

Sent: Tuesday, March 28, 2006 6:02 PM

Subject: Supts. E-Mail: Distribution of Emergency Impact Aid Funding

This Superintendent's e-mail is to inform you that the U.S. Department of Education has announced the state grant awards for Emergency Impact Aid for school divisions and nonpublic schools that have enrolled students who were displaced by Hurricanes Katrina and Rita. The total funds paid to school divisions for this program will be made in several installments as funds are received from the U.S. Department of Education. This week, funds are being processed for an initial payment based only on the first quarter student counts submitted by school divisions in January 2006. Payments for the revised first and second quarters and the third quarter are expected to be announced by the U.S. Department of Education this month and will be dispersed at a later date following the department's receipt of those funds.

The first quarter funding provided to Virginia is based on \$750 per nondisabled student and \$937.50 per student with a disability for students included in the first quarter count submitted in January 2006. These per student amounts probably will remain the same for each quarter's allocation until data for all four quarters is submitted and final counts can be determined. The final payment per student will depend upon the total cost of the impact aid program based on final student counts and the available federal funding. Please note that the actual per student allocations paid to school divisions will reflect a one percent reduction for state administrative costs. As a result, the per pupil amounts paid to school divisions and nonpublic schools will be \$742.50 for nondisabled students and \$928.13 for students with a disability.

The initial disbursement of funds to school divisions for their schools and eligible nonpublic schools are projected to be deposited on March 31, 2006, as an electronic funds transfer (EFT) and identified as revenue source code 84.938, project code 60528 on the corresponding EDI notice from the Virginia Department of Education.

School divisions are reminded that program funds may be used by school divisions and nonpublic schools to provide instructional opportunities for displaced students who enroll in their schools and for expenses the recipient incurs in serving displaced students. Examples of allowable expenses include paying the compensation of personnel, including teacher aides, acquiring curricular material and classroom supplies, and providing basic instructional services and supporting services for displaced students. While the activities and services must be related to serving displaced students, there is no requirement that they be provided only to those students. Recipients of funds for students with disabilities under this program may use those funds only to pay for special education and related services consistent with the Individuals with Disabilities Education Act. In addition, a school division may use up to two percent of its allocation for administration of the program. Recipients may also use these funds for pre-award costs, including the reimbursement of expenditures incurred prior to the receipt of a grant.

Payments to all accounts established for displaced students enrolled in nonpublic schools must be made within fourteen (14) days of receipt of

funds by the school division. The Virginia Department of Education and local school divisions must obligate all emergency impact aid funds received by July 31, 2006, and liquidate them within 90 days after that date, or they must be returned to the federal government.

Based on the revisions made for the first and second quarters, and counts for the third quarter, Virginia currently has a total of 1,306 displaced students reported as of September 30, 2005; 1,060 students reported as of December 1, 2005; and 911 students reported as of February 1, 2006. The March 31, 2006, count is due April 14, 2006; however, school divisions may submit their data before that date.

If you have questions about the division allocations for this grant money, please contact Kent Dickey, budget director, at (804) 225-2025. Questions concerning disbursements and accounting procedures should be directed to Marie Williams, director of accounting, at (804) 225-2040. Questions about procedures for submitting student counts should be addressed to Patricia Popp, state coordinator for Project HOPE-VA at (757) 221-7776 or Cindy Cave, director for student services, at (804) 225-2818.