

# School Improvement Grants Application

## Section 1003(g) of the Elementary and Secondary Education Act

CFDA Numbers: 84.377A; 84.388A



U.S. Department of Education  
Washington, D.C. 20202

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### Paperwork Burden Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless such collection displays a valid OMB control number. The valid OMB control number for this information collection is 1810-0682. The time required to complete this information collection is estimated to average 100 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4537. [OMB approval forthcoming]

## SCHOOL IMPROVEMENT GRANTS

### **Purpose of the Program**

School Improvement Grants, authorized under section 1003(g) of Title I of the Elementary and Secondary Education Act of 1965 (Title I or ESEA), are grants, through State educational agencies (SEAs), to local educational agencies (LEAs) for use in Title I schools identified for improvement, corrective action, or restructuring that demonstrate the greatest need for the funds and the strongest commitment to use the funds to provide adequate resources in order to raise substantially the achievement of their students so as to enable the schools to make adequate yearly progress and exit improvement status. Under the final requirements published in the Federal Register in December 2009 (attached as Appendix A), school improvement funds are to be focused on each State's persistently lowest-achieving Title I schools in improvement, corrective action, or restructuring ("Tier I schools") and, at an LEA's option, persistently-lowest achieving secondary schools that are eligible for, but do not receive, Title I, Part A funds ("Tier II schools"). An LEA may also use school improvement funds in Title I schools in improvement, corrective action, or restructuring that are not identified as persistently lowest-achieving schools ("Tier III schools"). In the Tier I and Tier II schools an LEA chooses to serve, the LEA must implement one of four school intervention models: turnaround model, restart model, school closure, or transformation model.

### **Availability of Funds**

For fiscal year (FY) 2009, there is \$3.546 billion available for School Improvement Grants under section 1003(g): \$546 million through the Department of Education Appropriations Act, 2009; and \$3 billion through the American Recovery and Reinvestment Act of 2009 (ARRA).

FY 2009 school improvement funds are available for obligation by SEAs and LEAs through September 30, 2011. In its application for these funds, an SEA may request a waiver of the period of availability to permit the SEA and its LEAs to obligate the funds through September 30, 2013.

### **State and LEA Allocations**

Each State (including the District of Columbia and Puerto Rico), the Bureau of Indian Education, and the outlying areas are eligible to apply to receive a School Improvement Grant. The Department will allocate school improvement funds in proportion to the funds received by the States, the Bureau of Indian Education, and the outlying areas, respectively, for the fiscal year (*e.g.*, FY 2009) under Parts A, C, and D of Title I of the ESEA.

An SEA must allocate at least 95 percent of its school improvement funds directly to LEAs in accordance with the final requirements (summarized in Appendix B). The SEA may retain an amount not to exceed five percent for State administration, evaluation, and technical assistance, which the Department has awarded to each SEA.

### **Consultation with the Committee of Practitioners**

Before submitting its application for a School Improvement Grant to the Department, an SEA must consult with its Committee of Practitioners established under section 1903(b) of the ESEA regarding the rules and policies contained therein. The Department recommends that the SEA also consult with other

stakeholders such as potential external providers, teachers' unions, and business, civil rights, and community leaders that have an interest in its application.

### **State Application Process**

To apply for a School Improvement Grant, an SEA must submit an application to the Department. The School Improvement Grant application form is available on the Department's Web site at:

<http://www.ed.gov/programs/sif/applicant.html>.

Please note that an SEA's submission must include the following attachments, as indicated on the application form:

- A list, by LEA, of the State's Tier I, Tier II, and Tier III schools.
- A copy of the SEA's LEA application form that LEAs will use to apply to the SEA for a School Improvement Grant.
- If the SEA seeks any waivers through its application, a copy of the notice it provided to LEAs and a copy of any comments it received from LEAs as well as a copy of, or link to, the notice the SEA provided to the public.

*Electronic Submission:* The Department strongly prefers to receive an SEA's School Improvement Grant application electronically. The SEA should submit it to the following address:

[school.improvement.grants@ed.gov](mailto:school.improvement.grants@ed.gov)

In addition, the SEA must submit a paper copy of the cover page signed by the SEA's authorized representative to the address listed below.

*Paper Submission:* In the alternative, an SEA may submit the original and two copies of its School Improvement Grant application to the following address:

Dr. Zollie Stevenson, Jr., Director  
Student Achievement and School Accountability Programs  
U.S. Department of Education  
400 Maryland Avenue, SW, Room 3W320  
Washington, DC 20202-6132

Due to potential delays in processing mail sent through the U.S. Postal Service, SEAs are encouraged to use alternate carriers for paper submissions.

### **Application Deadline**

Applications are due on or before **February 8, 2010**.

### **For Further Information**

If you have any questions, please contact Dr. Zollie Stevenson, Jr. at (202) 260-0826 or by e-mail at [Zollie.Stevenson@ed.gov](mailto:Zollie.Stevenson@ed.gov).

APPLICATION COVER SHEET  
SCHOOL IMPROVEMENT GRANTS

Legal Name of Applicant:	Applicant's Mailing Address:
<p>State Contact for the School Improvement Grant</p> <p>Name: .</p> <p>Position and Office:</p> <p>Contact's Mailing Address:</p> <p>Telephone:</p> <p>Fax:</p> <p>Email address:</p>	
Chief State School Officer (Printed Name):	Telephone:
Signature of the Chief State School Officer:  X _____	Date:
<p>The State, through its authorized representative, agrees to comply with all requirements applicable to the School Improvement Grants program, including the assurances contained herein and the conditions that apply to any waivers that the State receives through this application.</p>	

**PART I: SEA REQUIREMENTS**

As part of its application for a School Improvement Grant under section 1003(g) of the ESEA, an SEA must provide the following information.

**A. ELIGIBLE SCHOOLS: An SEA must provide a list, by LEA, of each Tier I, Tier II, and Tier III school in the State. (The State’s Tier I and Tier II schools will be those identified as persistently lowest-achieving schools in the State’s SFSF Phase II application.)**

LEA NAME, NCES ID #				
SCHOOL NAME	NCES ID #	TIER I	TIER II	

An SEA should attach a table with this information to its School Improvement Grant application.

**B. EVALUATION CRITERIA: An SEA must provide the criteria it will use to evaluate the information set forth below in an LEA’s application for a School Improvement Grant.**

**Part 1**

The three actions listed in Part 1 are ones that an LEA must take prior to submitting its application for a School Improvement Grant. Accordingly, the SEA must describe, with specificity, the criteria the SEA will use to evaluate an LEA’s application with respect to each of the following actions:

- (1) The LEA has analyzed the needs of each Tier I and Tier II school identified in the LEA’s application and has selected an intervention for each school.
- (2) The LEA has demonstrated that it has the capacity to use school improvement funds to provide adequate resources and related support to each Tier I and Tier II school identified in the LEA’s application in order to implement fully and effectively the selected intervention in each of those schools.
- (3) The LEA’s budget includes sufficient funds to implement the selected intervention fully and effectively in each Tier I and Tier II school identified in the LEA’s application as well as to support school improvement activities in Tier III schools throughout the period of availability of those funds (taking into account any waiver extending that period received by either the SEA or the LEA).

## **Part 2**

The actions in Part 2 are ones that an LEA may have taken, in whole or in part, prior to submitting its application for a School Improvement Grant but, most likely, will take after receiving a School Improvement Grant. Accordingly, an SEA must describe how it will assess the LEA's commitment to do the following:

- (1) Design and implement interventions consistent with the final requirements.
- (2) Recruit, screen, and select external providers, if applicable, to ensure their quality.
- (3) Align other resources with the interventions.
- (4) Modify its practices or policies, if necessary, to enable it to implement the interventions fully and effectively.
- (5) Sustain the reforms after the funding period ends.

### **C. CAPACITY: The SEA must explain how it will evaluate whether an LEA lacks capacity to implement a school intervention model in each Tier I school.**

An LEA that applies for a School Improvement Grant must serve each of its Tier I schools using one of the four school intervention models unless the LEA demonstrates that it lacks sufficient capacity to do so. If an LEA claims it lacks sufficient capacity to serve each Tier I school, the SEA must evaluate the sufficiency of the LEA's claim. Claims of lack of capacity should be scrutinized carefully to ensure that LEAs effectively intervene in as many of their Tier I schools as possible.

The SEA must explain how it will evaluate whether an LEA lacks capacity to implement a school intervention model in each Tier I school. The SEA must also explain what it will do if it determines that an LEA has more capacity than the LEA demonstrates.

### **D. DESCRIPTIVE INFORMATION: An SEA must include the information set forth below.**

- (1) Describe the SEA's process and timeline for approving LEA applications.
- (2) Describe the SEA's process for reviewing an LEA's annual goals and how the SEA will determine whether to renew an LEA's School Improvement Grant if one or more schools in the LEA are not meeting those goals and making progress on the leading indicators in section III of the final requirements.
- (3) Describe how the SEA will monitor each LEA that receives a School Improvement Grant to ensure that it is implementing a school intervention model fully and effectively in the Tier I

and Tier II schools identified in the LEA's application.

(4) Describe how the SEA will prioritize School Improvement Grants to LEAs if the SEA does not have sufficient school improvement funds to serve all eligible schools for which each LEA applies.

(5) Describe the SEA's criteria, if any, that it will use to determine whether an LEA needs less than \$500,000 for a Tier I or Tier II school that is implementing a turnaround, restart, or transformation model.

(6) Describe the criteria, if any, that the SEA intends to use to prioritize among Tier III schools.

(7) If the SEA intends to take over any Tier I or Tier II schools, identify those schools and indicate the school intervention model the SEA will implement in each school.

(8) If the SEA intends to provide services directly to any schools in the absence of a takeover, identify those schools and, for Tier I or Tier II schools, indicate the school intervention model the SEA will implement in each school, and provide evidence of the LEA's approval to have the SEA provide the services directly.\*

#### **E. ASSURANCES: The SEA must provide the assurances set forth below.**

By submitting this application, the SEA assures that it will do the following:

- Comply with the final requirements and ensure that each LEA carries out its responsibilities.
- Award each approved LEA a School Improvement Grant in an amount that is of sufficient size and scope to implement the selected intervention in each Tier I and Tier II school identified in the LEA's application that the SEA has determined the LEA has the capacity to serve.
- Apportion its school improvement funds in order to make grants to LEAs, as applicable, that are renewable for the length of the period of availability, taking into account any waivers that may have been requested and received by the SEA or an individual LEA to extend the period of availability.

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\* If, at the time an SEA submits its application, it has not yet determined whether it will provide services directly to any schools in the absence of a takeover, it may omit this information from its application. However, if the SEA later decides that it will provide such services, it must amend its application to provide the required information.

- Carry over 25 percent of its FY 2009 school improvement funds, combine those funds with FY 2010 school improvement funds (depending on the availability of appropriations), and award those funds to eligible LEAs consistent with the final requirements if not every Tier I school in the State receives FY 2009 school improvement funds to implement a school improvement model in the 2010-2011 school year (unless the SEA does not have sufficient school improvement funds to serve every Tier I school in the State).
- Ensure, if the SEA is participating in the Department's differentiated accountability pilot, that its LEAs will use school improvement funds consistent with the final requirements.
- Monitor each LEA's implementation of the interventions supported with school improvement funds.
- To the extent a Tier I or Tier II school implementing the restart model becomes a charter school LEA, hold the charter school operator or charter management organization accountable, or ensure that the charter school authorizer holds the respective entity accountable, for meeting the final requirements.
- Post on its Web site, within 30 days of awarding School Improvement Grants, all final LEA applications and a summary of the grants that includes the following information: name and NCES identification number of each LEA awarded a grant; amount of the grant; name and NCES identification number of each school to be served; and type of intervention to be implemented in each Tier I and Tier II school.
- Report the specific school-level data required in section III of the final notice.

**F. SEA RESERVATION: An SEA may reserve an amount not to exceed five percent of its School Improvement Grant for administration, evaluation, and technical assistance expenses.**

The SEA must briefly describe the activities related to administration, evaluation, and technical assistance that the SEA plans to conduct with the State-level funds it has received from its School Improvement Grant.



**G. CONSULTATION WITH STAKEHOLDERS: An SEA must consult with its Committee of Practitioners and is encouraged to consult with other stakeholders regarding its application for a School Improvement Grant.**

Before submitting its application for a School Improvement Grant to the Department, the SEA must consult with its Committee of Practitioners established under section 1903(b) of the ESEA regarding the rules and policies contained therein.

- The SEA has consulted with its Committee of Practitioners regarding the information set forth in its application.

The SEA may also consult with other stakeholders that have an interest in its application.

- The SEA has consulted with other relevant stakeholders, including \_\_\_\_\_.

**H. WAIVERS: The final requirements invite an SEA to request waivers of the requirements set forth below. An SEA must list in its application those requirements for which it is seeking a waiver.**

\_\_\_\_\_ [State] \_\_\_\_\_ requests a waiver of the requirements it has listed below. These waivers would allow any local educational agency (LEA) in the State that receives a School Improvement Grant to use those funds in accordance with the final requirements for School Improvement Grants and the LEA’s application for a grant.

The State believes that the requested waiver(s) will increase the quality of instruction for students and improve the academic achievement of students in Tier I, Tier II, and Tier III schools by enabling an LEA to use more effectively the school improvement funds to implement one of the four school intervention models in its Tier I or Tier II schools and to carry out school improvement activities in its Tier III schools. The four school intervention models are specifically designed to raise substantially the achievement of students in the State’s persistently lowest-achieving schools.

- Waive section 421(b) of the General Education Provisions Act (20 U.S.C. § 1225(b)) to extend the period of availability of school improvement funds for the SEA and all of its LEAs to September 30, 2013.
- Waive section 1116(b)(12) of the ESEA to permit LEAs to allow their Tier I schools that will implement a turnaround or restart model to “start over” in the school improvement timeline.
- Waive the 40 percent poverty eligibility threshold in section 1114(a)(1) of the ESEA to permit LEAs to implement a schoolwide program in a Tier I school that does not meet the poverty threshold.
- Waive sections 1003(g)(1) and (7) of the ESEA that limit the use of school improvement funds to Title I schools in improvement, corrective action, or restructuring to permit LEAs to use school improvement funds to serve Tier II schools.

The State assures that it will ensure that any LEA that chooses to implement one or more of these waivers will comply with section I.A.7 of the final requirements.

The State assures that it will permit an LEA to implement the waiver(s) only if the LEA receives a School Improvement Grant and requests to implement the waiver(s) in its application. As such, the LEA may only implement the waivers(s) in Tier I, Tier II, and Tier III schools, as applicable, included in its application.

The State assures that it will ensure that any LEA implementing the waiver of sections 1003(g)(1) and (7) provides each Tier II school served through the waiver all of the State and local funds it would have received in the absence of being served with school improvement funds through the waiver.

The State assures that, prior to submitting this request in its School Improvement Grant application, the State provided all LEAs in the State that are eligible to receive a School Improvement Grant with notice and a reasonable opportunity to comment on this request and has attached a copy of that notice as well as copies of any comments it received from LEAs. The State also assures that it provided notice and information regarding this waiver request to the public in the manner in which the State customarily provides such notice and information to the public (*e.g.*, by publishing a notice in the newspaper; by posting information on its Web site) and has attached a copy of, or link to, that notice.

The State assures that, if it is granted one or more of the waivers requested above, it will submit to the U.S. Department of Education a report that sets forth the name and NCES District Identification Number for each LEA implementing a waiver, including which specific waivers each LEA is implementing.

**PART II: LEA REQUIREMENTS**

An SEA must develop an LEA application form that it will use to make subgrants of school improvement funds to eligible LEAs. That application must contain, at a minimum, the information set forth below. An SEA may include other information that it deems necessary in order to award school improvement funds to its LEAs.

**The SEA must attach its LEA application form to its application to the Department for a School Improvement Grant.**

### LEA APPLICATION REQUIREMENTS

**A. SCHOOLS TO BE SERVED: An LEA must include the following information with respect to the schools it will serve with a School Improvement Grant.**

An LEA must identify each Tier I, Tier II, and Tier III school the LEA commits to serve and identify the model that the LEA will use in each Tier I and Tier II school.

SCHOOL NAME	NCES ID #	TIER I	TIER II	TIER III	INTERVENTION (TIER I AND II ONLY)			
					turnaround	restart	closure	transformation

Note: An LEA that has nine or more Tier I and Tier II schools may not implement the transformation model in more than 50 percent of those schools.

**B. DESCRIPTIVE INFORMATION: An LEA must include the following information in its application for a School Improvement Grant.**

- (1) For each Tier I and Tier II school that the LEA commits to serve, the LEA must demonstrate that—
  - The LEA has analyzed the needs of each school and selected an intervention for each school; and
  - The LEA has the capacity to use school improvement funds to provide adequate resources and related support to each Tier I and Tier II school identified in the LEA’s application in order to implement, fully and effectively, the required activities of the school intervention model it has selected.
  
- (2) If the LEA is not applying to serve each Tier I school, the LEA must explain why it lacks capacity to serve each Tier I school.
- (3) The LEA must describe actions it has taken, or will take, to—
  - Design and implement interventions consistent with the final requirements;

- Recruit, screen, and select external providers, if applicable, to ensure their quality;
  - Align other resources with the interventions;
  - Modify its practices or policies, if necessary, to enable its schools to implement the interventions fully and effectively; and
  - Sustain the reforms after the funding period ends.
- (4) The LEA must include a timeline delineating the steps it will take to implement the selected intervention in each Tier I and Tier II school identified in the LEA’s application.
- (5) The LEA must describe the annual goals for student achievement on the State’s assessments in both reading/language arts and mathematics that it has established in order to monitor its Tier I and Tier II schools that receive school improvement funds.
- (6) For each Tier III school the LEA commits to serve, the LEA must identify the services the school will receive or the activities the school will implement.
- (7) As appropriate, the LEA must consult with relevant stakeholders regarding the LEA’s application and implementation of school improvement models in its Tier I and Tier II schools.

**C. BUDGET: An LEA must include a budget that indicates the amount of school improvement funds the LEA will use each year in each Tier I, Tier II, and Tier III school it commits to serve.**

The LEA must provide a budget that indicates the amount of school improvement funds the LEA will use each year to—

- Implement the selected model in each Tier I and Tier II school it commits to serve;
- Conduct LEA-level activities designed to support implementation of the selected school intervention models in the LEA’s Tier I and Tier II schools; and
- Support school improvement activities, at the school or LEA level, for each Tier III school identified in the LEA’s application.

Note: An LEA’s budget must cover the period of availability, including any extension granted through a waiver, and be of sufficient size and scope to implement the selected school intervention model in each Tier I and Tier II school the LEA commits to serve.

An LEA’s budget for each year may not exceed the number of Tier I and Tier III schools it commits to serve multiplied by \$500,000.

**D. ASSURANCES: An LEA must include the following assurances in its application for a School Improvement Grant.**

The LEA must assure that it will—

1. Use its School Improvement Grant to implement fully and effectively an intervention in each Tier I and Tier II school that the LEA commits to serve consistent with the final requirements;
2. Establish annual goals for student achievement on the State’s assessments in both reading/language arts and mathematics and measure progress on the leading indicators in section III of the final requirements in order to monitor each Tier I and Tier II school that it serves with school improvement funds;
3. If it implements a restart model in a Tier I or Tier II school, include in its contract or agreement terms and provisions to hold the charter operator, charter management organization, or education management organization accountable for complying with the final requirements; and
4. Report to the SEA the school-level data required under section III of the final requirements.

**E. WAIVERS: If the SEA has requested any waivers of requirements applicable to the LEA’s School Improvement Grant, an LEA must indicate which of those waivers it intends to implement.**

The LEA must check each waiver that the LEA will implement. If the LEA does not intend to implement the waiver with respect to each applicable school, the LEA must indicate for which schools it will implement the waiver.

- Extending the period of availability of school improvement funds.

Note: If an SEA has requested and received a waiver of the period of availability of school improvement funds, that waiver automatically applies to all LEAs in the State.

- “Starting over” in the school improvement timeline for Tier I schools implementing a turnaround or restart model.
- Implementing a schoolwide program in a Tier I school that does not meet the 40 percent poverty eligibility threshold.
- Serving a Tier II school.

Note: If an SEA has not requested and received a waiver of any of these requirements, an LEA may submit a request to the Secretary.

## APPENDIX A

### **Final Requirements for School Improvement Grants**

#### I. SEA Priorities in Awarding School Improvement Grants:

A. Defining key terms. To award School Improvement Grants to its LEAs, consistent with section 1003(g)(6) of the ESEA, an SEA must define three tiers of schools, in accordance with the requirements in paragraph 1, to enable the SEA to select those LEAs with the greatest need for such funds. From among the LEAs in greatest need, the SEA must select, in accordance with paragraph 2, those LEAs that demonstrate the strongest commitment to ensuring that the funds are used to provide adequate resources to enable the lowest-achieving schools to meet the accountability requirements in this notice. Accordingly, an SEA must use the following definitions to define key terms:

1. Greatest need. An LEA with the greatest need for a School Improvement Grant must have one or more schools in at least one of the following tiers:

(a) Tier I schools: A Tier I school is a Title I school in improvement, corrective action, or restructuring that is identified by the SEA under paragraph (a)(1) of the definition of “persistently lowest-achieving schools.”

(b) Tier II schools: A Tier II school is a secondary school that is eligible for, but does not receive, Title I, Part A funds and is identified by the SEA under paragraph (a)(2) of the definition of “persistently lowest-achieving schools.”

(c) Tier III schools: A Tier III school is a Title I school in improvement, corrective action, or restructuring that is not a Tier I school. An SEA may establish additional criteria to use in setting priorities among LEA applications for funding and to encourage LEAs to differentiate among these schools in their use of school improvement funds.

2. Strongest Commitment. An LEA with the strongest commitment is an LEA that agrees to implement, and demonstrates the capacity to implement fully and effectively, one of the following rigorous interventions in each Tier I and Tier II school that the LEA commits to serve:

(a) Turnaround model: (1) A turnaround model is one in which an LEA must--

(i) Replace the principal and grant the principal sufficient operational flexibility (including in staffing, calendars/time, and budgeting) to implement fully a comprehensive approach in order to substantially improve student achievement outcomes and increase high school graduation rates;

(ii) Using locally adopted competencies to measure the effectiveness of staff who can work within the turnaround environment to meet the needs of students,

(A) Screen all existing staff and rehire no more than 50 percent; and

(B) Select new staff;

(iii) Implement such strategies as financial incentives, increased opportunities for promotion and career growth, and more flexible work conditions that are designed to recruit, place, and retain staff with the skills necessary to meet the needs of the students in the turnaround school;

(iv) Provide staff ongoing, high-quality, job-embedded professional development that is aligned with the school's comprehensive instructional program and designed with school staff to ensure that they are equipped to facilitate effective teaching and learning and have the capacity to successfully implement school reform strategies;

(v) Adopt a new governance structure, which may include, but is not limited to, requiring the school to report to a new "turnaround office" in the LEA or SEA, hire a "turnaround leader" who reports directly to the Superintendent or Chief Academic Officer, or enter into a multi-year contract with the LEA or SEA to obtain added flexibility in exchange for greater accountability;

(vi) Use data to identify and implement an instructional program that is research-based and vertically aligned from one grade to the next as well as aligned with State academic standards;

(vii) Promote the continuous use of student data (such as from formative, interim, and summative assessments) to inform and differentiate instruction in order to meet the academic needs of individual students;

(viii) Establish schedules and implement strategies that provide increased learning time (as defined in this notice); and



(ix) Provide appropriate social-emotional and community-oriented services and supports for students.

(2) A turnaround model may also implement other strategies such as--

(i) Any of the required and permissible activities under the transformation model; or

(ii) A new school model (e.g., themed, dual language academy).

(b) Restart model: A restart model is one in which an LEA converts a school or closes and reopens a school under a charter school operator, a charter management organization (CMO), or an education management organization (EMO) that has been selected through a rigorous review process. (A CMO is a non-profit organization that operates or manages charter schools by centralizing or sharing certain functions and resources among schools. An EMO is a for-profit or non-profit organization that provides “whole-school operation” services to an LEA.) A restart model must enroll, within the grades it serves, any former student who wishes to attend the school.

(c) School closure: School closure occurs when an LEA closes a school and enrolls the students who attended that school in other schools in the LEA that are higher achieving. These other schools should be within reasonable proximity to the closed school and may include, but are not limited to, charter schools or new schools for which achievement data are not yet available.

(d) Transformation model: A transformation model is one in which an LEA implements each of the following strategies:

(1) Developing and increasing teacher and school leader effectiveness.

(i) Required activities. The LEA must--

(A) Replace the principal who led the school prior to commencement of the transformation model;

(B) Use rigorous, transparent, and equitable evaluation systems for teachers and principals that--

(1) Take into account data on student growth (as defined in this notice) as a significant factor as well as other factors such as multiple observation-based assessments of performance and ongoing

collections of professional practice reflective of student achievement and increased high school graduations rates; and

(2) Are designed and developed with teacher and principal involvement;

(C) Identify and reward school leaders, teachers, and other staff who, in implementing this model, have increased student achievement and high school graduation rates and identify and remove those who, after ample opportunities have been provided for them to improve their professional practice, have not done so;

(D) Provide staff ongoing, high-quality, job-embedded professional development (e.g., regarding subject-specific pedagogy, instruction that reflects a deeper understanding of the community served by the school, or differentiated instruction) that is aligned with the school's comprehensive instructional program and designed with school staff to ensure they are equipped to facilitate effective teaching and learning and have the capacity to successfully implement school reform strategies; and

(E) Implement such strategies as financial incentives, increased opportunities for promotion and career growth, and more flexible work conditions that are designed to recruit, place, and retain staff with the skills necessary to meet the needs of the students in a transformation school.

(ii) Permissible activities. An LEA may also implement other strategies to develop teachers' and school leaders' effectiveness, such as--

(A) Providing additional compensation to attract and retain staff with the skills necessary to meet the needs of the students in a transformation school;

(B) Instituting a system for measuring changes in instructional practices resulting from professional development; or

(C) Ensuring that the school is not required to accept a teacher without the mutual consent of the teacher and principal, regardless of the teacher's seniority.

(2) Comprehensive instructional reform strategies.

(i) Required activities. The LEA must--

(A) Use data to identify and implement an instructional program that is research-based and vertically aligned from one grade to the next as well as aligned with State academic standards; and

(B) Promote the continuous use of student data (such as from formative, interim, and summative assessments) to inform and differentiate instruction in order to meet the academic needs of individual students.

(ii) Permissible activities. An LEA may also implement comprehensive instructional reform strategies, such as--

(A) Conducting periodic reviews to ensure that the curriculum is being implemented with fidelity, is having the intended impact on student achievement, and is modified if ineffective;

(B) Implementing a schoolwide “response-to-intervention” model;

(C) Providing additional supports and professional development to teachers and principals in order to implement effective strategies to support students with disabilities in the least restrictive environment and to ensure that limited English proficient students acquire language skills to master academic content;

(D) Using and integrating technology-based supports and interventions as part of the instructional program; and

(E) In secondary schools--

(1) Increasing rigor by offering opportunities for students to enroll in advanced coursework (such as Advanced Placement; International Baccalaureate; or science, technology, engineering, and mathematics courses, especially those that incorporate rigorous and relevant project-, inquiry-, or design-based contextual learning opportunities), early-college high schools, dual enrollment programs, or thematic learning academies that prepare students for college and careers, including by providing appropriate supports designed to ensure that low-achieving students can take advantage of these programs and coursework;

(2) Improving student transition from middle to high school through summer transition programs or freshman academies;

(3) Increasing graduation rates through, for example, credit-recovery programs, re-engagement strategies, smaller learning communities, competency-based instruction and performance-based assessments, and acceleration of basic reading and mathematics skills; or

(4) Establishing early-warning systems to identify students who may be at risk of failing to achieve to high standards or graduate.

(3) Increasing learning time and creating community-oriented schools.

(i) Required activities. The LEA must--

(A) Establish schedules and strategies that provide increased learning time (as defined in this notice); and

(B) Provide ongoing mechanisms for family and community engagement.

(ii) Permissible activities. An LEA may also implement other strategies that extend learning time and create community-oriented schools, such as--

(A) Partnering with parents and parent organizations, faith- and community-based organizations, health clinics, other State or local agencies, and others to create safe school environments that meet students' social, emotional, and health needs;

(B) Extending or restructuring the school day so as to add time for such strategies as advisory periods that build relationships between students, faculty, and other school staff;

(C) Implementing approaches to improve school climate and discipline, such as implementing a system of positive behavioral supports or taking steps to eliminate bullying and student harassment; or

(D) Expanding the school program to offer full-day kindergarten or pre-kindergarten.

(4) Providing operational flexibility and sustained support.

(i) Required activities. The LEA must--

(A) Give the school sufficient operational flexibility (such as staffing, calendars/time, and budgeting) to implement fully a comprehensive approach to substantially improve student achievement outcomes and increase high school graduation rates; and

(B) Ensure that the school receives ongoing, intensive technical assistance and related support from the LEA, the SEA, or a designated external lead partner organization (such as a school turnaround organization or an EMO).

(ii) Permissible activities. The LEA may also implement other strategies for providing operational flexibility and intensive support, such as--

(A) Allowing the school to be run under a new governance arrangement, such as a turnaround division within the LEA or SEA; or

(B) Implementing a per-pupil school-based budget formula that is weighted based on student needs.

### 3. Definitions.

Increased learning time means using a longer school day, week, or year schedule to significantly increase the total number of school hours to include additional time for (a) instruction in core academic subjects including English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography; (b) instruction in other subjects and enrichment activities that contribute to a well-rounded education, including, for example, physical education, service learning, and experiential and work-based learning opportunities that are provided by partnering, as appropriate, with other organizations; and (c) teachers to collaborate, plan, and engage in professional development within and across grades and subjects.<sup>†</sup>

Persistently lowest-achieving schools means, as determined by the State--

(a)(1) Any Title I school in improvement, corrective action, or restructuring that--

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<sup>†</sup> Research supports the effectiveness of well-designed programs that expand learning time by a minimum of 300 hours per school year. (See Frazier, Julie A.; Morrison, Frederick J. "The Influence of Extended-year Schooling on Growth of Achievement and Perceived Competence in Early Elementary School." *Child Development*. Vol. 69 (2), April 1998, pp.495-497 and research done by Mass2020.) Extending learning into before- and after-school hours can be difficult to implement effectively, but is permissible under this definition with encouragement to closely integrate and coordinate academic work between in school and out of school. (See James-Burdumy, Susanne; Dynarski, Mark; Deke, John. "When Elementary Schools Stay Open Late: Results from The National Evaluation of the 21st Century Community Learning Centers Program." *Educational Evaluation and Policy Analysis*, Vol. 29 (4), December 2007, Document No. PP07-121.) <[http://www.mathematica-mpr.com/publications/redirect\\_PubsDB.asp?strSite=http://epa.sagepub.com/cgi/content/abstract/29/4/296](http://www.mathematica-mpr.com/publications/redirect_PubsDB.asp?strSite=http://epa.sagepub.com/cgi/content/abstract/29/4/296)>

(i) Is among the lowest-achieving five percent of Title I schools in improvement, corrective action, or restructuring or the lowest-achieving five Title I schools in improvement, corrective action, or restructuring in the State, whichever number of schools is greater; or

(ii) Is a high school that has had a graduation rate as defined in 34 CFR 200.19(b) that is less than 60 percent over a number of years; and

(2) Any secondary school that is eligible for, but does not receive, Title I funds that--

(i) Is among the lowest-achieving five percent of secondary schools or the lowest-achieving five secondary schools in the State that are eligible for, but do not receive, Title I funds, whichever number of schools is greater; or

(ii) Is a high school that has had a graduation rate as defined in 34 CFR 200.19(b) that is less than 60 percent over a number of years.

(b) To identify the lowest-achieving schools, a State must take into account both--

(i) The academic achievement of the “all students” group in a school in terms of proficiency on the State’s assessments under section 1111(b)(3) of the ESEA in reading/language arts and mathematics combined; and

(ii) The school’s lack of progress on those assessments over a number of years in the “all students” group.

Student growth means the change in achievement for an individual student between two or more points in time. For grades in which the State administers summative assessments in reading/language arts and mathematics, student growth data must be based on a student’s score on the State’s assessment under section 1111(b)(3) of the ESEA. A State may also include other measures that are rigorous and comparable across classrooms.

4. Evidence of strongest commitment. (a) In determining the strength of an LEA’s commitment to ensuring that school improvement funds are used to provide adequate resources to enable persistently lowest-achieving schools to improve student achievement substantially, an SEA must consider, at a

minimum, the extent to which the LEA’s application demonstrates that the LEA has taken, or will take, action to--

- (i) Analyze the needs of its schools and select an intervention for each school;
- (ii) Design and implement interventions consistent with these requirements;
- (iii) Recruit, screen, and select external providers, if applicable, to ensure their quality;
- (iv) Align other resources with the interventions;
- (v) Modify its practices or policies, if necessary, to enable it to implement the interventions fully and effectively; and
- (vi) Sustain the reforms after the funding period ends.

(b) The SEA must consider the LEA’s capacity to implement the interventions and may approve the LEA to serve only those Tier I and Tier II schools for which the SEA determines that the LEA can implement fully and effectively one of the interventions.

**B. Providing flexibility.**

1. An SEA may award school improvement funds to an LEA for a Tier I or Tier II school that has implemented, in whole or in part, an intervention that meets the requirements under section I.A.2(a), 2(b), or 2(d) of these requirements within the last two years so that the LEA and school can continue or complete the intervention being implemented in that school.

2. An SEA may seek a waiver from the Secretary of the requirements in section 1116(b) of the ESEA in order to permit a Tier I school implementing an intervention that meets the requirements under section I.A.2(a) or 2(b) of these requirements in an LEA that receives a School Improvement Grant to “start over” in the school improvement timeline. Even though a school implementing the waiver would no longer be in improvement, corrective action, or restructuring, it may receive school improvement funds.

3. An SEA may seek a waiver from the Secretary to enable a Tier I school that is ineligible to operate a Title I schoolwide program and is operating a Title I targeted assistance program to operate a

schoolwide program in order to implement an intervention that meets the requirements under section I.A.2(a), 2(b), or 2(d) of these requirements.

4. An SEA may seek a waiver from the Secretary to enable an LEA to use school improvement funds to serve a Tier II secondary school.

5. An SEA may seek a waiver from the Secretary to extend the period of availability of school improvement funds beyond September 30, 2011 so as to make those funds available to the SEA and its LEAs for up to three years.

6. If an SEA does not seek a waiver under section I.B.2, 3, 4, or 5, an LEA may seek a waiver.

## II. Awarding School Improvement Grants to LEAs:

### A. LEA requirements.

1. An LEA may apply for a School Improvement Grant if it has one or more schools that qualify under the State's definition of a Tier I or Tier III school. An eligible LEA may also apply to serve Tier II schools.

2. In its application, in addition to other information that the SEA may require--

(a) The LEA must--

(i) Identify the Tier I, Tier II, and Tier III schools it commits to serve;

(ii) Identify the intervention it will implement in each Tier I and Tier II school it commits to serve;

(iii) Demonstrate that it has the capacity to use the school improvement funds to provide adequate resources and related support to each Tier I and Tier II school it commits to serve in order to implement fully and effectively one of the four interventions identified in section I.A.2 of these requirements;

(iv) Provide evidence of its strong commitment to use school improvement funds to implement the four interventions by addressing the factors in section I.A.4(a) of these requirements;

(v) Include a timeline delineating the steps the LEA will take to implement the selected intervention in each Tier I and Tier II school identified in the LEA's application; and



(vi) Include a budget indicating how it will allocate school improvement funds among the Tier I, Tier II, and Tier III schools it commits to serve.

(b) If an LEA has nine or more Tier I and Tier II schools, the LEA may not implement the transformation model in more than 50 percent of those schools.

3. The LEA must serve each Tier I school using one of the four interventions identified in section I.A.2 of these requirements unless the LEA demonstrates that it lacks sufficient capacity (which may be due, in part, to serving Tier II schools) to undertake one of these rigorous interventions in each Tier I school, in which case the LEA must indicate the Tier I schools that it can effectively serve. An LEA may not serve with school improvement funds awarded under section 1003(g) of the ESEA a Tier I school in which it does not implement one of the four interventions.

4. The LEA's budget for each Tier I and Tier II school it commits to serve must be of sufficient size and scope to ensure that the LEA can implement one of the rigorous interventions identified in section I.A.2 of these requirements. The LEA's budget must cover the period of availability of the school improvement funds, taking into account any waivers extending the period of availability received by the SEA or LEA. The LEA's budget may, and likely would, exceed \$500,000 per year for each Tier I and Tier II school that implements an intervention in section I.A.2(a), 2(b), or 2(d) in order to reform the school consistent with the LEA's application and these requirements. The LEA's budget may include less than \$500,000 per year for a Tier I or Tier II school for which it proposes to implement the school closure intervention in section I.A.2(c) (which would typically be completed within one year) or if the LEA's budget shows that less funding is needed to implement its selected intervention fully and effectively.

5. The LEA's budget for each Tier III school it commits to serve must include the services it will provide the school, particularly if the school meets additional criteria established by the SEA, although those services do not need to be commensurate with the funds the SEA provides the LEA based on the school's inclusion in the LEA's School Improvement Grant application.

6. An LEA in which one or more Tier I schools are located and that does not apply to serve at least one of these schools may not apply for a grant to serve only Tier III schools.

7. (a) To monitor each Tier I and Tier II school that receives school improvement funds, an LEA must--

(i) Establish annual goals for student achievement on the State's assessments in both reading/language arts and mathematics; and

(ii) Measure progress on the leading indicators in section III of these requirements.

(b) The LEA must also meet the requirements with respect to adequate yearly progress in section 1111(b)(2) of the ESEA.

8. If an LEA implements a restart model, it must hold the charter school operator, CMO, or EMO accountable for meeting the final requirements.

B. SEA requirements.

1. To receive a School Improvement Grant, an SEA must submit an application to the Department at such time, and containing such information, as the Secretary shall reasonably require.

2. (a) An SEA must review and approve, consistent with these requirements, an application for a School Improvement Grant that it receives from an LEA.

(b) Before approving an LEA's application, the SEA must ensure that the application meets these requirements, particularly with respect to--

(i) Whether the LEA has agreed to implement one of the four interventions identified in section I.A.2 of these requirements in each Tier I and Tier II school included in its application;

(ii) The extent to which the LEA's application shows the LEA's strong commitment to use school improvement funds to implement the four interventions by addressing the factors in section I.A.4(a) of these requirements;

(iii) Whether the LEA has the capacity to implement the selected intervention fully and effectively in each Tier I and Tier II school identified in its application; and

(iv) Whether the LEA has submitted a budget that includes sufficient funds to implement the selected intervention fully and effectively in each Tier I and Tier II school it identifies in its application and whether the budget covers the period of availability of the funds, taking into account any waiver extending the period of availability received by either the SEA or the LEA.

(c) An SEA may, consistent with State law, take over an LEA or specific Tier I or Tier II schools in order to implement the interventions in these requirements.

(d) An SEA may not require an LEA to implement a particular model in one or more schools unless the SEA has taken over the LEA or school.

(e) To the extent that a Tier I or Tier II school implementing a restart model becomes a charter school LEA, an SEA must hold the charter school LEA accountable, or ensure that the charter school authorizer holds it accountable, for complying with these requirements.

3. An SEA must post on its Web site, within 30 days of awarding School Improvement Grants to LEAs, all final LEA applications as well as a summary of those grants that includes the following information:

(a) Name and National Center for Education Statistics (NCES) identification number of each LEA awarded a grant.

(b) Amount of each LEA's grant.

(c) Name and NCES identification number of each school to be served.

(d) Type of intervention to be implemented in each Tier I and Tier II school.

4. If an SEA does not have sufficient school improvement funds to award, for up to three years, a grant to each LEA that submits an approvable application, the SEA must give first priority to LEAs that apply to serve both Tier I and Tier II schools and then give priority to LEAs that apply to serve Tier I schools.

5. An SEA must award a School Improvement Grant to an LEA in an amount that is of sufficient size and scope to support the activities required under section 1116 of the ESEA and these requirements.

The LEA's total grant may not be less than \$50,000 or more than \$500,000 per year for each Tier I and Tier III school that the LEA commits to serve.

6. (a) In awarding school improvement funds to an LEA, an SEA must allocate \$500,000 per year for each Tier I school that will implement a rigorous intervention under section I.A.2(a), 2(b), or 2(d) for which the LEA has requested funds in its budget and for which the SEA determines the LEA has the capacity to serve, unless the SEA determines on a case-by-case basis, considering such factors as school size, the intervention selected, and other relevant circumstances, that less funding is needed to implement the intervention fully and effectively.

(b) The SEA must allocate sufficient school improvement funds in total to the LEA, consistent with section 1003(g)(5) of the ESEA, to meet, as closely as possible, the LEA's budget for implementing one of the four interventions in each Tier I and Tier II school it commits to serve, including the costs associated with closing such schools under section I.A.2(c), as well as the costs for serving participating Tier III schools, particularly those meeting additional criteria established by the SEA.

7. If an SEA does not have sufficient school improvement funds to allocate to each LEA with a Tier I or Tier II school an amount sufficient to enable the school to implement fully and effectively the specified intervention throughout the period of availability, including any extension afforded through a waiver, the SEA may take into account the distribution of Tier I and Tier II schools among such LEAs in the State to ensure that Tier I and Tier II schools throughout the State can be served.

8. If an SEA has provided a School Improvement Grant to each LEA that has requested funds to serve a Tier I or Tier II school in accordance with these requirements, the SEA may award remaining school improvement funds to an LEA that seeks to serve only Tier III schools that applies to receive those funds.

9. In awarding School Improvement Grants, an SEA must apportion its school improvement funds in order to make grants to LEAs, as applicable, that are renewable for the length of the period of availability of the funds, taking into account any waivers that may have been requested and received by the SEA or an individual LEA to extend the period of availability.

10. (a) If not every Tier I school in a State is served with FY 2009 school improvement funds, an SEA must carry over 25 percent of its FY 2009 funds, combine those funds with FY 2010 school improvement funds (depending on the availability of appropriations), and award those funds to eligible LEAs consistent with these requirements. This requirement does not apply in a State that does not have sufficient school improvement funds to serve all the Tier I schools in the State.

(b) If each Tier I school in a State is served with FY 2009 school improvement funds, an SEA may reserve up to 25 percent of its FY 2009 allocation and award those funds in combination with its FY 2010 funds (depending on the availability of appropriations) consistent with these requirements.

11. In identifying Tier I and Tier II schools in a State for purposes of allocating funds appropriated for School Improvement Grants under section 1003(g) of the ESEA for any year subsequent to FY 2009, an SEA must exclude from consideration any school that was previously identified as a Tier I or Tier II school and in which an LEA is implementing one of the four interventions identified in these requirements using funds made available under section 1003(g) of the ESEA.

12. An SEA that is participating in the “differentiated accountability pilot” must ensure that its LEAs use school improvement funds available under section 1003(g) of the ESEA in a Tier I or Tier II school consistent with these requirements.

13. Before submitting its application for a School Improvement Grant to the Department, the SEA must consult with its Committee of Practitioners established under section 1903(b) of the ESEA regarding the rules and policies contained therein and may consult with other stakeholders that have an interest in its application.

C. Renewal for additional one-year periods.

(a) If an SEA or an individual LEA requests and receives a waiver of the period of availability of school improvement funds, an SEA--

(i) Must renew the School Improvement Grant for each affected LEA for additional one-year periods commensurate with the period of availability if the LEA demonstrates that its Tier I and Tier II

schools are meeting the requirements in section II.A.7 and that its Tier III schools are meeting the goals in their plans developed under section 1116 of the ESEA; and

(ii) May renew an LEA's School Improvement Grant if the SEA determines that the LEA is making progress toward meeting the requirements in section II.A.7.

(b) If an SEA does not renew, in whole or in part, an LEA's School Improvement Grant because one or more of the LEA's participating schools is not meeting the requirements in section II.A.7, the SEA may reallocate those funds to other eligible LEAs, consistent with these requirements.

D. State reservation for administration, evaluation, and technical assistance.

An SEA may reserve from the school improvement funds it receives under section 1003(g) of the ESEA in any given year no more than five percent for administration, evaluation, and technical assistance expenses. An SEA must describe in its application for a School Improvement Grant how the SEA will use these funds.

E. A State Whose School Improvement Grant Exceeds the Amount the State May Award to Eligible LEAs.

In some States in which a limited number of Title I schools are identified for improvement, corrective action, or restructuring, the SEA may be able to make School Improvement Grants, renewable for additional years commensurate with the period of availability of the funds, to each LEA with a Tier I, Tier II, or Tier III school without using the State's full allocation under section 1003(g) of the ESEA. An SEA in this situation may reserve no more than five percent of its FY 2009 allocation of school improvement funds for administration, evaluation, and technical assistance expenses under section 1003(g)(8) of the ESEA. The SEA may retain sufficient school improvement funds to serve, for succeeding years, each Tier I, II, and III school that generates funds for an eligible LEA. The Secretary may reallocate to other States any remaining school improvement funds from States with surplus funds.

III. Reporting and Evaluation:

A. Reporting metrics.

To inform and evaluate the effectiveness of the interventions identified in these requirements, the Secretary will collect data on the metrics in the following chart. The Department already collects most of these data through EDFacts and will collect data on two metrics through SFSF reporting. Accordingly, an SEA must only report the following new data with respect to school improvement funds:

1. A list of the LEAs, including their NCES identification numbers, that received a School Improvement Grant under section 1003(g) of the ESEA and the amount of the grant.

2. For each LEA that received a School Improvement Grant, a list of the schools that were served, their NCES identification numbers, and the amount of funds or value of services each school received.

3. For any Tier I or Tier II school, school-level data on the metrics designated on the following chart as “SIG” (School Improvement Grant):

<b>Metric</b>	<b>Source</b>	<b>Achievement Indicators</b>	<b>Leading Indicators</b>
<b>SCHOOL DATA</b>			
Which intervention the school used (i.e., turnaround, restart, closure, or transformation )	<b>NEW SIG</b>		
AYP status	<u>EDFacts</u>	✓	
Which AYP targets the school met and missed	<u>EDFacts</u>	✓	
School improvement status	<u>EDFacts</u>	✓	
Number of minutes within the school year	<b>NEW SIG</b>		✓
<b>STUDENT OUTCOME/ACADEMIC PROGRESS DATA</b>			
Percentage of students at or above each proficiency level on State assessments in reading/language arts and mathematics (e.g., Basic, Proficient, Advanced), by grade and by student subgroup	<u>EDFacts</u>	✓	
Student participation rate on State assessments in reading/language arts and in mathematics, by	<u>EDFacts</u>		✓

<b>Metric</b>	<b>Source</b>	<b>Achievement Indicators</b>	<b>Leading Indicators</b>
student subgroup			
Average scale scores on State assessments in reading/language arts and in mathematics, by grade, for the “all students” group, for each achievement quartile, and for each subgroup	<b>NEW SIG</b>	✓	
Percentage of limited English proficient students who attain English language proficiency	<u>EDFacts</u>	✓	
Graduation rate	<u>EDFacts</u>	✓	
Dropout rate	<u>EDFacts</u>		✓
Student attendance rate	<u>EDFacts</u>		✓
Number and percentage of students completing advanced coursework (e.g., AP/IB), early-college high schools, or dual enrollment classes	<b>NEW SIG HS only</b>		✓
College enrollment rates	NEW SFSF Phase II HS only	✓	
<b>STUDENT CONNECTION AND SCHOOL CLIMATE</b>			
Discipline incidents	<u>EDFacts</u>		✓
Truants	<u>EDFacts</u>		✓
<b>TALENT</b>			
Distribution of teachers by performance level on LEA’s teacher evaluation system	NEW SFSF Phase II		✓
Teacher attendance rate	<b>NEW SIG</b>		✓

4. An SEA must report these metrics for the school year prior to implementing the intervention, if the data are available, to serve as a baseline, and for each year thereafter for which the SEA allocates



school improvement funds under section 1003(g) of the ESEA. With respect to a school that is closed, the SEA need report only the identity of the school and the intervention taken--i.e., school closure.

B. Evaluation.

An LEA that receives a School Improvement Grant must participate in any evaluation of that grant conducted by the Secretary.

## **APPENDIX B**

### **LEA BUDGETS AND SEA ALLOCATIONS**

School Improvement Grant funding totals \$3.5 billion in FY 2009: \$3 billion from the American Recovery and Reinvestment Act and \$546 million from the regular FY 2009 appropriation. This means that for the first time the program can provide the substantial funding, over a multi-year period, necessary for the successful implementation of school intervention models. For example, while the statute sets a \$500,000 limit on the amount of funding that may be generated by a participating school under the School Improvement Grants program, the Department believes that in most cases successful implementation of the turnaround, restart, or transformation models in a Tier I or Tier II school will require two to three times that amount (*i.e.*, \$1 million to \$1.5 million annually). Therefore, the Department encourages LEAs to estimate the full cost of implementing its selected intervention in each Tier I and Tier II school it commits to serve, and to give priority to including these costs in its budget proposal.

SEAs must give priority to ensuring that all Tier I schools in their States are served, and that all LEAs with Tier I and Tier II schools that are awarded grants receive sufficient funding to fully and effectively implement the selected school intervention models over the period of availability of the funds.

The following describes the requirements and priorities that apply to LEA budgets and SEA allocations.

#### **LEA Budgets**

An LEA's proposed budget should cover a three-year period (if the SEA or LEA has applied for a waiver to extend the period of availability of funds) and should take into account the following:

1. The number of Tier I and Tier II schools that the LEA commits to serve and the intervention model (turnaround, restart, closure, or transformation) selected for each school.
2. The budget request for each Tier I and Tier II school must be of sufficient size and scope to support full and effective implementation of the selected intervention over a period of three years. In most cases an LEA would be expected to spend more than \$500,000 annually to implement the turnaround, restart, or transformation model in a Tier I or Tier II school. First-year budgets may be higher than in subsequent years due to one-time start-up costs.
3. The SIG portion of school closure costs may be lower than the amount required for the other models and would typically cover only one year.
4. The LEA may request funding for LEA-level activities that will support the implementation of school intervention models in Tier I and Tier II schools.
5. The number of Tier III schools that the LEA commits to serve, and the services or benefits the LEA plans to provide to these schools over the three-year grant period.
6. The request for each Tier III school must include the services the LEA will provide the school, and may vary if one or more Tier III schools meets additional criteria established by the SEA.

7. The maximum funding available to the LEA each year is determined by multiplying the total number of Tier I and Tier III schools that the LEA commits to serve by \$500,000 (the maximum amount that an SEA may award to an LEA for each participating Title I school). For example, an LEA with 3 Tier I schools and 12 Tier III schools could receive up to \$7.5 million (15 X \$500,000) each year, or a three-year total of \$22.5 million (assuming the SEA or LEA has requested and received a waiver to extend the period of funding availability).
8. Tier II schools would not generate any funds because they are not Title I schools in improvement, corrective action, or restructuring; however, the LEA may serve them, through a waiver, with the school improvement funds it receives. Moreover, an LEA serving Tier I and Tier II schools receives priority in the SEA award process.
9. The overall LEA budget must indicate how it will allocate school improvement funds, over a three-year period, among the Tier I, Tier II, and Tier III schools it commits to serve. Note that the proposed allocation for each school served depends on the interventions to be carried out and level of benefits provided, and not on the funding generated by the school under the statute.
10. If the SEA does not request the waiver from the Secretary required to extend the availability of School Improvement Grant funds to permit three-year awards, the LEA may request such a waiver.

### **SEA Allocations to LEAs**

An SEA must allocate the LEA share of School Improvement Grant funds (*i.e.*, 95 percent of the SEA's allocation from the Department) in accordance with the following requirements:

1. The SEA must first give priority to LEAs that apply to serve both Tier I and Tier II schools and then give priority to LEAs that apply to serve Tier I schools.
2. After funding applications to LEAs serving both Tier I and Tier II schools and LEAs serving Tier I schools, an SEA should award remaining funds next to LEAs serving Tier II and Tier III schools, and finally to LEAs that apply to serve only Tier III schools (except that an LEA with one or more Tier I schools may not receive funds to serve only its Tier III schools).
3. In making awards consistent with these priorities, an SEA must take into account LEA capacity to implement the selected school interventions, and also may take into account other factors, such as the number of schools served in each tier and the overall quality of LEA applications.
4. An SEA that has served each of its Tier I schools with FY 2009 school improvement funds may reserve up to 25 percent of its FY 2009 allocation and award those funds in combination with its FY 2010 funds (depending on the availability of appropriations) consistent with the final requirements.
5. An SEA that has not served each of its Tier I schools with FY 2009 school improvement funds must carry over 25 percent of its FY 2009 funds, combine those funds with FY 2010 school improvement funds (depending on the availability of appropriations), and award those funds to eligible LEAs consistent with the final requirements. This requirement does not apply to an SEA that does not receive sufficient SIG funding to serve all of its Tier I schools.

6. An SEA that does not have sufficient school improvement funds to allow each LEA with a Tier I or Tier II school to implement fully the selected intervention models may take into account the distribution of Tier I and Tier II schools among such LEAs in the State to ensure that Tier I and Tier II schools throughout the State can be served.

An SEA's School Improvement Grant award to an LEA must:

1. Include not less than \$50,000 or more than \$500,000 per year for each participating Title I school (*i.e.*, the Tier I and Tier III schools that the LEA commits to serve and that the SEA determines the LEA has the capacity to serve).
2. Include \$500,000 per year in school improvement funds for each Tier I school for which an LEA applies to implement a turnaround, restart, or transformation model (unless the SEA determines on a case-by-case basis, considering such factors as school size, the intervention selected, and other relevant circumstances, that fewer funds are needed to fully and effectively implement the intervention). An SEA may provide less than \$500,000 for a Tier I school that an LEA plans to close.
3. Provide sufficient school improvement funds to meet, as closely as possible, the LEA's request for each Tier I and Tier II school it commits to serve or close, as well as for serving participating Tier III schools. An SEA may reduce an LEA's requested budget by any amounts proposed for interventions in one or more schools that the SEA determines the LEA does not have the capacity to serve.
4. Include any requested funds for LEA-level activities that support implementation of the school intervention models.
5. Apportion FY 2009 school improvement funds so as to provide funding to LEAs over three years (assuming the SEA has requested and received a waiver of the period of availability beyond September 30, 2011).

### Examples of SEA Allocations to Three Hypothetical LEAs

The following examples from the NPR illustrate how an SEA might determine the amount of a School Improvement Grant for three hypothetical LEAs, all of which have the same number of Title I schools in improvement, corrective action, or restructuring:

*Example 1:* LEA A has ten Title I schools in improvement, corrective action, or restructuring; three are Tier I schools and the rest are Tier III schools. The LEA also has one Tier II school. The LEA and SEA agree that the LEA has capacity to serve all of those schools. Under section 1003(g)(5), the maximum School Improvement Grant that the LEA may receive per year is \$5,000,000 ( $\$500,000 \times 10$  Title I schools to be served). Based on the LEA's proposed budget and capacity, the SEA awards the LEA a School Improvement Grant totaling \$4,150,000 per year (consistent with section 1003(g)(5)). In spending the school improvement funds, the LEA uses, consistent with its budget, \$1,500,000 in one Tier I school; \$1,000,000 in the Tier II school; \$750,000 in each of the remaining two Tier I schools; \$50,000 in each of two Tier III schools; and \$10,000 in each of the remaining five Tier III schools.

*Example 2:* LEA B has ten Title I schools in improvement, corrective action, or restructuring; three are Tier I schools. The LEA also has one Tier II school. The LEA decides, however, that it has capacity to serve only two of its Tier I schools, no Tier II schools, and five of its Tier III schools. Under section 1003(g)(5), the maximum School Improvement Grant that the LEA may receive per year is \$3,500,000 ( $\$500,000 \times 7$  Title I schools to be served). Based on the LEA's proposed budget and capacity, the SEA awards the LEA a School Improvement Grant totaling \$2,500,000 (consistent with section 1003(g)(5)). In spending the school improvement funds, the LEA uses, consistent with its budget, \$1,200,000 in one Tier I school; \$800,000 in the other Tier I school; and \$100,000 in each of the five Tier III schools.

*Example 3:* LEA C has ten Title I schools in improvement, corrective action, or restructuring; none is a Tier I school, although two are among the lowest-achieving Title I schools in the State but are making significant progress. The LEA has one Tier II school. The LEA applies to serve all its Tier III schools as well as its Tier II school. Under section 1003(g)(5), the maximum School Improvement Grant that the LEA may receive per year is \$5,000,000 ( $\$500,000 \times 10$  Title I schools to be served). Based on the LEA's proposed budget and capacity, the SEA awards the LEA a School Improvement Grant totaling \$2,500,000 (consistent with section 1003(g)(5)). In spending the school improvement funds, the LEA uses, consistent with its budget, \$1,000,000 in its one Tier II school; \$500,000 in each of the two Tier III schools making progress; and \$62,500 in each of the remaining eight Tier III schools.