## **MEMORANDUM**

June 30, 2016

TO: Members of Mid-Valley Executive Advisory Board

FROM: Carla Cumblad, Executive Director

RE: Delays in IDEA Grant Applications

The IDEA Grant applications are delayed this year for four reasons:

- 1. One district's Maintenance of Effort has not been cleared by the state;
- 2. The GATE process is new and requires each submitting district/cooperative to have completed the process;
- 3. Federal IDEA funds are being held up in appropriations due to a lack of a state budget; and.
- 4. Apparently, there are changes being made to the electronic grant system that have yet to be completed.

The following memo from Tim Imler, Division Administrator from ISBE further describes the concerns.

From Tim Imler: I have been informed via a few calls and emails regarding concerns with a statement that I made at a recent IDEA grants training which occurred last week at the Springfield ISBE office. My purpose in attending was to provide participants a brief overview of the new components that all grantees must complete before ISBE can provide final approval of any FY 2017 state or federal grant due to the Grants Accountability and Transparency Act (GATA) PA 98-0706. I encourage you to review our GATA webpage at <a href="http://www.isbe.net/GATA/default.htm">http://www.isbe.net/GATA/default.htm</a> as well as updates provided through the State Supt Weekly Message<a href="http://www.isbe.net/board/archivemessages/2016/message-06142016.pdf">http://www.isbe.net/board/archivemessages/2016/message-06142016.pdf</a>

After my overview of GATA I made the statement that FY 17 Federal IDEA funds cannot be distributed by ISBE in the absence of a FY 2017 K-12 Education budget. This has apparently caused some confusion which leads me to explain the relationship between Federal *grant awards* and their dependence on an annual *State appropriations* enacted via a signed State budget to distribute those dollars. The State fiscal year operates from July 1 – June 30 to obligate funds with a two month "lapse period" allowance through August 31 to complete the vouchering process for obligations made on or before June 30.

All State and Federal education grant funds can only be distributed by ISBE if there is a State appropriation for those grant programs provided within an annual budget passed by the General Assembly and signed by the Governor. It does not matter if ISBE has been awarded new Federal

FY 2017 awards such as IDEA or Title I for ISBE to distribute; the agency must receive State appropriation authority via the State budget as the vehicle to voucher and send out those grant dollars. In fiscal year 2016, we have able to distribute those grant dollars due to the K-12 appropriations budget signed by Governor Rauner on June 25, 2015 PA 99-0005 <a href="http://www.ilga.gov/legislation/publicacts/99/PDF/099-0005.pdf">http://www.ilga.gov/legislation/publicacts/99/PDF/099-0005.pdf</a>.

State Supt Tony Smith highlighted the Governor's action in his July 1, 2015 State Supt Message <a href="http://www.isbe.net/board/archivemessages/2015/message\_070115.pdf">http://www.isbe.net/board/archivemessages/2015/message\_070115.pdf</a> PA 99-0005 provided ISBE the necessary authority to begin distribution of State funds for General State Aid, Early Childhood, mandated categorical programs such as Sp Ed Personnel, Private Facility and Transportation as well as appropriations for Federal programs such as Title I and IDEA. Payments for all of our current 2016 grant programs can and will continue to be made from 2016 appropriations through the August 31 lapse period but action such as that which occurred in late June of last year must be taken to enact a fiscal year 2017 budget so that ISBE can begin distribution of state and federal funds for new 2017 grant programs including IDEA beginning July 1.

The final issue that I want to address are questions I have received regarding the delay in publishing the FY 2017 IDEA Part B Flow Through and Preschool grants via the electronic Grants Management System (eGMS). The delay is not due to the budget impasse; rather, it is due to work that my eGMS team has been doing to develop a new IWAS system that will collect some of the new GATA components that will apply to all FY 2017 grants. I do not have a date as to when the FY 2017 IDEA Part B Flow Through and Preschool grants will be available in eGMS but districts and cooperatives will NOT be penalized for not submitting their application prior to July 1.