 205, subpart A. Programs included in a TSA must use approved funding techniques and both States and the Federal government are subject to interest liabilities for late payments. State interest liabilities accrue from the day federal funds are credited to a State account to the day the State pays out the federal funds for federal assistance program purposes. 31 CFR 205.15. If a

¹ The Department adopted the Uniform Guidance as regulations of the Department at 2 CFR part 3474.

State makes a payment under a Federal assistance program before funds for that payment have been transferred to the State, Federal Government interest liabilities accrue from the date of the State payment until the Federal funds for that payment have been deposited to the State account. 31 CFR 205.14.

CMIA Requirements Applicable to Programs Not Included in a TSA

Payments to States under programs not covered by a State's TSA are subject to subpart B of Treasury's regulations in 31 CFR part 205. These regulations provide that a State must minimize the time between the drawdown of funds from the federal government and their disbursement for approved program activities. The timing and amount of funds transfers must be kept to a minimum and be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs. 31 CFR 205.33(a). States should exercise sound cash management in funds transfers to subgrantees.

Under subpart B, neither the States nor the Department owe interest to the other for late payments. 31 CFR 205.33(b). However, if a State or a Federal agency is consistently late in making payments, Treasury can require the program to be included in the State's TSA. 31 CFR 205.35.

Fund transfer requirements for grantees other than State governments and subgrantees

The transfer of Federal program funds to grantees other than States and to subgrantees are subject to the payment and interest accrual requirements in the Uniform Guidance at 2 CFR 200.305(b). These requirements are similar to those in subpart B of the Treasury Department regulations in 31 CFR part 205, requiring that "payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity." 2 CFR 200.305(b) introduction.

The Federal Government and pass-through entities must make payments in advance of expenditures by grantees and subgrantees if these non-Federal entities maintain, or demonstrates the willingness to maintain, written procedures "that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in" 2 CFR 200.305(b). If a grantee or subgrantee cannot meet the criteria for advance payments, a Federal agency or pass-through entity can pay that entity through reimbursement. See 2 CFR 200.305(b)(1) and (4) for more detailed description of the payment requirements and the standards for requiring that payments be made by reimbursement.

Non-Federal entities other than States must maintain advance payments in interest bearing accounts unless certain conditions exist. See 2 CFR 200.305(b)(8) for those conditions. The requirements regarding interest accrual and remittance follow:

- Grantees other than States and subgrantees must annually remit interest earned on federal advance payments except that the non-Federal entity may retain up to \$500 of interest earned on the account each year to pay for the costs of maintaining the account.
- Grantees other than States and subgrantees must remit interest earned on Federal advance payments to the Department of Health and Human Services, Payment Management

System (PMS), through either Automated Clearinghouse (ACH) network or Fedwire. Detailed information about electronic remittance of funds via ACH or Fedwire are specified in 2 CFR 200.305(b)(9)(i) and (ii). For non-Federal entities that do not have electronic remittance capability, checks must be made payable to HHS and addressed to:

U.S. Department of Health and Human Services
Program Support Services
P.O. Box 530231
Atlanta, GA 3035-0231

The remittance should be accompanied by a letter stating that the remittance is for “interest earned on Federal funds” and should include the DUNS number of the non-Federal entity making the payment.

Grantees, including grantees that act as pass-through entities and subgrantees have other responsibilities regarding the use of Federal funds. For example, all grantees and subgrantees must have procedures for determining the allowability of costs for their awards. We highlight the following practices related to the oversight of subgrantee compliance with the financial management requirements in the Uniform Guidance that will assist State grantees (pass-through entities) in meeting their monitoring responsibilities. Under 2 CFR 200.331, pass-through entities must –

- Establish monitoring priorities based on the risks posed by each subgrantee, including risks associated with the drawdown of grant funds and remittance of interest to the Federal Government;
- Monitor the fiscal activity of subgrantees as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

A small number of ED grant programs have program-specific cash management and payment requirements based on the authorizing legislation or program regulations. These program-specific requirements may supplement or override general cash management or payment requirements. If you have any questions about your specific grant, please contact the program officer, whose contact information is on Block 3 of your Grant Award Notification (GAN).

Thank you for your attention to this matter. If you have any questions, please contact Blanca Rodriguez at (202) 245-8153 or blanca.rodriguez@ed.gov

Attachment

**Recipients of ED Grants and Cooperative Agreements
Frequently Asked Questions on
Cash Management**

Q What are the Federal Laws and Regulations Regarding Payments to the States?

A The *Cash Management Improvement Act of 1990 (CMIA)* establishes interest liabilities for the Federal and State governments when the Federal Government makes payments to the States. See 31 U.S.C. 3335 and 6503. The implementing regulations are in Title 31 of the Code of Federal Regulations (CFR), Part 205, <http://www.fms.treas.gov/fedreg/31cfr205final.pdf>.

Q What is a Treasury-State Agreement (TSA)?

A A TSA documents the accepted funding techniques and methods for calculating interest agreed upon by the U.S. Department of the Treasury (Treasury) and a State. It identifies the Federal assistance programs that are subject to interest liabilities under the CMIA. The CMIA regulations specify a number of different funding techniques that may be used by a State but a State can negotiate with the Treasury Department to establish a different funding technique for a particular program. A TSA is effective until terminated and, if a state does not have a TSA, payments to the State are subject to the default techniques in the regulations that Treasury determines are appropriate.

Q What are the CMIA requirements for a program subject to a Treasury-State Agreement?

A Payments to a State under a program of the Department are subject to the interest liability requirements of the CMIA if the program is included in the State's Treasury-State Agreement (TSA) with the Department of Treasury. If the Federal government is late in making a payment to a State, it owes interest to the State from the time the State spent its funds to pay for expenditure until the time the Federal government deposits funds to the State's account to pay for the expenditure. Conversely, if a State is late in making a payment under a program of the Department, the State owes interest to the Federal government from the time the Federal government deposited the funds to the State's account until the State uses those funds to make a payment. For more information, see the recently issued Memorandum from the Chief Financial Officer on Cash Management which is posted on the ed.gov "ED Memoranda to Grantees" page at:<http://www2.ed.gov/policy/fund/guid/gposbul/gposbul.html>

Q What are the CMIA requirements for a program that is not subject to a Treasury-State Agreement?

A If a program is not included in the State's TSA, neither the State nor the Federal government are liable for interest for making late payments. However, both the Federal government and the State must minimize the time elapsing between the date the State requests funds and the date that the funds are deposited to the State's accounts. The State is also required to minimize the time elapsed between the date it receives funds from the Federal government and the date it makes a payment under the program. Also, the Department must minimize the amount of funds transferred to a State to only that needed to meet the immediate cash needs of the State. The timing and amount of funds transferred must be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs.

Q What if there is no TSA?

A When a State does not have a TSA in effect, default procedures in 31 CFR, part 205 that the Treasury Department determines appropriate apply. The default procedures will prescribe efficient funds transfer procedures consistent with State and Federal law and identify the covered Federal assistance programs and designated funding techniques.

Q Who is responsible for Cash Management?

A Grantees and subgrantees that receive grant funds under programs of the Department are responsible for maintaining internal controls regarding the management of Federal program funds under the Uniform Guidance in 2 CFR 200.302 and 200.303. In addition, grantees are responsible for ensuring that subgrantees are aware of the cash management and requirements in 2 CFR part 200, subpart D.

Q Who is responsible for monitoring cash drawdowns to ensure compliance with cash management policies?

A Recipients must monitor their own cash drawdowns **and** those of their subrecipients to assure substantial compliance to the standards of timing and amount of advances.

Q How soon may I draw down funds from the G5 grants management system?

A Grantees are required to minimize the amount of time between the drawdown and the expenditure of funds from their bank accounts. (See 2 CFR 200.305(b).) Funds must be drawn only to meet a grantee's immediate cash needs for each individual grant. The G5 screen displays the following message:

By submitting this payment request, I certify to the best of my knowledge and belief that the request is based on true, complete, and accurate information. I further certify that the expenditures and disbursements made with these funds are for the purposes and objectives set forth in the applicable Federal award or program participation agreement, and that the organization on behalf of which this submission is being made is and will remain in compliance with the terms and conditions of that award or program participation agreement. I am aware that the provision of any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me, and the organization on behalf of which this submission is being made, to criminal, civil, or administrative penalties for fraud, false statements, false claims, or other violations. (U.S. Code Title 18, Section 1001; Title 20, Section 1097; and Title 31, Sections 3729-3730 and 3801-3812)

Q How may I use Federal funds?

A Federal funds must be used as specified in the Grant Award Notification (GAN) and the approved application or State plan for allowable direct costs of the grant and an allocable portion of indirect costs, if authorized.

Q What are the consequences to recipients/subrecipients for not complying with terms of the grant award?

A If a recipient or subrecipient materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, including those in 2 CFR part 200, an assurance, the GAN, or elsewhere, the awarding agency may take one or more of the following actions:

1. Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity not in compliance.
3. Wholly or partly suspend or terminate the Federal award.
4. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal award agency regulations (or in the case of a pass-through be initiated by a Federal awarding agency).
5. Withhold further Federal awards for the project or program.
6. Take other remedies that may be legally available.

- Q Who is responsible for determining the amount of interest owed to the Federal government?**
- A** As set forth in 31 CFR 205.9, the method used to calculate and document interest liabilities is included in the State's TSA. A non-State entity must maintain advances of Federal funds in interest-bearing accounts unless certain limited circumstance apply and remit interest earned on those funds to the Department of Health and Human Services, Payment Management System annually. See 2 CFR 200.305. Also, see the July 6, 2016, memorandum from the Department's Chief Financial Officer on Department of Education Cash Management Policies for Grants and Cooperative Agreements posted at <http://ww2.ed.gov/policy/fund/guid/gposbul.html>
- Q What information should accompany my interest payment?**
- A** Remittances must include pertinent information of the payee and nature of payment in the memo area (often referred to as "addenda records" by Financial Institutions) as that will assist in the timely posting of interest earned on federal funds. Pertinent details include the Payee Account Number (PAN) if the payment originated from PMS, or Agency information if the payment originated from ASAP, NSF or another federal agency payment system. CFR 200.305(b)(9).
- Q Are grant recipients/subrecipients automatically permitted to draw funds in advance of the time they need to disburse funds in order to liquidate obligations?**
- A** The payment requirements in 2 CFR 200.305(b) authorize a grantee or subgrantee to request funds in advance of expenditures if certain conditions are met. However, if those conditions are not met, the Department and a pass-through agency may place a payee on reimbursement.
- Q For formula grant programs such as ESEA Title I, for which States distribute funds to LEAs, may States choose to pay LEAs on a reimbursement basis?**
- A** A subgrantee must be paid in advance if it meets the standards for advance payments in 2 CFR 200.305(b)(1) but if the subgrantee cannot meet those standards, the State may put the subgrantee on reimbursement payment. See 2 CFR 200.305(b)
- Q Will the Department issue special procedures in advance if G5 plans to shut down for 3 days or more?**
- A** Yes, before any shutdown of G5 lasting three days or more, the Department issues special guidance for drawing down funds during the shut down. The guidance will include cash management improvement act procedures for States and certain State institutions of higher education and procedures for grants (including Pell grants) that are not subject to CMIA.

EXECUTIVE SUMMARY

Issue: Consideration to approve the IRRC Consortium Grant for use by the Arizona Migrant Education Program. Pursuant to Arizona Revised Statutes (A.R.S.) §15-207

Action/Discussion Item

CONTRACT ABSTRACT

Background and Brief Explanation of Contract

Background: The Identification and Recruitment Rapid Response Consortium (IRRC) Grant provides funding for services designed to improve the proper and timely identification and recruitment (ID&R) of eligible migratory children whose education is interrupted. In response to the identified need for greater consistency and quality of ID&R—especially due to the high turnover in MEP state personnel, local administrators, and recruiters, throughout the IRRC, states will expand and improve infrastructures for interstate coordination. The member states are: Nebraska (*Lead State*), Arizona, Colorado, Delaware, Georgia, Illinois, Iowa, Kansas, Maine, New Mexico, New York, Oklahoma, South Carolina, and Tennessee.

The IRRC's goals are to:

1. Design and develop systems, materials, strategies, and resources for the consistent and reliable ID&R of eligible migrant children and youth that can be adapted to small and large states, summer and regular year programs, and diverse state and local contexts;
2. Expand states' capacity through the sharing of resources, mentoring, and the deployment of a Rapid Response Team of veteran ID& R specialists;
3. Disseminate effective evidence-based ID&R practices throughout the MEP community.

Purpose of the Contract: With this Contract Abstract we seek authority to use the funding from this Migrant Education Program Consortium Incentive Grant Award to increase the consistency and proper identification and recruitment of migratory children and youth in Arizona and share resources with the fourteen consortium member states.

Name of Contracting Party(ies)

Proposed contract between the State Board of Education, acting for and on behalf of the Department of Education, and the following:

Arizona Migrant Education Program

Contact Information:

Mary Haluska, State Migrant Director
Kate Wright, Deputy Associate Superintendent, OELAS/Migrant

EXECUTIVE SUMMARY

Contract Amount

\$66,666.00

Source of Funds

US Department of Education PR / Award Number: S144F170055

Authorizing Legislation/Statute

PL 107-110 I No Child Left Behind Act

Responsible Unit at the Department of Education

Associate Superintendent:	Carol Lippert
Unit Deputy Associate Superintendent	Kate Wright
State Program Director	Mary Frances Haluska

Dates of Contract

The agreement shall take effect when approved by the Board and shall terminate on September 30, 2018.

Previous Contract History

The Migrant Education Program has received IRRC funding for several years.

Number Affected (Students, Teachers, and Public, as appropriate)

All Migrant Education Program (MEP) staff, administration, students, and families in the State of Arizona (roughly 12,000 individuals).

Method of Determining Contract Amount(s)

Amount of award determined annually by US Department of Education and IRRC Consortium based around qualifying state membership in the IRRC Consortium.

Evaluation Plan

Use of funds, compliance, monitoring, and accountability will be enforced per the non-regulatory guidance from the US Department of Education Office of Migrant Education (OME), and bylaws of the IRRC Consortium.

Contact Information:

Mary Haluska, State Migrant Director
Kate Wright, Deputy Associate Superintendent, OELAS/Migrant

EXECUTIVE SUMMARY

Recommendation to the Board

It is recommended that the Board accept the funding from the US Department of Education on behalf of the Arizona Migrant Education Program to participate in the IRRC Consortium.

Contact Information:

Mary Haluska, State Migrant Director

Kate Wright, Deputy Associate Superintendent, OELAS/Migrant

S144F170055
Mary Frances Haluska
Arizona Department of Education
1535 W. Jefferson Street, Bin 14
Phoenix, AZ 85007

IRRC
Consortium
Grant
Final Year

S144F170055

Diane Douglas
Arizona Department of Education
1535 W. Jefferson Street, Bin 2
Phoenix, AZ 85007



**US Department of Education
Washington, D.C. 20202**

GRANT AWARD NOTIFICATION

10 PR/AWARD NUMBER: S144F170055
RECIPIENT NAME: Arizona Department of Education

TERMS AND CONDITIONS

- (1) The Office of Management and Budget requires all Federal agencies to assign a Federal Award Identifying Number (FAIN) to each of their financial assistance awards. The PR/AWARD NUMBER identified in Block 2 is your FAIN.

If subawards are permitted under this grant, and you choose to make subawards, you must document the assigned PR/AWARD NUMBER (FAIN) identified in Block 2 of this Grant Award Notification on each subaward made under this grant. The term subaward means:

1. A legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 2. The term does not include your procurement of property and services needed to carry out the project or program (The payments received for goods or services provided as a contractor are not Federal awards, see 2 CFR 200.501(f) of the OMB Uniform Guidance: "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards").
 3. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.
- (2) The negotiated indirect cost rate or the indirect cost allocation plan approved for the entity identified in Block 1 of this GAN applies to this grant award.
- (3) UNDER THE "TYDINGS AMENDMENT," SECTION 421(b) OF THE GENERAL EDUCATION PROVISIONS ACT, 20 U.S.C. 1225(b), ANY FUNDS THAT ARE NOT OBLIGATED AT THE END OF THE FEDERAL FUNDING PERIOD SPECIFIED IN BLOCK 6 SHALL REMAIN AVAILABLE FOR OBLIGATION FOR AN ADDITIONAL PERIOD OF 12 MONTHS.
- (4) This grant award is issued subject to the provisions of all applicable acts, regulations, and assurances.

This grant award is issued subject the provisions of Title I, Part C, and Title VIII, as applicable, of the Elementary and Secondary Education Act of 1965, as amended by the Every Student Succeeds Act of 2015 (P.L. 114-95), and the General Education Provisions Act (P.L. 103-382).

This grant award is also issued subject to the Title I, Part C regulations in 34 CFR Part 200, Subpart C, the General Provisions regulations in 34 CFR Part 299, the Education Department General Administrative Regulations (EDGAR) in 34 CFR Parts 75, 76, 77, 79, 81, 82, 84, 98, and 99, 2 CFR 3485, and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Parts 200 and 3474, and Notice of Final Requirements for the Migrant Education Program Consortium Incentive Grant Program published on March 3, 2004 in the Federal Register (69 FR 10110).



**US Department of Education
Washington, D.C. 20202
GRANT AWARD NOTIFICATION**

A handwritten signature in cursive script that reads "Jason Botel".

**Jason Botel
Acting Assistant Secretary**

07/03/2017

AUTHORIZING OFFICIAL

DATE

EXPLANATION OF BLOCKS ON THE GRANT AWARD NOTIFICATION

For Discretionary, Formula and Block Grants (See Block 2 of the Notification)

- 1. RECIPIENT NAME** - The legal name of the recipient or name of the primary organizational unit that was identified in the application, state plan or other documents required to be submitted for funding by the grant program.
- 2. AWARD INFORMATION** - Unique items of information that identify this notification.
 - PR/AWARD NUMBER** - A unique, identifying number assigned by the Department to each application. On funded applications, this is commonly known as the "grant number" or "document number." The PR/Award Number is also known as the Federal Award Identifying Number, or FAIN.
 - ACTION NUMBER** - A numeral that represents the cumulative number of steps taken by the Department to date to establish or modify the award through fiscal or administrative means. Action number "01" will always be "NEW AWARD"
 - ACTION TYPE** - The nature of this notification (e.g., NEW AWARD, CONTINUATION, REVISION, ADMINISTRATIVE)
 - AWARD TYPE** - The particular assistance category in which funding for this award is provided, i.e., DISCRETIONARY, FORMULA, or BLOCK. If this award was made under a Research and Development grant program, the terms RESEARCH AND DEVELOPMENT will appear under DISCRETIONARY, FORMULA OR BLOCK.
- 3. PROJECT STAFF** - This block contains the names and telephone numbers of the U.S. Department of Education and recipient staff who are responsible for project direction and oversight.
 - *RECIPIENT PROJECT DIRECTOR** - The recipient staff person responsible for administering the project. This person represents the recipient to the U.S. Department of Education.
 - EDUCATION PROGRAM CONTACT** - The U.S. Department of Education staff person responsible for the programmatic, administrative and business management concerns of the Department.
 - EDUCATION PAYMENT CONTACT** - The U.S. Department of Education staff person responsible for payments or questions concerning electronic drawdown and financial expenditure reporting.
- 4. PROJECT TITLE AND CFDA NUMBER** - Identifies the Catalog of Federal Domestic Assistance (CFDA) subprogram title and the associated subprogram number.
- 5.* KEY PERSONNEL** - Name, title and percentage (%) of effort the key personnel identified devotes to the project.
- 6. AWARD PERIODS** - Project activities and funding are approved with respect to three different time periods, described below:
 - BUDGET PERIOD** - A specific interval of time for which Federal funds are being provided from a particular fiscal year to fund a recipient's approved activities and budget. The start and end dates of the budget period are shown.
 - PERFORMANCE PERIOD** - The complete length of time the recipient is proposed to be funded to complete approved activities. A performance period may contain one or more budget periods.
 - *FUTURE BUDGET PERIODS** - The estimated remaining budget periods for multi-year projects and estimated funds the Department proposes it will award the recipient provided substantial progress is made by the recipient in completing approved activities, the Department determines that continuing the project would be in the best interest of the Government, Congress appropriates sufficient funds under the program, and the recipient has submitted a performance report that provides the most current performance information and the status of budget expenditures.
- 7. AUTHORIZED FUNDING** - The dollar figures in this block refer to the Federal funds provided to a recipient during the award periods.
 - *THIS ACTION** - The amount of funds obligated (added) or de-obligated (subtracted) by this notification.
 - *BUDGET PERIOD** - The total amount of funds available for use by the grantee during the stated budget period to this date.
 - *PERFORMANCE PERIOD** - The amount of funds obligated from the start date of the first budget period to this date.
 - RECIPIENT COST SHARE** - The funds, expressed as a percentage, that the recipient is required to contribute to the project, as defined by the program legislation or regulations and/or terms and conditions of the award.
 - RECIPIENT NON-FEDERAL AMOUNT** - The amount of non-federal funds the recipient must contribute to the project as identified in the recipient's application. When non-federal funds are identified by the recipient where a cost share is not a legislation requirement, the recipient will be required to provide the non-federal funds.
- 8. ADMINISTRATIVE INFORMATION** - This information is provided to assist the recipient in completing the approved activities and managing the project in accordance with U.S. Department of Education procedures and regulations.

DUNS/SSN - A unique, identifying number assigned to each recipient for payment purposes. The number is based on either the recipient's assigned number from Dun and Bradstreet or the individual's social security number.

***REGULATIONS** - Title 2 of the Code of Federal Regulations(CFR), Part 200 as adopted at 2 CFR 3474; the applicable parts of the Education Department General Administrative Regulations (EDGAR), specific program regulations (if any), and other titles of the CFR that govern the award and administration of this grant.

***ATTACHMENTS** - Additional sections of the Grant Award Notification that discuss payment and reporting requirements, explain Department procedures, and add special terms and conditions in addition to those established, and shown as clauses, in Block 10 of the award. Any attachments provided with a notification continue in effect through the project period until modified or rescinded by the Authorizing Official.

9. LEGISLATIVE AND FISCAL DATA - The name of the authorizing legislation for this grant, the CFDA title of the program through which funding is provided, and U.S. Department of Education fiscal information.

FUND CODE, FUNDING YEAR, AWARD YEAR, ORG.CODE, PROJECT CODE, OBJECT CLASS -

The fiscal information recorded by the U.S. Department of Education's Grants Management System (G5) to track obligations by award.

AMOUNT - The amount of funds provided from a particular appropriation and project code. Some notifications authorize more than one amount from separate appropriations and/or project codes. The total of all amounts in this block equals the amount shown on the line, "THIS ACTION" (See "AUTHORIZED FUNDING" above (Block 7)).

10. TERMS AND CONDITIONS - Requirements of the award that are binding on the recipient.

***PARTICIPANT NUMBER** - The number of eligible participants the grantee is required to serve during the budget year.

***GRANTEE NAME** - The entity name and address registered in the System for Award Management (SAM). This name and address is tied to the DUNS number registered in SAM under the name and address appearing in this field. This name, address and the associated DUNS is what is displayed in the SAM Public Search.

***PROGRAM INDIRECT COST TYPE** - The type of indirect cost permitted under the program (i.e. Restricted, Unrestricted, or Training).

***PROJECT INDIRECT COST RATE** - The indirect cost rate applicable to this grant.

***AUTHORIZING OFFICIAL** - The U.S. Department of Education official authorized to award Federal funds to the recipient, establish or change the terms and conditions of the award, and authorize modifications to the award

FOR FORMULA AND BLOCK GRANTS ONLY:

(See also Blocks 1, 2, 4, 6, 8, 9 and 10 above)

3. PROJECT STAFF - The U.S. Department of Education staff persons to be contacted for programmatic and payment questions.

7. AUTHORIZED FUNDING

CURRENT AWARD AMOUNT - The amount of funds that are obligated (added) or de-obligated (subtracted) by this action.

PREVIOUS CUMULATIVE AMOUNT - The total amount of funds awarded under the grant before this action.

CUMULATIVE AMOUNT - The total amount of funds awarded under the grant, this action included.

* This item differs or does not appear on formula and block grants.

UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF THE CHIEF FINANCIAL OFFICER
& CHIEF INFORMATION OFFICER

Mary Frances Haluska
Arizona Department of Education
1535 W. Jefferson Street, Bin 2

Phoenix, AZ 85007

SUBJECT: Payee Identification for Grant Award S144F170055

This is to inform you that the United States Department of Education does not have a payee and bank account of record designated for the above listed grant award. You will not be able to request funds for this grant award until a payee and bank account of record are established.

- 1) All SF-1199A, Direct Deposit and Fedwire Sign-Up forms must be mailed to the Department of Education. The SF-1199A must contain original signatures for both the recipient and bank officials.
- 2) First time recipients establishing a bank account for a new award must include a copy of the grant award document with the cover letter and SF-1199A, Direct Deposit or Fedwire Sign-Up forms.
- 3) The Grant Administration and Payment System (GAPS) has been enhanced to produce an automated notification when bank account data has been changed or deleted. This automated notification is transmitted via e-mail to Payees having e-mail capacity or mailed to recipients without an e-mail address.
- 4) All banking information requests, including establishing a new bank account, modifying an existing bank account or deleting a bank account must be accompanied with a cover letter requesting the specific action. The cover letter must be on the letterhead of the requesting payee. The cover letter must contain the following information:
 - DUNS Number
 - e-mail address (if available) for the person to receive automated notification
 - signature and phone number of the person requesting the bank information change

Mail Cover Letters and accompanying forms to:

U.S. Department of Education
400 Maryland Ave, SW, Rm. 4C146
Washington, DC 20202-4110
Attn: Financial Management Operations

If you have any questions or require assistance concerning establishing a payee record for a bank account please contact the G5 Hotline at 1-888-336-8930.

Dear G5 Payee:

To obtain your G5 Login ID, you will need to complete the G5 External User Access Request Form and return it notarized to the U.S. Department of Education. Attached are the instructions for accessing and completing the form. Upon receiving the notarized form, the Department will send you an email with your new G5 Login ID.

Please mail the form to:

U.S. Department of Education
Office of the Chief Information Officer
Mail Stop - 4110
400 Maryland Avenue S.W.
Washington, DC 20202
Attn: Functional Applications Team

Thank you for your continued support of the U.S. Department of Education's G5 Grant Management System. Please contact the G5 Hotline (888-336-8930) if you have any

Sincerely,
G5 Administration

Instructions for Completing the G5 External User Access Request Form

To establish direct access to your U.S. Department of Education G5 Grant Management System account, please complete the G5 External User Access Request Form attached, have it notarized, and mail the completed form to the address below.

Steps for Completing the G5 External User Access Request Form -

1. Go to <http://www.g5.gov> and click on the link, "Not Registered? Sign up".
2. Complete each data element of the form including the following elements:
 - a. User Type (Select Payee unless you are specifically a Servicer)
 - b. Dun and Bradstreet Number (DUNS)
 - b. Desired Role (Select Full Access to enable you to continue to draw funds, or View Only if you will only need to review account activity).
3. Print the form and then Submit your online registration.
4. You will immediately receive an email asking you to activate your account.
5. Click on the link in the email and select your password and Secret Question and Answer.
6. Congratulations! You now have an active account. Only one more step!!
7. Sign the printed (from step 3) G5 External User Access Request Form as the Authorized Payee in the presence of a Notary Public.
8. Assure the G5 External User Access Request Form is notarized with appropriate seal and signature and expiration date.
9. Mail the completed, notarized G5 External User Access Request Form to the following address:

U.S. Department of Education
Office of the Chief Information Officer
Mail Stop - 4110
400 Maryland Avenue S.W.
Washington DC 20202
Attn: Functional Applications Team
10. Allow two weeks for delivery and account updates.
11. You will receive Email notification that your G5 External User Access Request Form has been processed and your roles have been assigned.
12. Congratulations, You're now able to access G5 directly.

As always, please contact the G5 Hotline (888-336-8930) with any questions.

INSTRUCTIONS
ACH DIRECT DEPOSIT SIGN-UP FORM
SF-1199A

Recipients can obtain an SF-1199A (Figure D-1) from their financial institution. The preprinted instructions on the reverse side of the SF-1199A should be disregarded and the following instructions should be followed in completing the SF-1199A.

The recipient is to complete Sections 1 and 2 of the SF-1199A. The recipient's financial institution is to complete Section 3 and mail the completed form to the Department of Education. The financial institution will mail a copy of the completed SF-1199A to the recipient.

INSTRUCTIONS - SECTION 1

ITEM A	Name of Payee	Enter the name and address of payee's organization.
	Address	Enter telephone number of person authorized to certify the
	Telephone Number	payment request.
ITEM B	Name of Person(s) Entitled to Payment	Leave Blank.
ITEM C	Claim or Payroll ID Number	Enter the following information Prefix: 9 digit D-U-N-S Number, Suffix: 11 character Grant Award nUmber.
ITEM D	Type of Depositor	Place an "X" in the Appropriate Box.
ITEM E	Depositor Account	Enter the payee's account number at the financial institution in which funds are to be deposited. Include blanks or dashes when entering the account number.
ITEM F	Type of Payment	Enter "X" in the "Other" box.
ITEM G	Box for Allotment of Payment Only	Leave Blank.
Payee/Joint Certification		Authorized Certifying Official for the payee is to sign the form.

INSTRUCTIONS - SECTION 2

Government Agency Name	Enter:	U.S. Department of Education
Government Agency Address	Enter:	400 Maryland Avenue, SW Room 4C138 Washington, DC 20202

INSTRUCTIONS - SECTION 3

To be completed by financial institution.

Director, Financial Payment Group
U.S. Department of Education
400 Maryland Avenue, SW
Washington, DC 20202 - 4331

Ref: PR/Award No. S144F170055

Dear Sir:

Please transfer FEDWIRE payments for Arizona Department of Education to the following financial institution and depositor account beginning on this date: Month____, Day____, Year____.

Information regarding the financial institution to which payments for D-U-N-S_____ are to be transferred is provided below.

Financial Institution

Name:_____
Street:_____
City:_____
State:_____
Zip:_____

ABA Number:_____
Account Number:_____
Contact Name:_____
Telephone No:_____

Corresponding Bank (if applicable):

Name:_____
Street:_____
City:_____
State:_____
Zip:_____

ABA Number:_____
Telegraphic
Abbrev.:_____

Please update my account with the information as indicated above. If you have any questions, I may be reached at (____) _____.

Sincerely,

Chief Financial Officer

SPECIFIC GRANT CONDITIONS FOR PAYMENTS

THE G5 PAYMENTS MODULE

Payments under this award will be made through the G5-Payments module of the U.S. Department of Education's (Department) electronic payments system. The G5 Payments module within the Education Central Automated Processing Systems (EDCAPS) is administered by the Office of the Chief Information Officer, Financial Systems Services.

The internet address for G5 is <https://www.g5.gov>. To access the G5 Payments module, you must first have a G5 User Id and Password. You will need to request a G5 User Id and Password from the Department of Education by submitting an **External Access Security Form**. This form is electronically available during online registration under "*Not Registered? Sign Up*", when you access the website. The Department will issue G5 User IDs and Passwords to those individuals authorized by the payee to access G5 to request funds and report expenditures. **User IDs and Passwords cannot be faxed or given over the phone**, and may not be shared by multiple users. The External User Access Request Form must be completed and mailed to the following address:

U.S. Department of Education
Office of the Chief Information Officer
Mail Stop – 4138
Attn: G5 Functional Application Team
400 Maryland Avenue, SW
Washington, DC 20202

New grantees will be requested to provide pertinent information before they may begin requesting funds. Information to be provided includes:

- Designation of payee;
- Payee contacts and mailing addresses;
- Depositor account information; and
- Individuals authorized by the payee to access G5 to request funds - these individuals will be provided User IDs and passwords to access G5.

The payee is the entity identified by the grantee to handle the financial aspects of the grant (e.g., request payments, report expenditures, etc.). While a grantee may designate an entity to be its payee, alternatively, a grantee and payee may be the same entity.

Payees may begin requesting funds for the grantee once their award authorization is entered into G5 and the award start date is reached.

A copy of the Department of Education G5 Training Guide (*Guide*) is available on the G5 website at the "Help" link. The guide provides detailed instructions on all electronic payment processes. If you are not Internet capable, please contact the G5 Hotline at toll free 1 (888) 336-8930 to request a hard copy of the Guide.

REQUESTING FUNDS USING THE G5 MODULE

Payees can access the G5-Payments Module on-line to request funds. To access the G5 Payments Module, payees need a Web browser (such as Microsoft Internet Explorer) and Internet connectivity. Payees will request funds by award using **the PR/Award Number** found in **Block 5** of the **Grant Award Notification**. Instructions for navigating through the G5-Payments screens to make a payment request are given in the G5 Training Guide and in the G5 On Demand training located under the "Help" link. Instructions for modifying payment requests, adjusting drawdown amounts, and viewing award and authorization histories are also included in the Guide.

Those payees who do not have the technology to access G5-Payments on-line may request funds by calling ED's G5 Hotline by at 1-888-336-8930.

AWARD INFORMATION

Payees can get information on this award on-line, or by calling ED's G5 Hotline Staff at 1-888-336-8930.

➤ On-Line:

Payees may access G5 via the Internet at <https://www.G5.gov> to retrieve and view information on their awards, such as:

- Net authorization and authorization history;
- Net draws;
- Available balance;
- History of pending and completed payments;
- Award status; and
- Award history - including detailed transactions on drawdowns, returns, refunds, and adjustments.

➤ ED's G5 Hotline Staff:

Payees can contact a G5 Hotline Staff for information on any award. Because award information is organized in G5 by a unique identifier - the Dun & Bradstreet Number (DUNS Number) - payees should have their DUNS number, identified in **Block 8** of the **Grant Award Notification**, available when contacting a G5 Hotline Staff Representative.

FINANCIAL REPORTS:

When a Payee requests a drawdown of funds by grant award, the Department records this drawdown as an expenditure against the specified grant award. This method of identifying expenditures, at the time of drawdown, and the capability to make adjustments on-line, eliminates the need for the submission of the Federal Cash Transactions Report Form 272. Thus, additional financial reporting generally will not be required, unless otherwise specified by ED.

**An Overview of Single Audit Requirements of States,
Local Governments, and Non-Profit Organizations**

To meet audit requirements of U.S. Office of Management and Budget (OMB) Uniform Guidance: Cost Principles, Audit, and Administrative Requirements for Federal Awards (Uniform Guidance), grantees must submit all documents required by Uniform Guidance 2 CFR 200.512, including Form SF-SAC: Data Collection Form, to:

Federal Audit Clearinghouse
1201 East 10th Street
Jeffersonville, Indiana 47132
(301) 763-1551 (voice)
(800) 253-0696 (toll free)
(301) 457-1540 (fax)

Below is a summary of the single audit requirements:

- (1) **Single Audit.** A non-Federal entity that expends \$750,000 or more during the non-Federal entity's fiscal year in Federal awards must have a single audit conducted in accordance with 2 CFR 200.514, "Scope of Audit," except when it elects to have a program specific audit conducted.
- (2) **Program-specific audit election.** When an auditee expends Federal awards under only one Federal program (excluding R&D), and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of the auditee, the auditee may elect to have a program-specific audit conducted. A program-specific audit may not be elected for R&D unless all of the Federal awards expended were received from the same Federal agency, or the same Federal agency and the same pass-through entity, and that Federal agency, or pass-through entity in the case of a subrecipient, approves in advance a program-specific audit.
- (3) **Exemption when Federal awards expended are less than \$750,000.** A non-Federal entity that expends less than \$750,000 during the non-Federal entity's fiscal year in Federal awards is exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and Government Accountability Office (GAO).

(4) Federally Funded Research and Development Centers (FFRDC). Management of an auditee that owns or operates a FFRDC may elect to treat the FFRDC as a separate entity.

(5) Report Submission. The audit must be completed, and the data collection form and reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period. If the due date falls on a Saturday, Sunday, or Federal holiday, the reporting package is due the next business day. Unless restricted by Federal statutes or regulations, the auditee must make copies available for public inspection. Auditees and auditors must ensure that their respective parts of the reporting package do not include protected personally identifiable information. (2 CFR 200.512)

Grantees are strongly urged to obtain the "OMB Compliance Supplement" and to contact their cognizant agency for single audit technical assistance.

The designated cognizant agency for single audit purposes is "the Federal awarding agency that provides the predominant amount of direct funding to the recipient." Grantees should obtain a copy of the OMB Compliance supplement. This supplement will be instructive to both grantees and their auditors. Appendix III of the supplement provides a list of Federal Agency Contacts for Single Audits, including addresses, phone numbers, fax numbers, and e-mail addresses for technical assistance.

If the U.S. Department of Education is the cognizant agency, grantees should contact the Non-Federal Audit Team in the Department's Office of Inspector General, at the address, phone, or fax number provided on page 3 of this attachment.

Grantees can obtain information on single audits from:

The OMB Publications Service, (202) 395-7332. (To obtain OMB Compliance Supplement, and Form SF-SAC: Data Collection Form)

The OMB web site. The Internet address is www.omb.gov. Look under OMB "Information for Agencies", then in OMB Circulars. (To obtain OMB Compliance Supplement, and Form SF-SAC: Data Collection Form)

The Federal Audit Clearinghouse, 1-888-222-9907. (to obtain Form SF-SAC: Data Collection Form), or

The American Institute of Certified Public Accountants (AICPA). AICPA has illustrative OMB Single Audit report examples that might be of interest to accountants, auditors, or financial staff. The examples can be obtained by their fax hotline: (202) 938-3797, request document number 311; or from their Internet page. The Internet address is www.aicpa.org.

If the U.S. Department of Education is the cognizant agency for the grantee organization, the following shows, according to the location of the grantee entity, which location of the Office of Inspector General to contact for single audit-related questions. For programmatic questions, grantees should contact the Education Program Contact shown on the Department's Grant Award Notification.

U.S. Department of Education Non-Federal Audit Teams

Director, Non-Federal Audits
Office of Inspector General
U.S. Department of Education
Wanamaker Building
100 Penn Square East, Suite 502
Philadelphia, PA 19107
Phone: Voice (215) 656-6900
FAX (215) 656-6397

NATIONAL OFFICE CONTACT and audits in Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, West Virginia, Puerto Rico, and the Virgin Islands.

Non-Federal Audit Team
Office of Inspector General
U.S. Department of Education
1999 Bryan Street, Suite 2630
Dallas, TX 75201-6817
Phone: Voice (214) 880-3031
FAX (214) 880-2492

For audits in Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, New Mexico, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas.

Non-Federal Audit Team
Office of Inspector General
U.S. Department of Education
8930 Ward Parkway, Suite 2401
Kansas City, MO 64114-3302
Phone: Voice (816) 268-0502
FAX (816) 823-1398

For audits in Alaska, Arizona, California, Colorado, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, North Dakota, Ohio, Oregon, South Dakota, Utah, Washington, Wisconsin, Wyoming, and the Pacific Islands.

Trafficking in Persons

The Department of Education adopts the requirements in the Code of Federal Regulations at 2 CFR 175 and incorporates those requirements into this grant through this condition. The grant condition specified in 2 CFR 175.15(b) is incorporated into this grant with the following changes. Paragraphs a.2.ii.B and b.2.ii. are revised to read as follows:

“a.2.ii.B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 34 CFR part 85.”

“b.2.ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 34 CFR part 85.”

Under this condition, the Secretary may terminate this grant without penalty for any violation of these provisions by the grantee, its employees, or its subrecipients.

Reporting Prime Awardee Executive Compensation Data As Required under the Federal Funding Accountability and Transparency Act

The Federal Funding Accountability and Transparency Act (FFATA) is designed to increase transparency and improve the public's access to Federal government information. To this end, FFATA requires that executive compensation data be reported for all new Federal grants funded at \$25,000 or more that meet the reporting conditions as set forth in this grant award term, and that are awarded on or after October 1, 2010. For FFATA reporting purposes, the prime awardee (i.e. the grantee) is the entity listed in box 1 of the Grant Award Notification.

a. Reporting Total Compensation of the Prime Awardee's Executives:

1. *Applicability and what to report.* The prime awardee must report total compensation for each of its five most highly compensated executives for the preceding completed fiscal year, if all of the following conditions are applicable: —

i. the total Federal funding authorized to date under this award is \$25,000 or more; **and**

ii. in the preceding fiscal year, the prime awardee received--

(A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); **and**

(B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); **and**

iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Securities and Exchange Commission total compensation filings at www.sec.gov/answers/execomp.htm.)

2. *Where, what and when to report.* The prime awardee must report executive compensation described in paragraph **a.1.** of this grant award term as part of its registration profile in the System for Award Management (www.SAM.gov).

i. The types of compensation that must be reported for each subrecipient are listed in the definition of "total compensation" appearing in item **b** of this grant award term. If this is the first award the prime awardee has received that is subject to the reporting requirements in paragraph **a.1.**, the prime awardee must report by the end of the month following the month in which this award is made, and on each anniversary of this award.

b. Definitions. For purposes of this grant award term:

1. *Entity* means all of the following, as defined in 2 CFR Part 25:

- i. A Governmental organization, which is a State, local government, or Indian tribe;
- ii. A foreign public entity;
- iii. A domestic or foreign nonprofit organization;
- iv. A domestic or foreign for-profit organization;
- v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

2. **Executive** means officers, managing partners, or any other employees in management positions.

3. **Total compensation** means the cash and noncash dollar value earned by the executive during the prime awardee's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):

i. Salary and bonus.

ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.

iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.

iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.

v. Above-market earnings on deferred compensation which is not tax-qualified.

vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

**SPECIFIC CONDITIONS FOR DISCLOSING
FEDERAL FUNDING IN PUBLIC ANNOUNCEMENTS**

When issuing statements, press releases, requests for proposals, bid solicitations and other documents describing projects or programs funded in whole or in part with Federal money, U.S. Department of Education grantees shall clearly state :

- 1) the percentage of the total costs of the program or project which will be financed with Federal money;
- 2) the dollar amount of Federal funds for the project or program; and
- 3) the percentage and dollar amount of the total costs of the project or program that will be financed by non-governmental sources.

Recipients must comply with these conditions under Division H, Title V, Section 505 of Public Law 113-76, Consolidated Appropriations Act, 2014.

**PROHIBITION OF TEXT MESSAGING AND EMAILING WHILE
DRIVING DURING OFFICIAL FEDERAL GRANT BUSINESS**

Federal grant recipients, sub recipients and their grant personnel are prohibited from text messaging while driving a government owned vehicle, or while driving their own privately owned vehicle during official grant business, or from using government supplied electronic equipment to text message or email when driving.

Recipients must comply with these conditions under Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving," October 1, 2009.

Registration of Data Universal Numbering System (DUNS) Number and Taxpayer Identification Number (TIN) in the System for Award Management (SAM)

The U.S. Department of Education (Education) Grants Management System (G5) will begin disbursing payments via the U.S. Department of Treasury (Treasury) rather than directly through the Federal Reserve as in the past. The U.S. Treasury requires that we include your Tax Payer Identification Number (TIN) with each payment. Therefore, in order to do business with Education you must have a registered DUNS and TIN number with the SAM, the U.S. Federal Government's primary registrant database. If the payee DUNS number is different than your grantee DUNS number, both numbers must be registered in the SAM. Failure to do so will delay the receipt of payments from Education.

A TIN is an identification number used by the Internal Revenue Service (IRS) in the administration of tax laws. It is issued either by the Social Security Administration (SSA) or by the IRS. A Social Security number (SSN) is issued by the SSA whereas all other TINs are issued by the IRS.

The following are all considered TINs according to the IRS.

- Social Security Number "[SSN](#)"
- Employer Identification Number "[EIN](#)"
- Individual Taxpayer Identification Number "[ITIN](#)"
- Taxpayer Identification Number for Pending U.S. Adoptions "[ATIN](#)"
- Preparer Taxpayer Identification Number "[PTIN](#)"

If your DUNS number is not currently registered with the SAM, you can easily register by going to www.sam.gov. Please allow 3-5 business days to complete the registration process. If you need a new TIN, please allow 2-5 weeks for your TIN to become active. If you need assistance during the registration process, you may contact the SAM Federal Service Desk at 866-606-8220.

If you are currently registered with SAM, you may not have to make any changes. However, please take the time to validate that the TIN associated with your DUNS is correct.

If you have any questions or concerns, please contact the G5 Hotline at 888-336-8930.

System for Award Management and Universal Identifier Requirements

1. Requirement for System for Award Management (SAM)

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the SAM until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

2. Requirement for Data Universal Numbering System (DUNS) Numbers

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

3. Definitions

For purposes of this award term:

1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
2. Data Universal Numbering System (DUNS) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).
3. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;
 - d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. Subaward:
 - a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (see 2 CFR 200.501 of the OMB "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards").
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. Subrecipient means an entity that:
 - a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

UNITED STATES DEPARTMENT OF EDUCATION
Office of the Chief Financial Officer

MEMORANDUM to ED GRANTEEES REGARDING THE USE OF GRANT FUNDS FOR CONFERENCES AND MEETINGS

You are receiving this memorandum to remind you that grantees must take into account the following factors when considering the use of grant funds for conferences and meetings:

- Before deciding to use grant funds to attend or host a meeting or conference, a grantee should:
 - Ensure that attending or hosting a conference or meeting is consistent with its approved application and is reasonable and necessary to achieve the goals and objectives of the grant;
 - Ensure that the primary purpose of the meeting or conference is to disseminate technical information, (e.g., provide information on specific programmatic requirements, best practices in a particular field, or theoretical, empirical, or methodological advances made in a particular field; conduct training or professional development; plan/coordinate the work being done under the grant); and
 - Consider whether there are more effective or efficient alternatives that can accomplish the desired results at a lower cost, for example, using webinars or video conferencing.
- Grantees must follow all applicable statutory and regulatory requirements in determining whether costs are reasonable and necessary, especially the Cost Principles for Federal grants set out at 2 CFR Part 200 Subpart E of the, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards." In particular, remember that:
 - Federal grant funds cannot be used to pay for alcoholic beverages; and
 - Federal grant funds cannot be used to pay for entertainment, which includes costs for amusement, diversion, and social activities.
- Grant funds may be used to pay for the costs of attending a conference. Specifically, Federal grant funds may be used to pay for conference fees and travel expenses (transportation, per diem, and lodging) of grantee employees, consultants, or experts to attend a conference or meeting if those expenses are reasonable and necessary to achieve the purposes of the grant.
 - When planning to use grant funds for attending a meeting or conference, grantees should consider how many people should attend the meeting or conference on their behalf. The number of attendees should be reasonable and necessary to accomplish the goals and objectives of the grant.
- A grantee hosting a meeting or conference may not use grant funds to pay for food for conference attendees unless doing so is necessary to accomplish legitimate meeting or conference business.
 - A working lunch is an example of a cost for food that might be allowable under a Federal grant if attendance at the lunch is needed to ensure the full participation by conference attendees in essential discussions and speeches concerning the purpose of the conference and to achieve the goals and objectives of the project.
- A meeting or conference hosted by a grantee and charged to a Department grant must not be promoted as a U.S. Department of Education conference. This means that the seal of the U.S. Department of Education must not be used on conference materials or signage without Department approval.

UNITED STATES DEPARTMENT OF EDUCATION

Office of the Chief Financial Officer

- All meeting or conference materials paid for with grant funds must include appropriate disclaimers, such as the following:

The contents of this (insert type of publication; e.g., book, report, film) were developed under a grant from the Department of Education. However, those contents do not necessarily represent the policy of the Department of Education, and you should not assume endorsement by the Federal Government.
- Grantees are strongly encouraged to contact their project officer with any questions or concerns about whether using grant funds for a meeting or conference is allowable prior to committing grant funds for such purposes.
 - A short conversation could help avoid a costly and embarrassing mistake.
- Grantees are responsible for the proper use of their grant awards and may have to repay funds to the Department if they violate the rules on the use of grant funds, including the rules for meeting- and conference-related expenses.

12/2014




UNITED STATES DEPARTMENT OF EDUCATION

MEMORANDUM

ENCLOSURE 4

DATE: July 12, 2016

TO: Recipients of grants and cooperative agreements

FROM: Tim Soltis 
Delegated the Authority to perform the Duties and Functions of the Chief
Financial Officer

SUBJECT: Department of Education Cash Management Policies for Grants and Cooperative
Agreements

The purpose of this memorandum is to remind the Department of Education's (the Department's) grant and cooperative agreement recipients (grantees) of existing cash management requirements regarding payments. The Department expects that grantees will ensure that their subgrantees are also aware of these policies by providing relevant information to them.

There are three categories of payment requirements that apply to the draw of funds from grant accounts at the Department. The first two types of payments are subject to the requirements in the Treasury Department regulations implementing the Cash Management Improvement Act (CMIA) of 1990, 31 U.S.C.6513, and the third is subject to the requirements in the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) at 2 CFR part 200,¹ as follows:

- (1) Payments to a State under programs that are covered by a State's Treasury State Agreement (TSA);
- (2) Payments to States under programs that are not covered by a TSA; and
- (3) Payments to other non-Federal entities, including nonprofit organizations and local governments.

CMIA Requirements Applicable to Programs included in a TSA

Generally, under the Treasury Department regulations implementing the CMIA, only major assistance programs (large-dollar programs) are included in a State's written TSA. See 31 CFR part 205, subpart A. Programs included in a TSA must use approved funding techniques and both States and the Federal government are subject to interest liabilities for late payments. State interest liabilities accrue from the day federal funds are credited to a State account to the day the State pays out the federal funds for federal assistance program purposes. 31 CFR 205.15. If a

¹ The Department adopted the Uniform Guidance as regulations of the Department at 2 CFR part 3474.

State makes a payment under a Federal assistance program before funds for that payment have been transferred to the State, Federal Government interest liabilities accrue from the date of the State payment until the Federal funds for that payment have been deposited to the State account. 31 CFR 205.14.

CMIA Requirements Applicable to Programs Not Included in a TSA

Payments to States under programs not covered by a State's TSA are subject to subpart B of Treasury's regulations in 31 CFR part 205. These regulations provide that a State must minimize the time between the drawdown of funds from the federal government and their disbursement for approved program activities. The timing and amount of funds transfers must be kept to a minimum and be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs. 31 CFR 205.33(a). States should exercise sound cash management in funds transfers to subgrantees.

Under subpart B, neither the States nor the Department owe interest to the other for late payments. 31 CFR 205.33(b). However, if a State or a Federal agency is consistently late in making payments, Treasury can require the program to be included in the State's TSA. 31 CFR 205.35.

Fund transfer requirements for grantees other than State governments and subgrantees

The transfer of Federal program funds to grantees other than States and to subgrantees are subject to the payment and interest accrual requirements in the Uniform Guidance at 2 CFR 200.305(b). These requirements are similar to those in subpart B of the Treasury Department regulations in 31 CFR part 205, requiring that "payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity." 2 CFR 200.305(b) introduction.

The Federal Government and pass-through entities must make payments in advance of expenditures by grantees and subgrantees if these non-Federal entities maintain, or demonstrates the willingness to maintain, written procedures "that minimize the time elapsing between the transfer of funds and disbursement by the non-Federal entity, and financial management systems that meet the standards for fund control and accountability as established in" 2 CFR 200.305(b). If a grantee or subgrantee cannot meet the criteria for advance payments, a Federal agency or pass-through entity can pay that entity through reimbursement. See 2 CFR 200.305(b)(1) and (4) for more detailed description of the payment requirements and the standards for requiring that payments be made by reimbursement.

Non-Federal entities other than States must maintain advance payments in interest bearing accounts unless certain conditions exist. See 2 CFR 200.305(b)(8) for those conditions. The requirements regarding interest accrual and remittance follow:

- Grantees other than States and subgrantees must annually remit interest earned on federal advance payments except that the non-Federal entity may retain up to \$500 of interest earned on the account each year to pay for the costs of maintaining the account.
- Grantees other than States and subgrantees must remit interest earned on Federal advance payments to the Department of Health and Human Services, Payment Management

System (PMS), through either Automated Clearinghouse (ACH) network or Fedwire. Detailed information about electronic remittance of funds via ACH or Fedwire are specified in 2 CFR 200.305(b)(9)(i) and (ii). For non-Federal entities that do not have electronic remittance capability, checks must be made payable to HHS and addressed to:

U.S. Department of Health and Human Services
Program Support Services
P.O. Box 530231
Atlanta, GA 3035-0231

The remittance should be accompanied by a letter stating that the remittance is for “interest earned on Federal funds” and should include the DUNS number of the non-Federal entity making the payment.

Grantees, including grantees that act as pass-through entities and subgrantees have other responsibilities regarding the use of Federal funds. For example, all grantees and subgrantees must have procedures for determining the allowability of costs for their awards. We highlight the following practices related to the oversight of subgrantee compliance with the financial management requirements in the Uniform Guidance that will assist State grantees (pass-through entities) in meeting their monitoring responsibilities. Under 2 CFR 200.331, pass-through entities must –

- Establish monitoring priorities based on the risks posed by each subgrantee, including risks associated with the drawdown of grant funds and remittance of interest to the Federal Government;
- Monitor the fiscal activity of subgrantees as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

A small number of ED grant programs have program-specific cash management and payment requirements based on the authorizing legislation or program regulations. These program-specific requirements may supplement or override general cash management or payment requirements. If you have any questions about your specific grant, please contact the program officer, whose contact information is on Block 3 of your Grant Award Notification (GAN).

Thank you for your attention to this matter. If you have any questions, please contact Blanca Rodriguez at (202) 245-8153 or blanca.rodriguez@ed.gov

Attachment

**Recipients of ED Grants and Cooperative Agreements
Frequently Asked Questions on
Cash Management**

Q What are the Federal Laws and Regulations Regarding Payments to the States?

A The *Cash Management Improvement Act of 1990 (CMIA)* establishes interest liabilities for the Federal and State governments when the Federal Government makes payments to the States. See 31 U.S.C. 3335 and 6503. The implementing regulations are in Title 31 of the Code of Federal Regulations (CFR), Part 205, <http://www.fms.treas.gov/fedreg/31cfr205final.pdf>.

Q What is a Treasury-State Agreement (TSA)?

A A TSA documents the accepted funding techniques and methods for calculating interest agreed upon by the U.S. Department of the Treasury (Treasury) and a State. It identifies the Federal assistance programs that are subject to interest liabilities under the CMIA. The CMIA regulations specify a number of different funding techniques that may be used by a State but a State can negotiate with the Treasury Department to establish a different funding technique for a particular program. A TSA is effective until terminated and, if a state does not have a TSA, payments to the State are subject to the default techniques in the regulations that Treasury determines are appropriate.

Q What are the CMIA requirements for a program subject to a Treasury-State Agreement?

A Payments to a State under a program of the Department are subject to the interest liability requirements of the CMIA if the program is included in the State's Treasury-State Agreement (TSA) with the Department of Treasury. If the Federal government is late in making a payment to a State, it owes interest to the State from the time the State spent its funds to pay for expenditure until the time the Federal government deposits funds to the State's account to pay for the expenditure. Conversely, if a State is late in making a payment under a program of the Department, the State owes interest to the Federal government from the time the Federal government deposited the funds to the State's account until the State uses those funds to make a payment. For more information, see the recently issued Memorandum from the Chief Financial Officer on Cash Management which is posted on the ed.gov "ED Memoranda to Grantees" page at:<http://www2.ed.gov/policy/fund/guid/gposbul/gposbul.html>

Q What are the CMIA requirements for a program that is not subject to a Treasury-State Agreement?

A If a program is not included in the State's TSA, neither the State nor the Federal government are liable for interest for making late payments. However, both the Federal government and the State must minimize the time elapsing between the date the State requests funds and the date that the funds are deposited to the State's accounts. The State is also required to minimize the time elapsed between the date it receives funds from the Federal government and the date it makes a payment under the program. Also, the Department must minimize the amount of funds transferred to a State to only that needed to meet the immediate cash needs of the State. The timing and amount of funds transferred must be as close as is administratively feasible to a State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs.

Q What if there is no TSA?

A When a State does not have a TSA in effect, default procedures in 31 CFR, part 205 that the Treasury Department determines appropriate apply. The default procedures will prescribe efficient funds transfer procedures consistent with State and Federal law and identify the covered Federal assistance programs and designated funding techniques.

Q Who is responsible for Cash Management?

A Grantees and subgrantees that receive grant funds under programs of the Department are responsible for maintaining internal controls regarding the management of Federal program funds under the Uniform Guidance in 2 CFR 200.302 and 200.303. In addition, grantees are responsible for ensuring that subgrantees are aware of the cash management and requirements in 2 CFR part 200, subpart D.

Q Who is responsible for monitoring cash drawdowns to ensure compliance with cash management policies?

A Recipients must monitor their own cash drawdowns **and** those of their subrecipients to assure substantial compliance to the standards of timing and amount of advances.

Q How soon may I draw down funds from the G5 grants management system?

A Grantees are required to minimize the amount of time between the drawdown and the expenditure of funds from their bank accounts. (See 2 CFR 200.305(b).) Funds must be drawn only to meet a grantee's immediate cash needs for each individual grant. The G5 screen displays the following message:

By submitting this payment request, I certify to the best of my knowledge and belief that the request is based on true, complete, and accurate information. I further certify that the expenditures and disbursements made with these funds are for the purposes and objectives set forth in the applicable Federal award or program participation agreement, and that the organization on behalf of which this submission is being made is and will remain in compliance with the terms and conditions of that award or program participation agreement. I am aware that the provision of any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me, and the organization on behalf of which this submission is being made, to criminal, civil, or administrative penalties for fraud, false statements, false claims, or other violations. (U.S. Code Title 18, Section 1001; Title 20, Section 1097; and Title 31, Sections 3729-3730 and 3801-3812)

Q How may I use Federal funds?

A Federal funds must be used as specified in the Grant Award Notification (GAN) and the approved application or State plan for allowable direct costs of the grant and an allocable portion of indirect costs, if authorized.

Q What are the consequences to recipients/subrecipients for not complying with terms of the grant award?

A If a recipient or subrecipient materially fails to comply with any term of an award, whether stated in a Federal statute or regulation, including those in 2 CFR part 200, an assurance, the GAN, or elsewhere, the awarding agency may take one or more of the following actions:

1. Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity not in compliance.
3. Wholly or partly suspend or terminate the Federal award.
4. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal award agency regulations (or in the case of a pass-through be initiated by a Federal awarding agency).
5. Withhold further Federal awards for the project or program.
6. Take other remedies that may be legally available.

Q Who is responsible for determining the amount of interest owed to the Federal government?

A As set forth in 31 CFR 205.9, the method used to calculate and document interest liabilities is included in the State's TSA. A non-State entity must maintain advances of Federal funds in interest-bearing accounts unless certain limited circumstance apply and remit interest earned on those funds to the Department of Health and Human Services, Payment Management System annually. See 2 CFR 200.305. Also, see the July 6, 2016, memorandum from the Department's Chief Financial Officer on Department of Education Cash Management Policies for Grants and Cooperative Agreements posted at <http://ww2.ed.gov/policy/fund/guid/gposbul.html>

Q What information should accompany my interest payment?

A Remittances must include pertinent information of the payee and nature of payment in the memo area (often referred to as "addenda records" by Financial Institutions) as that will assist in the timely posting of interest earned on federal funds. Pertinent details include the Payee Account Number (PAN) if the payment originated from PMS, or Agency information if the payment originated from ASAP, NSF or another federal agency payment system. CFR 200.305(b)(9).

Q Are grant recipients/subrecipients automatically permitted to draw funds in advance of the time they need to disburse funds in order to liquidate obligations?

A The payment requirements in 2 CFR 200.305(b) authorize a grantee or subgrantee to request funds in advance of expenditures if certain conditions are met. However, if those conditions are not met, the Department and a pass-through agency may place a payee on reimbursement.

Q For formula grant programs such as ESEA Title I, for which States distribute funds to LEAs, may States choose to pay LEAs on a reimbursement basis?

A A subgrantee must be paid in advance if it meets the standards for advance payments in 2 CFR 200.305(b)(1) but if the subgrantee cannot meet those standards, the State may put the subgrantee on reimbursement payment. See 2 CFR 200.305(b)

Q Will the Department issue special procedures in advance if G5 plans to shut down for 3 days or more?

A Yes, before any shutdown of G5 lasting three days or more, the Department issues special guidance for drawing down funds during the shut down. The guidance will include cash management improvement act procedures for States and certain State institutions of higher education and procedures for grants (including Pell grants) that are not subject to CMIA.

EXECUTIVE SUMMARY

Issue: Consideration to approve the Arizona Migrant Education Program to fund Riverside Elementary School District No. 2 to operate and manage the Central Valley Consortium LEA Level Migrant Education Program. Pursuant to Arizona Revised Statutes (A.R.S.) §15-207

Action/Discussion Item

CONTRACT ABSTRACT

Background and Brief Explanation of Contract

Background: The Migrant Education Program (MEP) is a federally funded, state-operated program under Title I, Part C of the Elementary and Secondary Education Act (ESEA) of 1965, that provides supplemental program services to the children, ages 3 through 21, of seasonal or temporary agricultural workers. In Arizona, the program delivers services primarily through local educational agencies (LEAs) that design programs to meet the unserved needs of children residing in their area. To facilitate broader services, some provisions are delivered through statewide models which, in particular, are designed to meet the credit accrual and informational needs for students.

Purpose of the Contract: With this Contract Abstract we seek authority to fund Riverside Elementary School District No. 2 to operate and manage the Central Valley Consortium. This consortium will consist of seven different LEAs, and will allow the State Migrant Education Program to serve migratory students in the greater Phoenix area, who have not previously had access to services.

Name of Contracting Party(ies)

Proposed contract between the Arizona Migrant Education Program, acting for and on behalf of the Department of Education, and the following:

Riverside Elementary School District No. 2

Contract Amount

\$70,000.00

Source of Funds

MIGRANT300FAY17

Authorizing Legislation/Statute

Title I, Part C of the Elementary and Secondary Education Act (ESEA) of 1965

Contact Information:

Mary Haluska, State Migrant Director
Kate Wright, Deputy Associate Superintendent, OELAS/Migrant

EXECUTIVE SUMMARY

Responsible Unit at the Department of Education

Associate Superintendent:	Carol Lippert
Unit Deputy Associate Superintendent	Kate Wright
State Program Director	Mary Frances Haluska

Dates of Contract

The agreement shall take effect when approved by the Board and shall terminate on September 30, 2018.

Previous Contract History

This will be a start-up for a new LEA Migrant Education Program. There is no previous history for this contract.

Number Affected (Students, Teachers, and Public, as appropriate)

Seven School Districts, One New MEP Staff Member, and around 100 students.

Method of Determining Contract Amount(s)

State Migrant Education Program Director reviewed available funds after awarding existing LEAs for FY2018 (using the State Board Approved Allocation Formula). Determination was made based around necessary funding levels for start-ups in the past (LEAs of similar size and proximity). Allocation formula could not be used, since no student counts and data have been collected, with this being a start-up program.

Evaluation Plan

Arizona MEP will allocate funds for fiscal year 2018 based around approval by the State Board of Education in the amount of \$70,000. Compliance, monitoring, and accountability will be enforced per the non-regulatory guidance from the US Department of Education Office of Migrant Education (OME).

Recommendation to the Board

It is recommended that the Board approve the agreement between the State Migrant Education Program and Riverside Elementary School District No. 2 to start-up the new Central Valley Consortium Migrant Education Program.

Contact Information:

Mary Haluska, State Migrant Director
Kate Wright, Deputy Associate Superintendent, OELAS/Migrant

ARIZONA MIGRANT EDUCATION PROGRAM

FY 2018 MINI-GRANT APPLICATION

DISTRICT Riverside Elementary School District No.2

x

 WILL APPLY FOR MEP MINI-GRANT FUNDS

Select the Option That Best Describes how your LEA Plans to use, if Awarded, a Mini-Grant.

 x **IDENTIFICATION AND RECRUITMENT ACTIVITIES**

Activities in this area must comply with Title I, Part C, Section 1304 (c) 7 of the Every Student Succeeds Act of 2017, which states “the State will assist the Secretary in determining that number of migratory children under paragraphs (1) (A) and (2) (B) (i) of section 1303(a), through such procedures as the Secretary may require”.

Detail:

 x **PRIORITY FOR SERVICES**

Activities in this area must comply with Title I, Part C, Section 1304 (d) of the Every Student Succeeds Act of 2017, which states “In providing services with funds received under this part, each recipient of such funds shall give priority to migratory children who are failing, or most at risk of failing, to meet the State’s challenging State academic content standards and challenging State academic achievement standards, and whose education has been interrupted during the regular school year”.

Detail:

 TECHNOLOGY

Activities in this area must comply with Title I, Part C, Section 1304 (c) (6) (D) of the Every Student Succeeds Act of 2017, which states “The integration of information technology into education and related programs”.

Detail:

 PRESCHOOL

Activities in this area must comply with Title I, Part C, Section 1304 (c) (4) of the Every Student Succeeds Act of 2017, which states “In the planning and carrying out such programs and projects, there has been, and will be, adequate provision for addressing the unmet education needs of preschool migratory children”.

Detail:

ARIZONA MIGRANT EDUCATION PROGRAM

FY 2018 MINI-GRANT APPLICATION

DISTRICT Riverside Elementary School District No.2

OTHER

All activities must comply with Title I, Part C, Section 1304 of the Every Student Succeeds Act of 2017 and must be supplemental to the activities already included in the regular MEP Application / Amendments.

Detail:

Please Provide a Detailed Narrative (Using Attachment A) to Describe your Project:

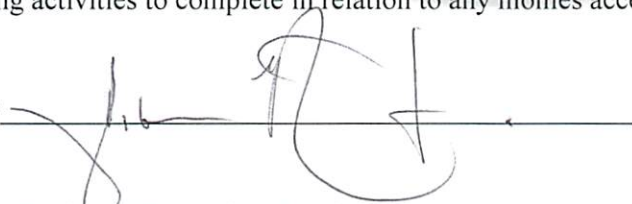
Please Provide a Detailed Budget (Using Attachment B) for your Project:

IT IS ANTICIPATED THAT \$ 70,000.00 WILL BE NEEDED TO FUND THE MINI GRANT SUPPLEMENTAL PROGRAM (S) DESCRIBED ABOVE.

Completing the mini-grant application does not guarantee an allocation. All applications are subject to approval by the State MEP office and mini-grant allocations must be approved by the State Board of Education. Grants will only be approved by the State office for activities and / or projects that are supplemental to the activities already included in the regular MEP Application / Amendments. Migrant Funding has very specific guidance set by the Federal Government. This funding cannot be used to benefit any other student except Migrant. Migrant funds cannot be combined with other Federal Funding and used for the entire school. Migrant funding is only to be used to assist Migrant Students. The program offered to Migrant Students needs to be above and beyond what is offered to all students. A Migrant Student is an Arizona student first and is entitled to all services and programs offered to all students.

I understand that this is a mini-grant, which means that I am applying for a one time supplemental allocation. Careful consideration for the future sustainability of my project must be considered before applying for this funding. I understand that this money must be used in keeping with the MEP law and must be *expended by September 30, 2018*. I understand that there will be reporting requirements and monitoring activities to complete in relation to any monies accepted by the LEA as part of this mini-grant.

SIGNED



DATE 7/20/2017

TITLE Regional Consortium Lead

ARIZONA MIGRANT EDUCATION PROGRAM

FY 2018 MINI-GRANT APPLICATION

ATTACHMENT A: NARRATIVE

DISTRICT Riverside Elementary School District No.2

Please Provide a Detailed Description of how the LEA will use the Mini-Grant Allocation, in keeping with the selection in the main application:

NOTE: Please keep in mind that the activity, service, item, or other proposed enhancement to your Migrant Education Program must be above and beyond what is offered to all Arizona Students. A Migrant Student is an Arizona student first and is entitled to all services and programs offered to all students. It must be exclusively for the benefit and advancement of Migratory Students only. Funds should not be used to replace money lost due to decreases in annual allocations.

The Migrant Consortium will help support in the Identification and Recruitment of Migrant students within the Maricopa County school districts that server over 80,000 students with a projection of over 100 to 200 un-identified students, by utilizing the following recruitment Best Practices:

- Conducting on-site Migrant Identification and Recruitment workshops that will provide parents, guardians, and caretakers with information on how to enroll their Migrant student (Parent and Involvement Services)
- Providing supplemental support high quality educational programs for migratory students to help reduce the educational disruptions and problems that may arise due to repeated moves.
- Providing Individual and Small Group Tutoring.
- Providing supplemental services in Reading, Writing, and Math for priority services students.
- Establish collaborative, trust, and empathy with families, students, and caretakers to best support in their education Migrant needs.

How will the Mini-Grant Support the LEA's Service Delivery Plan (SDP)?

NOTE: How will the LEA use this funding to further enhance and support the objectives initially stated in the Service Delivery Plan?

The Mini-Grant will Support the LEA's Service Delivery Plan by:

- Establishing an Action Plan that will meet ADE and ESSA guidelines to help support the Migrant Education Programs.
- Identification of Effective Teachers and Instruction, Conditions, Climate, and Culture
- Providing Identification of Parent Involvement, School Readiness, and Increase in Graduation Rates, and Alignment to Consortium School District's Needs Assessment and Improvement Plan.

How will the Mini-Grant Program be measured and evaluated to ensure its' success?

NOTE: What controls and evaluation techniques will the LEA have in place to ensure that performance objectives and desired outcomes are met?

The Migrant Consortium will utilize:

- Performance Targets to specify the areas that will be focused on for improvement in Reading, Writing and Mathematics
- A Needs Assessment that will provide the areas in which the school district will maintain focus.
- An Identification and Recruitment model that will provide migrant children an opportunity to meet the same challenging state academic content standards that all children are expected to meet.
- Specific measurable program goals and outcomes.

EXECUTIVE SUMMARY

Issue: Consideration to receive a total of \$120,000 through June 30, 2018 from First Things First to support funding for one new early care and education provider in Tonopah

Action/Discussion Item

Information Item

Background and Discussion

The Arizona Early Childhood Development and Health Board (First Things First) have authority to undertake programs and services related to early childhood development and health that accomplish one or more of the objectives in A.R.S. § 8-1171. First Things First has agreed to provide funds to the Arizona Department of Education (ADE), in accordance with A.R.S. § 35-148, for the ADE's services in administering or carrying out early childhood related programs.

In the past year, Head Start closed its program in the Saddle Mountain School District leaving no other early care and education programs in the region. Adding a licensed preschool in the district will fill the gap created by the closure of the Head Start program in that part of the region. This strategy will enhance the quality of the indoor and outdoor environments, support high quality teaching and instruction and cover the licensing costs. After the start-up process, the plan is to enroll the preschool into Quality First.

The target population will be two start up preschool classrooms in the Saddle Mountain School District of the Southwest Maricopa Region that will serve up to 36 preschool age children in Tonopah and the surrounding community by funding for one new early care and education provider.

Recommendation to the Board

It is recommended that the Board approve receipt of \$120,000 through June 2018 for one new early care and education provider in the Saddle Mountain School District of the Southwest Maricopa Region.

Contact Information:

Nicol Russell, Deputy Associate Superintendent, Early Childhood Education
Carol Lippert, Associate Superintendent, High Academic Standards for Students

Agreement Summary

ISA Number: ISA-RC007-18-0892-01	Region/Funding Source: Southwest Maricopa Regional Partnership Council
Applicant Information: Arizona Department of Education Eric Bucher, M.Ed. Early Childhood Education Program Specialist Eric.Bucher@azed.gov / 602.542.3143	
Strategy: Start-Up, Expansion, and Learning Lab	Amount Available for Award: \$120,000
Target Service Units: Start-Up, Expansion, and Learning Lab <ul style="list-style-type: none"> • 1 Start-Up Program • 36 increased slots for participating children 	
Brief Description: The intent of the Start-Up strategy is to support one new early care and education provider in Tonopah to begin services to preschool age children. The expected result is an increase of 36 slots for children in a state licensed, high quality early care and education program.	
Required Data Template Training To be determined after award.	
Grant Term/Estimated Start Date: The estimated grant term is July 1, 2017 through June 30, 2018, unless terminated, cancelled or extended.	Contact Information: Michelle Neitch, Fiscal Specialist mneitch@firstthingsfirst.org 602.771.5079 -or- Annette Bourne, Regional Director Southwest Maricopa abourne@firstthingsfirst.org 602.771.5089

INTERAGENCY SERVICE AGREEMENT

ISA-RC007-18-0892-01

**Between The
Arizona Early Childhood Development and Health Board
(First Things First)
And The
Arizona Department of Education**

I. Purpose

The Arizona Early Childhood Development and Health Board (First Things First) has authority to undertake programs and services (Programs) related to early childhood development and health that accomplish one or more of the objectives in A.R.S. § 8-1171. The purpose of this Interagency Services Agreement (Agreement) is for First Things First to provide funds to the Arizona Department of Education (ADE), in accordance with A.R.S. § 35-148, for the ADE's services in administering or carrying out the early childhood related Program(s) described in this Agreement.

II. Term; Renewal

The term of this Agreement is July 1, 2017 through June 30, 2018.

III. Description of Program(s)

- A. This strategy supports the start up of a high quality early program in Tonopah for those children who may not otherwise have access to high quality early care and education in an area where there is a lack of licensed and/or certified child care providers.
- B. In the past year, Head Start closed its program in the Saddle Mountain School District leaving no other early care and education programs in the region. Adding a licensed preschool in the district will fill the gap created by the closure of the Head Start program in that part of the region. This strategy will enhance the quality of the indoor and outdoor environments, support high quality teaching and instruction and cover the licensing costs. After the start-up process, the plan is to enroll the preschool into Quality First.
- C. The target population will be two start up preschool classrooms in the Saddle Mountain School District of the Southwest Maricopa Region that will serve up to 36 preschool age children in Tonopah and the surrounding community.

IV. ADE'S Responsibilities

The ADE shall:

- A. Prior to entering into this Agreement, have completed and submitted to First Things First for review and approval the following forms and documents:
 1. Agency/Organization Profile
 2. Program Personnel Table/Program Organization Chart
 3. Required Narrative Responses
 4. Implementation Plan,
 5. Line-Item Budget and Budget Narrative
 6. Funding Sources and Financial Controls

The completed forms and documents comprise part of this Agreement.

- B. In providing programming described in Section IV.A, the ADE shall act in accordance with its Narrative Responses; the approved budget; and the following First Things First documents: the Scope of Work (Exhibit A), Guidance Materials (Exhibit B), and the Data Security Guidelines and Requirements for Collaborators (Exhibit C).
- C. Coordinate and collaborate with all First Things First grant recipients, as collaboration is critical to developing a seamless service delivery system for children and families.
- D. Submit timely the reports described in Section VI.

V. Reimbursement/Payment

- A. First Things First shall pay the Grantee on a deliverable basis for expenses approved in the budget, up to \$120,000, on the terms described in this Section.
- B. Payment is conditioned upon receipt by First Things First of timely, accurate and complete (i) reimbursement documents, (ii) Program Narrative Reports and (iii) Data Submission Reports submitted via the First Things First Partner Grant Management System (PGMS).
- C. Initial Payment. An initial payment of \$60,000 will be initiated from First Things First for startup programmatic costs upon execution of this Agreement and approval by First Things First of the forms and documents submitted by the Grantee under Section IV.A of this Agreement.
- D. Second Payment. A second payment in the amount of \$30,000 shall be made by First Things First upon receipt of a detailed Reimbursement Request Report and Expense Ledger (via PGMS) that accounts for expenditures associated with the entire initial payment of \$60,000. All expenses shall be reported in sufficient detail to allow First Things First to confirm the expenses conform to the approved line-item budget.
- E. Final Payment. A final payment in the amount of \$30,000 shall be made by First Things First contingent upon receipt of all fiscal, programmatic, and data reports required of the

Grantee under this Agreement, including a detailed Reimbursement Request Report and Expense Ledger (via PGMS) that accounts for expenditures associated with the entire prior payment of \$30,000. **The Grantee shall submit a final payment request marked “final” no more than forty-five (45) days after the Agreement end date.**

- F. Requests for payment received later than forty-five (45) days after the Agreement end date will not be paid.
- G. Any unexpended funds received by Grantee under this Agreement remaining at the Agreement end date shall be returned to First Things First within forty-five (45) days.
- H. Funds provided to the Grantee under this Agreement shall only be used to fulfill the Grantee’s responsibilities under this Agreement. Any questions regarding the appropriate use of the funds shall be resolved by mutual agreement between the parties.
- I. If the Grantee receives reimbursement for expenditures that are disallowed by an audit exception by First Things First, the state or the federal government, the Grantee shall promptly repay the funds to First Things First.

VI. Quarterly Program Narrative and Data Submission Reporting Requirements

- A. At a minimum, the ADE shall submit quarterly one Program Narrative Report and one Data Submission Report by the 20th of the month following the quarter via PGMS. Failure to submit timely reports will result in suspension of reimbursement. The reports shall contain such information as deemed necessary by First Things First.
- B. Program Narrative and Data Submission Reports are due:

1st Quarter (July 1 – September 30)	Due: October 20
2nd Quarter (October 1 – December 31)	Due: January 20
3rd Quarter (January 1 – March 31)	Due: April 20
4th Quarter (April 1 – June 30)	Due: July 20
- C. If the ADE provides services to more than one First Things First region (multi-regional strategies), the ADE shall collect, store and report the data for the Data Submission Reports separately for each region served.

VII. General Terms

- A. FTF Grants Uniform Terms and Conditions. First Things First's Grants Uniform Terms and Conditions (revision date November 2015) are hereby incorporated by reference into this Agreement as if fully set forth herein. Copies of this document are available by emailing grants@azftf.gov or by calling the First Things First Procurement Specialist, 602-771-5114.
- B. Working on Tribal Land. If the ADE performs any work under this Agreement on sovereign land of an Indian tribe or nation, the ADE shall comply with any requirements set forth by the tribal government in relation to essential functions of the grant operation, including data collection. It is a material requirement of this Agreement that the ADE follow all First Things First tribal policies and procedures including the Tribal Data Policy, complete all Institutional Review Board (IRB) requirements, obtain all appropriate parental consents and obtain appropriate tribal approvals as designated by tribal authorities.
- C. Non-Discrimination. The provisions of State Executive Order 2009-09 are incorporated herein by reference. These provisions mandate, in part, that contractors will not discriminate against any employee or applicant for employment because of race, age, color, religion, sex or national origin. The ADE shall also comply with all other applicable state and federal statutes, regulations and executive orders concerning non-discrimination practices, including the Americans with Disabilities Act and Federal Executive Order No. 13279 – Equal Protection of the Laws for Faith-Based and Community Organizations.
- D. Records. Pursuant to A.R.S. § 8-1174, the ADE shall retain and shall contractually require each subcontractor and subgrantee to retain all books, accounts, reports, files and other records ("records") relating to the Agreement for a period of five years after the completion of the Agreement. All records shall be subject to inspection and audit by the State (including First Things First) and by an independent auditor at all reasonable times. Upon request, the ADE shall produce any or all such records at First Things First's main office in Phoenix, Arizona.

Notwithstanding the foregoing paragraph, pursuant to 2 C.F.R. § 200.333, if the grant includes federal pass-through funds, then the ADE shall retain and shall contractually require each subcontractor and subgrantee to retain all records pertaining to the federal pass-through funds for a period of three years from the date of submission of the final expenditure report and until any litigation, claims or audit findings involving the records have been resolved and final action taken. All such records shall be accessible and subject to audit in accordance with 2 C.F.R. § 200.336. This paragraph does not apply to an agency, subgrantee or subcontractor that is a federal agency.

- E. Non-Availability of Funds. Every payment obligation of the parties under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of the Agreement, this Agreement may be terminated by First Things First or the ADE at the end of the period for which funds are available. No liability shall accrue to First Things First or the ADE in the event this provision is exercised, and First Things First and the ADE shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.

VIII. Agreement Administration and Operations

- A. Advertising, Publishing and Promotion of Agreement. The ADE shall not use, advertise or promote information for commercial benefit concerning this grant without the prior written approval of First Things First.
- B. Review of Printed Materials. First Things First must review and approve all ADE publications and/or media funded or partially funded through this Agreement for compliance with this Agreement. The ADE shall submit to First Things First via PGMS all print and electronic materials related to the programs and services funded under this Agreement before publicly distributing those materials so that First Things First may first review and approve prior to release. If deemed necessary by First Things First, the ADE shall revise the materials as indicated by First Things First before publicly distributing the materials. First Things First shall have full and complete rights to reproduce, duplicate, disclose, perform, and otherwise use all materials prepared under this Agreement
- C. Acknowledgment of FTF Funding. The ADE shall recognize First Things First as a funding source of programs and services funded in whole or part under this Agreement in all publicly distributed print or electronic materials related to those programs and services. The ADE shall make this recognition in a manner described in First Things First's most current protocol and style guide. First Things First will post any updates to the protocol and style guide under the Grantee Resources section of PGMS. The ADE shall also recognize First Things First as a funding source of programs and services funded in whole or part under this Agreement in all formal oral presentations and media interviews related to those programs and services.
- D. Public Awareness Efforts. The ADE shall consult with First Things First in the planning of public awareness/marketing strategies, such as websites, advertising or media campaigns, related to the programs or services funded under this Agreement.
- E. Ownership of Intellectual Property. Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark and/or trade secrets created or conceived pursuant to or as a result of this Agreement and any related subcontract or subgrant ("Intellectual Property"), shall be work made for hire and First Things First shall be considered the creator of such Intellectual Property. First

Things First shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. The ADE shall notify First Things First, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s) and subgrantee(s). The ADE, on behalf of itself and any subcontractor(s) and subgrantee(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by the ADE or its subcontractor(s) and subgrantee(s) to any entity not the State without the express written authorization of First Things First.

- F. Sectarian Purposes. Funds provided under this Agreement may not be expended for any sectarian purpose or activity, including religious worship or instruction. Additionally, the ADE shall implement the programs or services funded under this Agreement consistent with the First Amendment of the United States Constitution. With respect to these programs or services, the ADE also shall not discriminate against any program or service beneficiary or applicant on the basis of religion. First Things First reserves the right to verify or monitor compliance with this paragraph. The ADE shall repay any funds awarded under this Agreement that the ADE spends in violation of this paragraph.

IX. Indemnification and Insurance

The ADE shall contractually require its subcontractors and subgrantees to (i) defend, indemnify and hold harmless the State of Arizona and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees and (ii) procure and maintain until all of their obligations have been discharged or satisfied, including any warranty periods under this Agreement, insurance against Claims for injury to persons or damage to property which may arise from or in connection with the performance of the work by the subcontractor or subgrantee and its directors, officers, agents, employees or representatives. The indemnity provisions and insurance policies shall be in accordance with recommendations of the Risk Management Division of the Arizona Department of Administration, including its published Insurance & Indemnification Modules, and in consultation with First Things First.

X. Termination Upon 30 Days Notice

In addition to the termination provisions incorporated by reference, either party may terminate the Agreement for any or no reason by giving at least thirty (30) days written notice of termination to the other party. If the ADE requests termination under this provision, the ADE shall cooperate with reasonable requests from First Things First to decrease services and costs related to the Agreement

XI. Notices

The ADE shall address all notices related to this Agreement to:

First Things First, Finance Division
4000 North Central, Suite 800
Phoenix, Arizona 85012

First Things First shall address all notices related to this Agreement to:

Nicol Russell
Deputy Associate Superintendent
Early Childhood Education, Arizona Department of Education
1535 W. Jefferson Street, Bin #15
Phoenix, AZ 85007

**FOR AND BEHALF OF THE
Arizona Department of Education**

**FOR AND BEHALF OF THE
Arizona Early Childhood Development and
Health Board/First Things First**

Steven Paulson
Chief Procurement Officer

Josh Allen
CFO/COO

Date

Date

Agreement Attachments and Exhibits

Attachment A	Agency/Organization Profile
Attachment B	Program Personnel Table/Organization Chart
Attachment C	Required Narrative Responses
Attachment D	Implementation Plan
Attachment E	Line Item Budget and Budget Narrative
Attachment F	Funding Sources and Financial Controls
Exhibit A	Overview of First Things First and Scope of Work
Exhibit B	Guidance Materials
Exhibit C	Data Security Guidelines and Requirements for Collaborators

Attachment A

Agency/Organization Profile

A. Grantee Information:

Agency/Organization: Arizona Department of Education Contact Person: Nicol Russell

Address: 1535 W. Jefferson St. Bin #15 Position: Deputy Associate Superintendent

Address _____ Email: Nicol.russell@azed.gov

City, State, Zip: Phoenix, AZ 85007

Phone: 602.542.8706 Ext _____ County _____

Employer Identification Number: 86-6004791

Agency Classification: State Agency County Government Local Government Schools
 Tribal Faith Based Non Profit Private Organization Other

Have you previously conducted business with First Things First using this EIN? Yes No
If not, or if there has been address or EIN changes, please go to https://gao.az.gov/sites/default/files/GAO-W-9_072815-S%26S%26A.pdf, download the State of Arizona Substitute W-9 Form, and submit with your application.

Congressional district (federal) in which agency provides most services: District # 4

Legislative district (state) in which agency provides most services: District # 15
Go to <http://www.azredistricting.org> and click on Final Maps to identify your congressional and legislative district

Approximate federal funding (from a federal source) to be received in current fiscal year? \$25,873,000

Agency's fiscal year-end date: June 30

Agency's accounting method: Cash Accrual

Does your organization undergo an annual independent audit in accordance with 2 CFR Part 200, Subpart F?
 Yes No

Contact information for firm conducting agency audit:

Audit firm: Office of the Auditor General

Address: 2910 N. 44th st. Suite 410, Phoenix, AZ 85018

Phone: 602.553.0333

B. Program Details:

Program Name: Tonopah Startup Strategy

Service area: Southwest Maricopa Region – Saddle Mountain School District

Target population: Saddle Mountain School District

Brief Program Description (250 words or less):

The Arizona Department of Education - Early Childhood Education Unit (ADE/ECE) implements the Expansion Strategy. In this endeavor, ADE/ECE will work with ECE start-up programs that will be responsible for providing quality preschool experiences. ADE offers support to local programs on state requirements and helps local programs establish collaborations within the local communities. ADE will implement this strategy in accordance with the Standards of Practice outlined in this grant agreement. This strategy will support efforts to establish high-quality preschool classrooms through the process of meeting and exceeding state licensing requirements with the use of measurement tools like the Early Childhood Environmental Rating Scale and Classroom Assessment Scoring System. The service area and target population is the Saddle Mountain School District specifically.

Strategy and Service Units

Strategy: Expansion, Start-Up and Learning Labs

Service Unit: Start-Up Programs

Service Unit: Increased slots for participating children

Proposed Service Number: 1

Proposed Service Number: 36

C. Contact Information:

The First Things First Partner Grant Management System (PGMS) has four contact slots per contract. The same person may be assigned to more than one slot.

Main Contact: is responsible for the overall program and will have access to all financial, programmatic, and data reports in PGMS.

Finance Contact: is responsible for the submission of reimbursement requests through PGMS and will have access to budget and reimbursement information in PGMS.

Program Contact: is responsible for program implementation and will have access to the program and data reports in PGMS.

Evaluation Contact: is responsible for the program evaluation and data collection activities and will have access to only the data reports in PGMS.

PGMS Contacts		
Main Contact	Name: Nicol Russell	Email: Nicol.Russell@azed.gov
	Title/Position: Deputy Associate Superintendent	Phone: 602.364.1530
	Physical Address (if different than the agency address):	
Finance Contact	Name: Juliana Panqueva	Email: Juliana.Panqueva@azed.gov
	Title/Position: Fusal and Compliance Program Specialist	Phone: 602.542.8812
	Physical Address (if different than the agency address):	
Program Contact	Name: Lori Masseur	Email: Lori.Masseur@azed.gov
	Title/Position: Early Childhood Director	Phone: 602.364.1530
	Physical Address (if different than the agency address):	
Evaluation Contact	Name: Eric Bucher	Email: Eric.Bucher@azed.gov
	Title/Position: Program Specialist	Phone: 602.542.3143
	Physical Address (if different than the agency address):	

Attachment B - Personnel Table and Organization Chart

Program Personnel Table

In the following table, provide a list of all personnel or positions that will be fully or partially funded through the proposed program. For Key Personnel, include the name and position title; pertinent background and/or expertise that specifically relates to the program, including degrees, field of study, number of years in the field, and other qualifications that align with the Standards of Practice requirements; and their roles and responsibilities. If the position is to be hired (TBH), then describe the desired background/expertise/degrees and field of study. For all personnel, provide the Full Time Equivalent (FTE) for each position. *Example:*

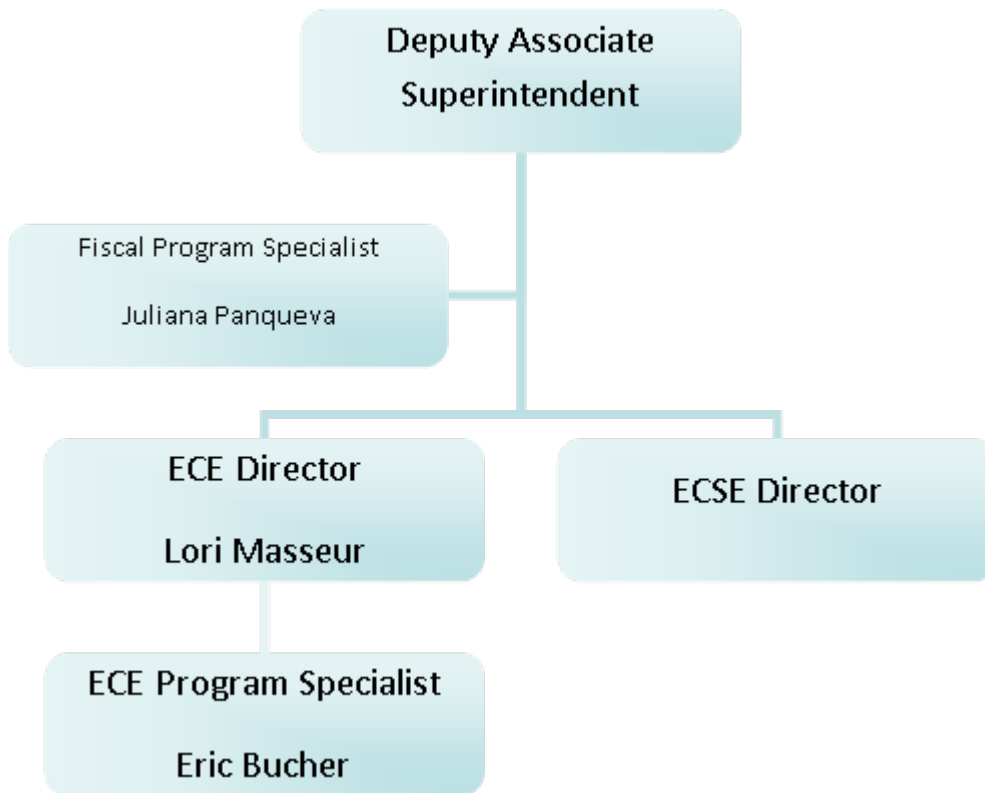
Key Personnel - fully or partially funded through proposal - directly responsible for program implementation/services			
Name/ Position Title	Background/Expertise* (include qualifications that align with the Standards of Practice)	Key Roles and Responsibilities	FTEs funded through the program
<i>Lori Masseur/ Early Childhood Director</i>	<i>Resume Attached</i>	<i>The ECE Director will provide oversight of this project.</i>	<i>0.025</i>
<i>Eric Bucher/ Program Specialist</i>	<i>Resume Attached</i>	<i>The Program Specialist will provide support to this project at the onset; but ADE reserves the right to assign work to other ECE Program Specialists based on the needs of the program and the necessity to match areas of expertise.</i>	<i>0.10</i>
<i>Juliana Panqueva/ Fiscal Program Specialist</i>	<i>Resume Attached</i>	<i>The Fiscal Specialist will provide fiscal support to this project</i>	<i>0.025</i>
Additional Personnel - fully or partially funded through proposal - not directly implementing or have direct program oversight			
Program Total:			0.15

* Resumes and/or job descriptions for **key personnel** may be requested at any time but unless otherwise indicated, they do not need to be submitted. If awarded and the program undergoes changes in staff, a Staff Change Notification form along with an updated version of this table will need to be submitted to First Things First within 14 days of the proposed change.

Program Organization Chart

For all of the personnel or positions that will be fully or partially funded through the proposed program, provide a program organizational chart that illustrates the hierarchy of positions/responsibilities specific to the proposed program.

Example:



Required Narrative Responses

Provide a narrative response that addresses the following items.

1. Provide a description of the Start Up services being proposed, including:
 - a. A written Start-Up plan based on a site visit of the proposed program location by ADE staff.

The Early Childhood Program Specialists will provide the support needed in the Southwest Maricopa Region/Tonopah for this start-up strategy. Eric Bucher will be the primary staff. However, additional staff may be assigned to the area to assist in completing the necessary tasks.

To provide the services required, the following has been established:

 - ADE/ECE will work with the Saddle Mountain School District to establish a preschool program
 - ADE/ECE has established a system of mentoring to provide technical support to programs
 - Tools are provided for technical assistance and training (laptops, projectors, tablets)
 - Fiscal personnel is available to assist with budgets
 - State transportation is available for mentors to travel when necessary
 - ECE program specialists will work with local staff and licensing surveyor (state or tribal) to prepare programs for and through the licensing process.
 - b. The technical assistance, program staffing plan and staff training necessary for the project.

ADE will provide technical assistance based upon capacity and as necessary to support Winter Wells to:

- Apply for licensing and certification
 - Complete necessary facility improvements
 - develop the playground and outdoor space
 - develop a budget and implementation plans
 - develop a sustainability plan
 - purchase and set up of classroom materials, equipment and supplies
 - Provide resources in regards to staff training and professional development (which could be delivered in person or via a web based format)
- c. A description of the materials, equipment and supplies to be purchased.
 - i. Will provide resources to the programs and technical assistance around the Environmental Rating Scales (ERS) so that the program can

determine the appropriate materials to purchase for indoor and outdoor spaces.

- d. Timeline, process steps and costs associated with DHS to obtain the license.
 - i. Once the Arizona State Board of Education has given approval (earliest date of approval is August 28, 2017), the ISA will be able to be submitted to Grants Management Enterprise Systems (GME). Once this has been completed the process of obtaining DHS licensure can begin.
 - ii. ADE will share with the program where to find the Provider Applications online thru the AZ DHS web portal (<http://azdhs.gov/licensing/childcare-facilities/index.php#providers-applications>)
 - iii. ADE, as necessary and as capacity permits, will provide technical assistance on completing the application and turning it in to expedite the process of the initial inspection being conducted.

Provide the site with the Power Point presentation explaining the requirements and quiz on how to become a licensed provider. (<http://azdhs.gov/documents/licensing/childcare-facilities/training/owner-orientation-training.pdf>)

- e. How ADE will work in partnership with Saddle Mountain School District personnel and identified individuals from Childhelp, whom the school district has identified as additional partners in this project.
 - i. ADE will meet periodically (at least quarterly) with Saddle Mountain School District Personnel and identified partners to support the program and to create a timeline outlining programmatic expectations.
2. Identify infrastructure or capacity building which will be needed to provide the proposed program, including agreements and partnerships with other departments and agencies, additional resources, and training and technical assistance.

ADE will meet periodically (at least quarterly) with Saddle Mountain School District Personnel and identified partners to identify community and local partnerships to support the establishment of a high quality early childhood program and to identify means of which to sustain such program.

3. Identify barriers to providing the proposed program and plans for addressing these barriers.

Potential barriers could include that the classrooms are located in a rural area of Arizona in the far west valley 50+ miles from Phoenix. This could pose an issue with the recruitment of qualified staff and personnel. The ADE Program Specialist will work with the district and provide resources on marketing, advertising, and recruitment of qualified staff. A second potential barrier could be with the sustainability of the program after FTF and ChildHelp financial assistance. The ADE Program Specialist will

work with the Saddle Mountain District staff to identify other community partners and funding sources to help create a sustainability plan. To insure sustainability to the preschool program ADE/ECE will provide technical assistance to the program on the Early Childhood Quality Improvement Process (ECQUIP). ECQUIP is the local process that brings together ECE leadership that will discuss and create plan for sustainability. It is at the local level that resources are reviewed and allocated. This will allow for local consideration of blending and braiding of funds.

4. Describe plans to recruit and locate personnel within the geographical region of the provided program that meet the staff qualification standard detailed in the Standards of Practice, and are linguistically appropriate and culturally responsive for the population to be served. If there is anticipated difficulty in hiring qualified personnel, include a plan and timeline for supporting staff to meet the qualification standard.

ADE will connect the administration with the local head start, local Career and Technical Education program, local job fairs. Provide online assistance for advertising by sending information out on the ADE/ECE list serve. Providing information about the ADE Great Teach In event for teacher recruitment (teacher job fair). Providing information on the Arizona Early Childhood Workforce Registry.

5. Describe the plan and resources necessary to meet FTF basic reporting requirements and maintain data securely and confidentially.

Attachment D - Implementation Plan

The Implementation Plan should illustrate the critical activities in developing, initiating, and implementing the program. The following table should be expanded as necessary to include the activities that demonstrate effective program planning and implementation.

Implementation Plan July 1, 2017 – June 30, 2018

Activities	Task	Person Responsible	Date Task Will Be Completed	Support Documentation
Planning and Implementing	Program Specialist will on a quarterly basis support the program to create a timeline outlining the programmatic expectation	Saddle Mountain Administrator ADE Program Specialist	Ongoing, July 2017 to June 2018	Timeline/Action Plan documents Emails and other correspondence
	Program Specialist will check in the timeline tasks and processes with Administrator as needed to determine any additional needs for technical assistance or resources	Saddle Mountain Administrator ADE Program Specialist	Ongoing, July 2017 to June 2018	Timeline/Action Plan documents Emails and other correspondence

Recruitment	Program Specialist will provide technical assistance as necessary to the Administrator so that the program can establish a local system with goals including but not limited to recruiting eligible children and families	Saddle Mountain Administrator ADE Program Specialist	Ongoing, July 2017 to June 2018	Written protocol or plan from program Enrollment plans from program Emails and other correspondence
	Program Specialist will provide technical assistance as necessary to the Administrator so that the program will advertise and market preschool teaching staff positions	Saddle Mountain Administrator ADE Program Specialist	August 2017-September 2017	Marketing protocol or plan from program Applications or resumes (that the program is responsible for organizing) Emails and other correspondence

	ADE will support Administrator and preschool staff with resources for professional development including upcoming webinar/online format professional development and other local/regional workshops as available	Administrator Preschool Staff ADE Program Specialist	Ongoing, August 2017-June 2018	Professional development fliers EMS links to web-based workshops Email and other correspondence
Technical Assistance	Program Specialist will provide technical assistance as necessary to Administrator and preschool staff to meet licensing and/or ERS requirements for classroom arrangement and environment	Administrator Preschool Staff ADE Program Specialist	Ongoing, August 2017-June 2018	Resources from licensing or ERS Emails and other correspondence

	<p>Program Specialist will provide technical assistance as necessary to Administrator and preschool staff to have the program fully operation (defined as having the specified number of children based on allocations enrolled and participating in the identified program activities. This includes but is not limited to having qualified staff in place, having available materials/furniture set up aligned with ERS, and providing direct services to children and families in the classroom space)</p>	<p>Administrator Preschool Staff ADE Program Specialist</p>	<p>July 2017- October 2017</p>	<p>Resources from licensing or ERS Professional Development sign in sheet Evidence of staff work hours related to the task Emails and other correspondence</p>
--	---	---	------------------------------------	--

Budget Narrative

The purpose of the budget narrative is to provide more clarity and detail on the budget line items. The budget narrative should explain the criteria used to calculate the amounts entered in the line-item budget. The budget narrative should include all budgeted items and correspond directly with the proposed line-item budget using the following categories that apply:

Personnel Services:

Name	Position	FTE	Pro-Rata Salary
Juliana Panqueva	Fiscal Specialist	0.025	\$1,250
Lori Masseur	Director	0.025	\$1,625
Eric Bucher	Program Specialist	0.10	\$5,500
		Total	\$8,375

Employee Related Expenses: Funding for the ERE portion of the budget is based on standard ERE required by the AZ Department of Education. The formula is based on a full time FTE.
 $(32\%)*\$8,375=\$2,680$

Professional and Outside Services: N/A

Travel: Saddle Mountain School District

Mileage= 100 miles roundtrip @ 44.5 ¢ per mile = \$44.5 x 10 trips= \$445 - \$461 A rounding mechanism was used in the event that we have more than 100 miles per round trip.

Per Diem= 10 days x \$13 = \$130

Aid to Organizations or Individuals: \$108,000 will be allotted to Saddle Mountain School District

Other Operating Expenses: \$354 has been allotted to Other Operating Expenses as required by the Az Department of Education.

Risk Management (\$345/ FTE)= $\$345/0.15= \52

Mis Internal Chargeback (\$1,250/0.15 FTE)= \$188

Telecommunications(\$750/0.15 FTE)= \$112

Awards (\$15/.15 FTE)= 2

Capital Equipment: n/a

Non-Capital Equipment: n/a

Administrative/Indirect Costs: *Administrative costs are general or centralized expenses of overall administration of an agency/organization that receives grant funds and does not include particular program costs. Such costs are generally identified with the agency/organization's overall operation and are further described in 2 CFR 220, 2 CFR 225, and 2 CFR 230.*

Indirect costs are costs of an organization that are not readily assignable to a particular program, but are necessary to the operation of the organization and the performance of the program. The cost of operating

and maintaining facilities, depreciation, and administrative salaries are examples of the types of costs that are usually treated as indirect.

Applicants must list either Option A or Option B and provide proper justification for expenses included:

- Option A - Administrative Costs:** *with proper justification, grantees may include an allocation for administrative costs for up to 10% of the total direct costs requested of the grant request. Administrative costs may include allocable direct charges for: costs of financial, accounting, auditing, contracting or general legal services; costs of internal evaluation, including overall management improvement costs; and costs of general liability insurance that protects the agency/organization(s) responsible for operating a program, other than insurance costs solely attributable to the program. Administrative costs may also include that portion of salaries and benefits of the program’s director and other administrative staff not attributable to the time spent in support of a specific program.*

OR

- Option B - Federally Approved Indirect Costs:** *If your agency/organization has a federally approved indirect cost rate agreement in place, grantees may include an allocation for indirect costs for up to 10% of the direct costs. **Applicants must provide a copy of their federally approved indirect cost rate agreement.***

Authorized Signature _____ Date _____

Funding Sources and Financial Controls

A. In the following table, identify other funding/resources (including federal, state, local and private funding) that the agency/organization has made or will make available to achieve the objectives of the proposed program. First Things First (FTF) funding can be used to enhance or expand the program funded by these additional funds, but FTF funding cannot supplant or be used to replace any existing state or federal funding for early childhood development and health programs.

Type of Funding (federal, state, local, private) and Agency/Organization Received From:	Brief Description of How the Funding Helps Achieve the Program Objectives	Amount	✓ If used for match on this grant
Federal	IDEA Preschool Grant	\$5,462,000	
Federal	Preschool Development Grant	\$20,000,000	
Federal	Head Start Collaboration Office	\$175,000	
Federal	Navajo Preschool Grant	\$236,000	
Total:		\$25,873,000	

B. Describe the financial controls and accountability measures the agency/organization will employ for the proposed program.

To ensure implementation of the proposed program with fidelity, the Arizona Department of Education will follow applicable state and federal laws and guidance with regards to fiscal controls, accounting and accountability, compliance, monitoring and grants management.

Authorized Signature _____ Date _____

Exhibit A – Overview of First Things First and Scope of Work

First Things First is designed to meet the diverse needs of children and families in Arizona communities. The statewide First Things First Board and Regional Partnership Councils in local communities across the state share the responsibility of ensuring that early childhood funds are spent on strategies that will result in improved development, health and education outcomes for young children.

Local Regional Partnership Councils are comprised of community volunteers, with each member representing a specific segment of the community that has a role in ensuring that Arizona's children grow up to be ready for school and set for life: parents, leaders of faith communities, tribal representatives, educators, health professionals, business leaders and philanthropists.

First Things First Strategic Direction

First Things First's commitment to young children means more than only funding programs and services. It means having a shared vision about what being prepared for kindergarten actually means. First Things First specifies that programs and services funded by the First Things First Board and Regional Partnership Councils are to address one or more of the following Goal Areas to impact children birth to age five and their families:

- Improve the quality of early childhood development and health programs
- Increase the access to quality early childhood development and health programs
- Increase access to preventive health care and health screenings
- Offer parent and family support and education concerning early childhood development and literacy
- Provide professional development and training for early childhood development and health providers
- Increase coordination of early childhood development and health programs and provide public information about the importance of early childhood development and health

The First Things First Board established a strategic framework with a set of school readiness indicators that provide a comprehensive composite measure to show if Arizona is making progress in providing opportunity for young children to be ready for school and set for life. The strategies funded by First Things First work collectively to develop a comprehensive system across the state and regionally to address the school readiness indicators. The First Things First Board and Regional Partnership Councils determine the priorities and strategies to be funded across the state and throughout the regions assessing the challenges and building on the resources and assets in place.

School Readiness Indicators

- #/% children demonstrating school readiness at kindergarten entry in the development domains of social-emotional, language and literacy, cognitive and motor and physical.
- #/% of children enrolled in an early care and education program with a Quality First rating of 3-5 stars.

- #/% of children with special needs enrolled in an inclusive early care and education program with a Quality First rating of 3-5 stars.
- #/% of families that spend no more than 10% of the regional median family income on quality care and education with a Quality First rating of 3-5 stars.
- % of children with newly identified developmental delays during the kindergarten year.
- #/% of children entering kindergarten exiting preschool special education to regular education.
- #/% of children ages 2-4 at a healthy weight (Body Mass Index-BMI).
- #/% of children receiving at least six well child visits within the first 15 months of life.
- #/% of children age 5 with untreated tooth decay.
- % of families who report they are competent and confident about their ability to support their child's safety, health and wellbeing.

Scope of Work

Statement of Need

High quality early childhood services are strongly linked to both academic and life-skills success among children, especially those from families with risk factors such as low income and low education levels of parents or caregivers. There are approximately 600 preschool aged children in the zip code of 85354, which is mostly located in Tonopah and the surrounding communities. This strategy supports the start up of high quality programming for those children who may not otherwise have access to high quality early care and education in the Saddle Mountain Unified School District. This past year, the school district experienced the loss of the local Head Start program due to an administrative decision made by the Head Start provider. Thus, there is no quality preschool setting in this area of the region.

The Southwest Maricopa Regional Council's intent is to fill the gap left by the loss of the Head Start program, which was the only child care center in the area. The Arizona Department of Education (ADE) will work closely with the Saddle Mountain Unified School District to ensure that a high quality preschool environment is designed. The Saddle Mountain Unified School District has the classroom space at Winters Well Elementary School and is prepared to partner with FTF in this strategy.

Description of Strategy

This strategy will support the start up of high a quality early care and education program in the region by starting two new classrooms at Winters Well Elementary School in the Saddle Mountain School District. Based on an initial site visit by ADE staff, it is anticipated that the startup necessary for this program is in the areas of coaching and technical assistance; the purchase of materials, equipment and supplies; program staffing and costs associated with Department of Health Services Office of Child Care Licensure. ADE will work in partnership with Saddle Mountain School District personnel and identified individuals from Childhelp, whom the school district has identified as additional partners in this project.

After the start-up process, the plan is to enroll the preschool into Quality First. Once licensed, Winters Well Elementary School will be able to leverage other resources available to school districts with licensed programs, such as IDEA. The plan is for Winters Well Elementary to become a community school hub, allowing all other strategies and partners to offer wrap around services (example: oral health and other resources) to families. The preschool will be able to serve up to 36 preschool age children. The strategy should include the following components:

1. Quality First participation; programs supported through this strategy must apply for Quality First immediately upon being licensed or certified through DHS, Department of Health Services, tribal or military authority.
2. When training, technical assistance and consultation are funded as a part of this strategy, the following standards are required:
 - On-site coaching and assistance will be provided to create a plan and budget for start-up;
 - Assistance with applications for licensing and/or certification if the program is not yet licensed or certified;
 - Support to develop a plan for the provider to meet the appropriate regulation requirements;
 - Training on FTF approved, evidence-based curriculum, early learning and program quality standards, ongoing progress monitoring/child assessment, and other early childhood education topics to ensure adherence to Quality First standards when enrolled.
3. When financial support for purchase of equipment, supplies and other start-up costs are funded as a part of this strategy, the following standards are required:
 - Purchase of equipment and materials must meet certification and/or licensing requirements and/or standards in Quality First assessment tools (Environmental Rating Scale, CLASS and Points Scale).
 - Financial supports may be used for providers to adhere to certification or licensing requirements once the application has been submitted.
 - Financial supports may include licensing or certification fees for DHS **Licensed Child Care Center** for child care centers who serve five or more children for compensation.
4. Financial supports may be used for personnel wages, salaries and fringe benefits for teaching staff during the planning period.

The anticipated timeline for the project is as follows:

- Start July 1st- ADE coaching
- Licensing complete no later than the end of July 2017
- Room furnished and children being served by the end of August 2017
- Ongoing technical assistance and coaching rest of the year

Please see the **Guidance Materials** section for a link to the complete Standards of Practice for this strategy.

Applicable School Readiness Indicators

Partners implementing this strategy will work collectively with First Things First to address the school readiness indicators below:

- #/% children demonstrating school readiness at kindergarten entry in the development domains of social-emotional, language and literacy, cognitive and motor and physical.
- #/% of children enrolled in an early care and education program with a Quality First rating of 3-5 stars.

Applicable Goal Areas

Partners implementing this strategy will work collectively with First Things First to address the goal areas below:

- Improve the quality of early childhood development and health programs
- Increase the access to quality early childhood development and health programs

Target Population and Geographic Area to Serve

This agreement is targeted to serve the Saddle Mountain School District area within the 85345 zip code of the Southwest Maricopa Region.

A map of the identified region can be found at: <http://www.firstthingsfirst.org/regions/find-your-region>, then select the Southwest Maricopa Region.

Target Service Units and Performance Measures

A Target Service Unit (TSU) is a First Things First designated indicator of performance specific to each First Things First strategy and it is set by the Regional Council. It is composed of a unit of measure (e.g., participating adults) and a target number. The unit of measure can be a target population (e.g., participating adults), a product (e.g., books distributed) or a service (e.g., fluoride varnishes applied to children, ages 0-5) that a grantee is expected to serve as part of an agreement. The target number represents the actual number of service units proposed to be delivered during the contract year.

Performance Measures are (1) key indicators of performance (Target Service Units); (2) basic implementation of strategy; (3) alignment of program activities to strategy specific standards of practice, (4) performance or progress toward pre-established strategic goals. Performance measures may include the level or type of program activities conducted (e.g. serving families/children through home visits) and/or the direct services and products delivered by a program (e.g., providing scholarships).

For more specific information about the Target Service Units for this strategy, refer to the Guidance Materials section of this Agreement to find the link to the Target Service Unit Guidance Document.

The Target Service and Performance Measures for this strategy are:

Target Service Units:

Number of Start-Up Programs 1

Number of increased slots for participating children 36

Performance Measures:

Number of Start-Up Programs 1

Guidance Materials

The documents mentioned below can be accessed through the First Things First Strategy Toolkit, located on the First Things First website, <http://www.firstthingsfirst.org/grants>. Select the **Quality and Access** goal area and click the “View” button next to the **Start-Up, Expansion, and Learning Lab** strategy.

There may be other documents that appear on the link, but the documents required for this Agreement are indicated below. If there is difficulty in accessing any of the documents, email the name of the document and the Agreement number to grants@azftf.gov for assistance.

Documents Required for this Agreement:

Start-Up, Expansion, and Learning Lab Standards of Practice

Start-Up, Expansion, and Learning Lab TSU Guidance Document

Data Security Guidelines and Requirements for Collaborators

BACKGROUND:

The purpose of the Arizona Early Childhood Development and Health Board (First Things First - FTF) is to aid in the creation of a system that offers opportunities and support for families and communities in the development of all children, so they can grow up healthy and ready to succeed. Our work is accountable and transparent to decision-makers and the citizens of Arizona. Collaboration and direct funding of grantees to undertake work on behalf of the children and families of Arizona is fundamental to the purpose and mission of FTF. Regular submission of data related to funded work is an important part of ensuring accountability and maximum positive impact for young children, as well as a material condition of receiving FTF grant funding.

Data Security Guidelines for Data Submission to FTF

First Things First will ensure that resources allocated have maximum impact for the benefit of children and families. To ensure this accountability, FTF has established data reporting requirements for all state and regional grantees. All funded providers shall regularly submit programmatic and financial reports as identified in the FTF reporting requirements.

FTF data submissions are classified in one of three levels:

- **Public data**
- **Limited distribution data**
- **Confidential data**

Public data are those data that are readily available in the public sphere, such as websites, publications, or other widely-used sources. Limited distribution data do not identify individuals, but may be of sufficiently small cell size that their dissemination poses a threat to the confidentiality of individuals. Confidential data are those data that identify individuals; are governed by tribal or other agreements that limit their viewing, analysis, and dissemination; or that even when aggregated, put at risk the anonymity of any individual.

The majority of FTF reporting submissions are completed through the FTF Partner Grant Management System (PGMS). Subsequent to the award of a grant, the grantee will receive general training on login and navigation within the PGMS system. With this login, the grantee will be able to manage their contract information. An additional training on strategy-specific data submission requirements will also be conducted. During that training, the grantee will be informed on submission of data reporting requirements through PGMS. All data submitted through PGMS is **public data** or **limited distribution data**. Because PGMS is located in a secure extranet environment, grantees using PGMS for data submission are not required to undertake additional security measures related to their data submission above those identified in the general and data submission orientations (password and login security, guidelines for upload of narrative and other reports).

A small group of grantees submit data requirements, with an agreement between the grantee and FTF, through an established secure web service or FTP (File Transfer Protocol) site via the internet, rather than a PGMS web-based entry form. Such data is likely to contain limited distribution data and shall adhere to the following protocols. Grantees that submit data through the secure web service must submit data within the

established data structures and format; follow all login procedures; submit a formal data change request form if needed; and ensure that limited distribution data may not be intercepted or viewed at any time by parties other than the grantee and FTF. Additionally, grantees must ensure that throughout the reporting and submission process the data is secured and that any confidential data is de-identified and/or encrypted.

Any grantee submitting data identified as confidential must file a formal data security policy with FTF.

Data Security Guidelines for Grantee Maintenance of Data

In order to submit data to FTF in fulfillment of reporting requirements, grantees shall keep all data collected for their program(s) within their system (database) or hardcopies. Grantee data is likely to contain highly sensitive information on individuals, their education and their health. These guidelines and requirements are for the maintenance of those data.

All grantees must have a data security policy in force that identifies how the organization ensures that data is protected in all its forms, during all phases of its life cycle, from inappropriate access, use, modification, disclosure, or destruction.

All grantees subject to HIPAA, FERPA, tribal law, or other data regulation are required to submit and maintain those approvals for all data.

Data Permission Guidelines for Grantee Data

All grantees must be prepared for FTF review of client-level data (e.g. child-level, teacher-level, or early care and education provider-level) during on-site visits. Additionally, FTF data reporting requirements may include submission of client-level data (e.g. child-level, teacher-level, or early care and education provider-level). The grantee agrees to allow FTF to access such data. Should the data be subject to HIPAA, the grantee agrees to enter into FTF's HIPAA Business Associate Agreement.

To inform clients of FTF's reporting requirements, all grantees must include in their client enrollment forms the statement: "To comply with reporting requirements of the funding source, I grant permission to [insert grantee organizational name] to release background, service, and impact related information to the Arizona Early Childhood Development and Health Board, also known as First Things First." The grantee warrants to FTF that prior to entering into the grant agreement for FTF funding, it has appropriately enquired and satisfied itself that it has the ability and authority comply with the requirements of this section.

Grantees Serving Clients on Tribal Lands

First Things First recognizes Arizona tribes as sovereign nations that have the right to regulate research and data collection on their tribal lands. To this end, First Things First is committed to obtaining all appropriate tribal approvals for data collection, analysis and reporting. Accordingly, grantees shall only collect, use and share data from tribal land in accordance with a data collection agreement between a tribe and First Things First or the grantee.

Compliance with Data Security Guidelines

The grantee acknowledges that failure to comply with any requirement of these Data Security Guidelines shall be a material breach of the grant agreement. For a copy of First Things First's own Data Security Policy & Procedures and/or Tribal Data Policy, email a request to grants@azftf.gov.