

LEGISLATIVE FEDERAL ECONOMIC STIMULUS PROGRAM OVERSIGHT COMMISSION  
ACT 150, SESSION LAWS OF HAWAII 2009

**DEPARTMENT/AGENCY QUESTIONNAIRE**

**Instructions:** Please use this MS Word document as a template, entering your answers below the corresponding number/letter. The commission is cognizant of the numerous reporting requirements of ARRA and does not wish to burden your Department or agency with duplicative requests for information where possible. Please use information that you have all ready reported to the Federal government, as applicable.

If a question is not applicable please indicate N/A. The information requested under question 1 should be answered under each item for each group/category or program/project. However, Questions 2 and 3 need not be answered for each group/category or program/project.

1. For each group/category or program/project for which ARRA funds have been obtained, please provide the following information:
  - (a) A brief summary of the program/project, including goals;

**Education Stabilization Funds**

In a Memorandum of Agreement, dated October 27, 2009, the Governor's Office and the Charter School Administrative Office agreed that the State Fiscal Stabilization Funds would be used to retain staff positions and assist with raising student achievement in Hawai'i by using ARRA resources to advance reform. The agreed upon goals are to:

- A. Support the education reform embodied in the Hawaii Charter School Movement.
  - B. Document for the public and the U.S. Department of Education, the actions agreed upon by the Governor and the Executive Director of the Charter School Administrative Office, upon acceptance, dispersal, and use of Hawaii's share of the Education Fund (Title XIV, §14002) of the ARRA State Fiscal Stabilization Fund.
  - C. Document progress, memorialize agreements, and create the framework for future cooperation between the undersigned parties on the reforms implemented by the charter schools that will result in dramatic improvement in student achievement and outcomes in Hawaii's public education systems over the next six years.
- (b) Whether funds were appropriated for expenditure by a federal agency, were awarded as a formula/block grant to a State or county agency, or were awarded on a competitive grant basis;

**Education Stabilization Funds**

Education Stabilization Funds were awarded as a formula/block grant to the Governor of the State of Hawaii from the U.S. Department of Education.

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- (c) Whether matching funds are required, and, if so:
  - (i) Are they available;
  - (ii) Have they been secured;
  - (iii) If they have not been secured, why not; and
  - (iv) Will the State be required to continue that match or provide increased/full funding in the future;

Education Stabilization Funds

Not applicable – matching funds not required.

- (d) If there are additional requirements to receive funds, what are they;

Education Stabilization Funds

- A. The Governor will use best efforts to disburse all possible funds in the most expedient manner in order to save and create jobs and to ensure the education of Hawaii's students;
- B. The Charter Schools will administer and use SFSF program funds in accordance with all applicable statutes, regulations, and applications, including the General Education Provisions Act (GEPA) section 442;
- C. The Charter Schools will use fiscal control and fund accounting procedures that will ensure proper disbursement of, and accounting for, Federal funds paid to that agency under the SFSF program. The Charter Schools' administration and expenditure of SFSF program funds shall be in accordance with all applicable requirements of the Education Department General Administrative Regulations (EDGAR), the cost principles contained in 2 CFR 225 (OMB Circular A-87), OMB Circular A-102, and OMB Circular A-133;
- D. The Charter Schools shall only use SFSF program funds for activities authorized by the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) (ESEA), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) (IDEA), the Adult Education and Family Literacy Act (20 U.S.C. 9201 et seq.), or the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.) (the Perkins Act) or for modernization, renovation, or repair of public school facilities, including modernization, renovation, and repairs that are consistent with a recognized green building rating system;
- E. The Charter Schools will obligate all SFSF monies by no later than September 30, 2011; and
- F. The Charter Schools will promptly refer to an appropriate inspector general any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act (31 U.S.C. 3729–3733) or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving SFSF funds.

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- (e) The amount of funds involved and the state/federal fiscal year within which the funds must be expended (e.g. SFY 2009-2010 or FFY 2009-2010);

Education Stabilization Funds

Education Stabilization Funds were appropriated to the Charter Schools as follows:

Program	Fiscal Year 2009-2010	Fiscal Year 2010-2011
Charter Schools	4,088,212	2,835,696

- (f) What criteria were used to identify the program/project as a priority and how does the program/project meet them;

Education Stabilization Funds

See goals and deliverables in questions (a) and (d).

- (g) Efforts undertaken to coordinate application for funds and administration of the program/project, including expenditure of funds, with other federal, state, and county agencies;

Education Stabilization Funds

The CSAO is working with the Governor's office, Hawai'i Department of Education, other state agencies, and partner organizations to drive student achievement and make Hawaii's students and workforce competitive internationally; develop a plan for attracting federal investment under ARRA Race to the Top and other competitive opportunities such as the U.S. Department of Education Statewide Longitudinal Data System grant; report publicly on progress of educational improvement and expenditure of ARRA funds; provide reports on progress, and collaborate with the DOE and UH on strategies to achieve goals.

With regards to the expenditure of funds, the CSAO is currently in discussion with the Department of Budget and Finance (B&F) to finalize details on how the Stabilization Funds will be requested, distributed, utilized, and reported to the Governor's Office. Reports are being developed to provide the detailed information requested by B&F to facilitate the disbursement of funds, and to meet quarterly ARRA reporting requirements.

- (h) The criteria used to select activities for the program/project;

Education Stabilization Funds

The focus was on protecting teaching faculty, administrative and support staff to the extent possible so that any potential negative impact to student learning would be mitigated. ARRA funds are being effectively used to retain jobs and stabilize operations while meeting increased student demand and promoting the strategic mission of enhancing student success.

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- (i) Efforts made to provide public notice and seek public comment/input or, if public comment/input was not sought, why;

Education Stabilization Funds

Not applicable – the State Fiscal Stabilization Funds have been provided by the U.S. Department of Education to help “stabilize state and local government budgets in order to minimize and avoid reductions in education and other essential public services.”

- (j) Efforts made during the bidding/award process to ensure that it was transparent and that the funds were awarded based on merit and in a prompt, fair, and reasonable manner;

Education Stabilization Funds

Transparency was inherent in the process set by the U.S. Department of Education with regards to the Governor’s application for the State Fiscal Stabilization Funds.

- (k) Measures employed to: (1) reduce duplication of efforts, (2) ensure that funds were used for authorized purposes, and (3) prevent cost overruns, fraud, waste, error, and abuse;

Education Stabilization Funds

The Charter Schools will be utilizing the funds to replace funds cut from their per-pupil allocations; the money will be used for salaries for positions that would have been in jeopardy. The process of identifying positions, monitoring expenditures, reviewing payroll reports, etc. will be administered at the school level.

- (l) Current status of the program/project, including percentage of awarded funds that have been obtained, percentage of awarded funds encumbered and/or expended, and what part(s) of program/project have been completed; and

Education Stabilization Funds

As of November 27, 2009:

Memorandum of Agreement between the Governor’s Office and Charter School Administrative Office was signed on October 27, 2009.

0% of awarded funds have been obtained.

0% of awarded funds have been encumbered and/or expended.

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- (m) Actual or anticipated economic impact to the State of the program/project, including the number of jobs saved/created and the long-term public benefits of the program/project.

Education Stabilization Funds

Based on current submissions, the estimated number of jobs retained to be reported by charter schools due to the availability of Education Stabilization funds is approximately 286.5 FTE (as of October 31, 2009, based on preliminary listings).

The long-term public benefit is that the charter schools will have the opportunity to provide innovative education that prepares them for participation in a global economy.

2. For other programs/projects, if ARRA funds, such as competitive grants, were available for a program/project but were not sought or were denied, please briefly describe why the funds were not sought or why they were denied.

Education Stabilization Funds

Not applicable.

3. Please describe:
- (a) Any legal/operational barriers/constraints encountered in the award, receipt, encumbrance, or expenditure of funds, including procurement, late/delayed federal guidance, and reporting requirements;
  - (b) The effect of those barriers/constraints; and
  - (b) If and how they were mitigated.

Education Stabilization Funds

Not applicable.