



# City of Norfolk

Office of the City Manager

C: Dir., Finance

January 25, 2011

To the Honorable Council  
City of Norfolk, Virginia

Re: Ordinance appropriating Education Jobs  
Fund money for use of School Board

Ladies and Gentlemen:

I. **Recommended Action:** Adopt ordinance.

II. **Overview**

This agenda item is an ordinance appropriating funds allocated to the Norfolk Public Schools (NPS) pursuant to the federal Education Jobs Fund Act (EJF), P.L. 111-226 in the amount of \$8,255,365.00. This is the portion of the overall federal EJF grant to the Commonwealth of Virginia that the Commonwealth has allocated to NPS pursuant to formulas established in the EJF. Under the EJF, this money may only be used for compensation and benefits and other expenses, such as support services, necessary to retain existing NPS employees, to recall or rehire former NPS employees, and to hire new NPS employees, in order to provide early childhood, elementary, or secondary education and related services.

III. **Analysis**

A. **General**

The federal Education Jobs Fund was signed into law on August 10, 2010. Its purpose is to save or create education jobs for the 2010-2011 school year and beyond. Pursuant to the EJF, the Commonwealth of Virginia's Governor applied for Virginia's share of EJF funds to the United States Secretary of Education.

The application was granted and the Commonwealth awarded \$8,255,365.00 to NPS for various purposes authorized by the EJF

B. **Fiscal**

These funds must be appropriated by Council before NPS may use them.

C. Environmental  
N/A

D. Community Outreach/Notification  
Public notification for this agenda item was conducted through the City of Norfolk's agenda notification process.

**IV. Board/Commission Action**

The Norfolk Public Schools Board is waiting for the appropriation of these funds to education so as to make use of them under the EJV rules.

**V. Conclusion**

It is therefore recommended that the City Council adopt this ordinance so that the School Board may begin to use these funds for uses authorized under the EJV.

Respectfully submitted,



Stanley Stein  
Interim City Manager

**Coordination/Outreach**

This letter has been coordinated with the City Attorney's Office.

1/21/11 sb

Form and Correctness Approved:

By [Signature]  
Office of the City Attorney

NORFOLK, VIRGINIA

Pursuant to Section 72 of the City Charter, I hereby certify that the money required for this item is in the city treasury to the credit of the fund from which it is drawn and not appropriated for any other purpose.

\$ 8,255,365.00      1000-12-010

Contents Approved:

By [Signature]  
DEPT OF BUDGET

[Signature]  
Director of Finance

Account

01/21/11

Date

### ORDINANCE No.

AN ORDINANCE APPROPRIATING UP TO \$8,255,365.00 PURSUANT TO THE FEDERAL EDUCATION JOBS FUND (EJF) AS ALLOCATED TO THE NORFOLK PUBLIC SCHOOLS (NPS) BY THE COMMONWEALTH OF VIRGINIA FOR FISCAL YEARS AND USES AUTHORIZED UNDER THE EJF.

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WHEREAS, the FAA Air Transportation Modernization and Safety Improvement Act, Pub. L. No. 111-226, 124 Stat.2389 (2010), Section 101 of which concerns the EJF, appropriated federal funds to be allocated to each state upon the request of its Governor according to statutory formula by the United States Secretary of Education, and the Commonwealth of Virginia has allocated and appropriated \$8,255,365.00 of its EJF funds for use by Norfolk Public Schools; now therefore,

BE IT ORDAINED by the Council of the City of Norfolk:

Section 1:- That up to \$8,255,365.00 in federal EJF funds allocated and appropriated by the Commonwealth of Virginia for use by the Norfolk Public Schools is hereby appropriated to the Norfolk Public Schools education for use during eligible fiscal years and for specific uses authorized by the EJF. The precise amount shall be equal to the amount of federal EJF made available to Norfolk Public Schools. This EJF grant is paid on a reimbursement basis. It is intended that the Norfolk Public Schools advance previously appropriated funding to earn this reimbursement.

Section 2:- That the Norfolk Public Schools shall process, separately track and account for said funds as required by the EJP and pursuant to the Virginia Department of Education's Superintendent's Memo No. 220-10, a copy of which is attached to this ordinance and incorporated into it by reference as Exhibit A.

Section 3:- That this ordinance shall be in effect from and after its date of adoption.

**Superintendent's Memo #220-10****COMMONWEALTH of VIRGINIA  
Department of Education**

September 10, 2010

TO: Division Superintendents

FROM: Patricia I. Wright, Superintendent of Public Instruction

**SUBJECT: Education Jobs Fund Guidance and Local Funding Allocations**

The federal Education Jobs Fund legislation was signed into law on August 10, 2010. The final legislation (H.R. 1586; P.L. 111-226) is available at: [http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111\\_cong\\_bills&docid=f:h1586enr.txt.pdf](http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_bills&docid=f:h1586enr.txt.pdf). The law provides \$10 billion nationally for an Education Jobs Fund, with provisions similar to the State Fiscal Stabilization Fund (SFSF) under the American Recovery and Reinvestment Act of 2009 (ARRA). The primary purpose of the Education Jobs Fund legislation is to provide additional funding to states for the support of local teacher (and other school-level personnel) salary and related costs at the early childhood, elementary, and secondary school levels. As these funds are available on a one-time basis only, it is critical that local planning for the use of the funds reflect this one-time availability.

The purpose of this communication is to restate the requirements of the Education Jobs Fund program and to announce the school division allocations pending approval of the application by the U.S. Department of Education (USED). Virginia's application for funding has been submitted to USED and is pending approval. Based on the anticipated timeline for USED approval of the application, it is expected that Virginia will be awarded its Education Jobs Fund grant by October 1, 2010. School divisions will be notified in another communication of the final application approval and receipt of the grant award, at which time the local allocations will be available for draw down.

The following is a summary of key provisions and requirements of the Education Jobs Fund legislation and application process:

- States must apply to USED by September 9, 2010, and USED anticipates awarding funds within two weeks of the submission of an approvable application;
- Funding is allocated to states using the same formula as SFSF (39 percent general population; 61 percent school-age population). The preliminary funding allocation for Virginia, pending receipt of the actual funding award from USED, is \$249.5 million;
- Based on Virginia's application, funding must be distributed to local education agencies (LEAs) on the basis of the "primary elementary and secondary formula(e)" as identified in Virginia's application for funding under the SFSF program, which are the formulas under Virginia's Direct Aid to Public Education budget. Additional information on division allocations on the basis of the Direct Aid formulas is provided below;
- Funds may only be used by LEAs for compensation and benefits and other expenses, such as

support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary, or secondary educational and related services. Funds may not be used by LEAs for general administrative expenses or for other support services expenditures meeting federal definitions (e.g., administrative expenditures related to the operation of the division superintendent's office, the LEA's board of education, and salaries and benefits of LEA-level administrative employees, etc.);

- The emphasis is on using the funds during the 2010-2011 school year, but any balances of funds may be obligated by divisions through September 30, 2012;
- A state maintenance of effort (MOE) for education requirement applies. Virginia must submit MOE data to USED within 60 days of the receipt of its grant verifying that the state meets the MOE requirement, which current data indicates that it does; and,
- A two percent state administrative agency (SEA) set aside may be reserved by states. Virginia has reserved \$71,008 from the allowable two percent SEA set aside for costs related to VDOE administration of the program.

USED issued initial guidance on the Education Jobs Fund on August 13, 2010. This guidance is provided as Attachment A to this memorandum. Please review this guidance carefully. School divisions are permitted to use their Education Jobs Fund allocations to recall or rehire former employees, retain existing employees, and hire new employees that provide school-level services regardless of where they are housed. For example, an employee's office may be in the division's central office, but if the employee provides school-level services as his or her primary job function, the position would qualify for funding. However, using the funds for general division-level administration is not allowable.

Employees supported by the Education Jobs Fund must be employees of the division or contractual employees of another school division, but not external contractors or consultants not employed by an LEA. For more information on the qualifying uses of funds, see Section D of the attached guidance document.

Based on Virginia's application, funding must be distributed to school divisions on the basis of the "primary elementary and secondary formula(e)" as identified in Virginia's approved application for funding under the SFSF program (i.e., Direct Aid formulas). Consequently, school division allocations will be based on a pro rata share of each school divisions' fiscal year 2011 state share of Direct Aid to Public Education funding as appropriated in the Chapter 874, 2010 Acts of Assembly, budget. State funding for regional Governor's schools and regional alternative education programs budgeted to each program's fiscal agent has been prorated back to the participating school divisions prior to the calculation of the Education Jobs Fund allocations. Attachment B to this memorandum provides the LEA distributions of Virginia's allocation of \$249.5 million from the Education Jobs Fund based on this allocation methodology, excluding each division's pro rata share of the \$71,008 set aside for VDOE administrative costs.

Divisions are not required to submit an LEA application if they have submitted their SFSF LEA application, which all LEAs in Virginia have done. The emphasis is on using the funds during the 2010-2011 school year, but any balances of funds may be obligated by divisions through September 30, 2012. Funds will be available on a reimbursement basis through the Online Management of Education Grant Awards (OMEGA) application, VDOE's Web-based grant application and reimbursement system, to reimburse qualifying expenses incurred on or after August 10, 2010 (date of enactment).

Once VDOE receives the grant award from USED, LEA allocations will be loaded into OMEGA. In OMEGA, each division's allocation will be initially distributed 75 percent to salaries (federal object code 1000) and 25 percent to fringe benefits (federal object code 2000). If a division needs to make changes to the initial distribution, a budget transfer will be necessary in OMEGA. Questions related to the OMEGA system should be directed to OMEGA support at (804) 371-0993 or by e-mail at

[Omega.Support@doe.virginia.gov](mailto:Omega.Support@doe.virginia.gov). Like other federal funds, the funds must be separately tracked and accounted for locally, and the funds will be subject to the reporting requirements under Section 1512 of ARRA (i.e., jobs reporting, description of expenditures, etc.) as well as specific annual reporting to be determined by USED (likely to include details on the number of local positions impacted by the funding). Please note that VDOE will include these funds in the LEA monitoring process to be conducted for ARRA funds.

Questions regarding the Education Jobs Fund may be directed to Kent C. Dickey, deputy superintendent for finance and operations, or budget office staff at (804) 225-2025 or by e-mail (e-mail addresses available in the [Finance Directory](#)). In addition, a page has been created on the VDOE Web site containing guidance and information on the Education Jobs Fund program at: [www.doe.virginia.gov/school\\_finance/ed\\_jobs\\_fund/index.shtml](http://www.doe.virginia.gov/school_finance/ed_jobs_fund/index.shtml).

PIW/bkl

#### Attachments

- a. [USED Guidance on the Education Jobs Fund \(PDF\)](#)
- b. [Virginia Education Jobs Fund Allocations \(PDF\)](#)