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Making Better Use of Formula Grants

Federal Funding for Education Reform

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21ST CENTURY COMMUNITY LEARNING CENTERS (CCLC)

SUMMARY This program supports the creation of community learning centers that provide academic enrichment opportunities during non-school hours for children, particularly students who attend high-poverty and low-performing schools. The program helps students meet state and local student standards in core academic subjects, such as reading and math; offers students a broad array of enrichment activities that can complement their regular academic programs; and offers literacy and other educational services to the families of participating children.

PROJECT PRIORITIES

States must give priority to applications that are jointly submitted by a local educational agency and a community-based organization or other public or private entity.

DEADLINE Deadlines vary by state. Check the individual state website for the official deadline by clicking on the state: http://www2.ed.gov/programs/21stcclc/contacts.html#state. Not all states have developed program websites. In those cases, links to the main State Dept of Education websites are generally provided.

ELIGIBILITY Awards are made to State Education Agencies (SEAs). Local education agencies (LEAs) and nonprofit organizations may apply to states for subgrants.

AWARD AMOUNTS Award amounts vary.

FOR MORE INFORMATION SEE http://www2.ed.gov/programs/21stcclc/index.html
Looking Back to Look Forward: Federal Funding for Education Reform

By Susannah Mayhall

As temperatures drop and children and parents settle back into the school routine, the presidential campaign engines are blasting ahead at full force, gearing up for what is sure to be a close race in November. Though not quite as prevalent in the news as big-ticket legislature such as Health Care Reform, educational reform has received significant focus during Obama’s first term as President. A look back at some of the highlights provides an overview of the impact this administration’s priorities have had on education grant funding during the last four years.

American Recovery and Reinvestment Act of 2009

State Fiscal Stabilization Fund (SFSF)

A one-time push for State Educational Agencies, the State Fiscal Stabilization Fund infused approximately $50 billion into states’ education efforts through the Recovery Act. This program provided funding to advance education reforms aimed at students from early learning through post-secondary education. It also served to stabilize state and local budgets in order to minimize reductions in education and other public services that would result from vanishing budgets and recession-related strains. Funding was provided based on formula and could be used to support initiatives from facility modernization to teacher retention. Of the $53.6 billion allocated to the program, $48.6 billion went directly to governors and $5 billion was retained for the competitive Race to the Top and Investing in What Works and Innovation (later Investing in Innovation) programs.

Race to the Top

The Race to the Top program, initiated through the Recovery Act, made $4 billion available through competitively-awarded funds. During Phases 1 and 2 of the program, states could apply for funding to advance strategic reforms centered around four key areas:

- Adopting standards and assessments that prepare students to succeed in college and the workplace and to compete in the global economy;
- Building data systems that measure student growth and success, and inform teachers and principals about how they can improve instruction;
- Recruiting, developing, rewarding, and retaining effective teachers and principals, especially where they are needed most; and
- Turning around our lowest-achieving schools.

Although only two states (Delaware and Tennessee) were awarded during Phase 1, nine states and the District of Columbia were funded later in 2010 during Phase 2. An additional seven states received awards during Phase 3 in 2011.

Over the past two years, Race to the Top has branched out to include three additional funding arms: the Race to the Top Assessment Program, Race to the Top: Early Learning Challenge, and Race to the Top District Competition.

Investing in Innovation

Another Recovery Act Program, the Investing in Innovation Fund was developed to provide competitive grants to applicants with a record of improving student achievement and attainment in order to expand the implementation of, and investment in, innovative practices that are demonstrated to have an impact on improving student achievement or student growth, closing achievement gaps, decreasing dropout rates, increasing high school graduation rates, or increasing college enrollment and completion rates.

The program, which has awarded nearly $800 million over two years, is divided into three legs: Development, Validation, and Scale-Up grants, each requiring different levels of evidence supporting the success of the proposed project. In addition, each competition is divided among absolute and competitive preference priorities designated in the program guidance. Awards have supported projects that focus on improving Science, Technology, Engineering, and Mathematics (STEM) education, raising teacher and principal effectiveness, improving achievement, and turning around low-performing schools.
Other Programs

Promise Neighborhoods Program

The Promise Neighborhoods Program, authorized under the Fund for the Improvement of Education Program, was first funded in 2010 with $10 million in awards distributed in the form of one-year grants to support planning efforts to develop Promise Neighborhoods in 21 communities across the U.S. Funding for the program has increased dramatically in the past two years, with nearly $30 million available in 2011 and $60 million in 2012.

The purpose of this program is to significantly improve the educational and developmental outcomes of children and youth in the most distressed communities, focusing on the following methods of transformation:

Identifying and increasing the capacity of eligible entities that are focused on achieving results for children and youth throughout an entire neighborhood;

Building a complete continuum of cradle-to-career solutions of both educational programs and family and community supports, with great schools at the center;

Integrating programs and breaking down agency “silos” so that solutions are implemented effectively and efficiently across agencies;

Developing the local infrastructure of systems and resources needed to sustain and scale up proven, effective solutions across the broader region beyond the initial neighborhood; and

Learning about the overall impact of the Promise Neighborhoods program and about the relationship between particular strategies in Promise Neighborhoods and student outcomes, including through a rigorous evaluation of the program.

The initial round of planning grants was followed in 2011 by an additional planning grants competition and the first round of implementation grants. Thus far, the program has funded Promise Neighborhoods activities in 18 states and the District of Columbia. The program is expected to continue in subsequent years.

What’s to Come

While the long-term effects of these programs are yet to be seen, they have generated intense competition for funding and serve as a demonstration of government officials utilizing grant programs to implement policy changes as school districts across the nation make systemic changes to comply with grant regulations.

The results of the November election will likely have a great impact on the future of these programs and other education reform policies. Among the GOP ticket’s education platform highlights are increased parental choice, the development of annual state testing, increasing testing transparency, supporting charter school networks, and increasing state-led reform while decreasing federal oversight. While the impact this plan might have on grant funding for K-12 schools is unknown, with the plan’s emphasis on decreasing federal “micromanagement” and its criticism of the concept that dedicating more money to education is necessary for improving student performance, it seems likely that federal funding for education programs will not increase under a Romney administration, and could possibly decrease. Should Obama win re-election, funding for his key reform initiatives is anticipated to continue, with an emphasis on early learning opportunities, smarter student data systems, college and career-readiness, school modernization, parent engagement, retaining effective teachers, school turnaround, and reforming No Child Left Behind.

Education reform is a hot-button issue and remains a key focus for both candidates. However, with two very different approaches to accomplishing the needed reform looming, the future of federal education funding over the next four years is uncertain. At any rate, time will tell if the influx of federal support in recent years will yield the anticipated results and lead to greater school performance and a more successful future for America’s students.
MAKING THE CASE FOR RURAL HEALTH NETWORKS

By Chris LaPage

Anyone paying attention to the health sector grant funding landscape is certain to see several opportunities each year specifically designed for rural health networks. Under these programs, the Health Resources and Services Administration (HRSA) distributes the majority of federal dollars available to formally organized rural health networks, which usually requires a pre-existing relationship (prior to grant announcement), while some is reserved for entities in the planning stages of network development.

THE PROS

For rural health care entities that have resisted entering into such formal network arrangements in the past, the major financial investment by the federal government should put such conversations back on the table. Beyond the implications of meeting eligibility requirements for much needed grant funding, rural health networks have a slew of other potential benefits. For example, a formal rural health network might consist of a critical access hospital, a rural health clinic, a federally qualified health center and a mental health agency. Evidence suggests that formal health networks are in a better position to care for patients across the continuum, leading to better health outcomes. In addition, a formal health network is likely to achieve economies of scale when it...
comes to purchasing power as well as other potential efficiencies. For instance, individual member institutions of the formal rural network are more likely to share resources and avoid unnecessary duplication of services, which results in savings to the overall health care system.

THE CONS

Considering all the potential benefits, one might ask why any rural health care institution would avoid pursuing a formal health network. The major obstacle is that in order for a rural network to be recognized as a formal, each individual member institution must give up some autonomy. A formal network is a legal arrangement (between at least 3 separately owned organizations), requiring a memorandum of understanding (or agreement), establishment of a governing board, and the creation of bylaws. Several forces prevent rural entities from exploring health care networks, including apprehension on the behalf of executive officers to relinquish autonomy, community ownership of a rural facility, historical significance of the health care entity and disagreement amongst potential participants as to the details of the arrangement.

GRANT FUNDING CONSIDERATIONS

Considering the level of investment in these entities by HRSA, chief executives at rural health care institutions across United States will need to take a second look to determine if the pros now outweigh the potential cons. Once a formal relationship is established, HRSA makes additional money available to these networks to carry out various activities. In fact, HRSA even makes money available on an annual basis for rural health care providers to develop a formal network. The Rural Health Network Development Planning Grant Program is currently open and applications are due October 15, 2012. The program offers applicants $85,000 to undertaking planning activities to formalize a network. Grant funding can be used for a variety of planning functions, such as a community needs assessment, establishing a network board and bylaws, drafting memorandums of agreement, and conducting a health information technology readiness assessment.

The good news is that you do not have to take advantage of the planning grant in order to qualify for subsequent opportunities that are geared towards rural health networks. The major point of emphasis is to have the rural network formalized ahead of the application process for a particular grant program. Later this year we are likely to see the return of the Rural Health Workforce Development Program. It is anticipated that rural health networks will be eligible for up to $600,000 over a three year project period to develop innovative community-based education and clinical health training programs that encourage the recruitment and retention of health professionals in rural communities. HRSA is planning on releasing the program in December with an anticipated deadline in March 2013. Over the long-term, HRSA will likely bring back the Rural Health Network Development Program in the Fall of 2013 (FY 2014), which puts $450,000 over three years on the table to carry out network activities.

IN CONCLUSION...

While it may not be feasible and necessary for all rural health care entities to eventually find partners and create formal networks, the future of the funding streams supporting rural health care is targeted in that direction. It is only logical that the federal government would favor such arrangements considering all the benefits and efficiencies that result from the creation of rural health networks. There may even come a day when government payers (Medicaid, Medicare, CHIP) follow suit and begin offering enhanced reimbursement for members of rural health networks. For rural entities that typically operate on the thinnest of margins, or at a loss, the idea of avoiding formal health networks may no longer be an option.

Rural Health Network Development Planning Grants are due October 15, 2012! Applications are available at Grants.gov.

For more information about grantwriting or editing assistance, contact grantwriting@grantsoffice.com today!
Vehicle Information Systems and Networks (CVISN) Grant Program

**SUMMARY** The purpose of the CVISN program is advancing technological capabilities and promoting the deployment of intelligent transportation systems applications for commercial vehicle operations, including commercial vehicle, commercial driver, and carrier-specific information systems and networks.

**PROJECT PRIORITIES**

National priorities include:

1. Improving the safety of commercial motor vehicle operations;

2. Increasing the efficiency of regulatory inspection processes to reduce administrative burdens by advancing technology to facilitate inspections and increase the effectiveness of enforcement efforts;

3. Advancing electronic processing of registration information, driver licensing information, fuel tax information, inspection and crash data, and other safety information;

4. Enhancing the safe passage of commercial motor vehicles across the United States and across international borders; and

5. Promoting the communication of information among the States and encourage multistate cooperation and corridor development.

**DEADLINE** November 19, 2012.

**ELIGIBILITY** States, the District of Columbia, and U.S. Territories are eligible

**AWARD AMOUNTS** Approximately $25 million is available. The FMCSA will reimburse up to 50 percent of the State’s total approved program costs that are consistent with the approved project plan.

For more information see [https://www.grantsolutions.gov/gs/preaward/previewPublicAnnouncement.do?id=15729](https://www.grantsolutions.gov/gs/preaward/previewPublicAnnouncement.do?id=15729)
In the current political climate, the Chicago teacher strike, finally reaching its conclusion, is a hot button issue. The Chicago Teachers Union represents 26,000 teachers. Chicago has the nation’s third-largest school system with some 35,000 students, and its teachers are among the highest paid in the country. With both Democrats and Republicans treading lightly around the issue, and trying to figure out the best strategy, the public was trying to be informed of what issues were behind the strike and how the resolution was reached.

A Resolution is Reached

Chicago schools went back to business as usual on Wednesday, September 19. It appears the teachers have decisively won, according to a labor expert. There is an average of 17.6% for raises over 4 years. Also, a merit pay program that would have been tied to increased emphasis on student test scores has been taken out. In terms of the City of Chicago gaining some ground, the school day and year will be extended, and teachers backed off on their insistence that laid-off teachers be given even more consideration for jobs. The main point that remains in the contract is that scores will count for a lower percentage of teacher evaluations.

The Role of Race to the Top

Race to the Top and its influence on evaluations, which relates directly to President Obama’s education reform agenda, was one of the central issues along with the length of the school day correlating with compensation and potential job losses. Accountability, performance and evaluations are at the heart of Race to the Top and the Chicago teachers have had a problem with how this policy ties evaluations to test scores. Chicago Public Schools encompass an area that has a high percentage of low income families; 87% to be exact. The teachers say they should not be evaluated based on test scores when the lives of their students are much more difficult than other areas of the country where test scores may be higher. Since Race to the Top is a program that relies heavily on test scores and performance year to year, it doesn’t appear that the Chicago Teachers Union will be able to change this policy any time soon.

President Obama has supported Race to the Top, which in return caused many states to drastically change their education laws in order to try to go after the $4.35 billion in funding. A New York Times editorial stated, “The Obama administration’s Race to the Top initiative has shown that competitive grant programs can be a powerful tool to spur innovation in education.”

A Storm Brewing

With this program continuing, Illinois was one of the states that faced issues when the unions including the Chicago Teachers Union would not support Race to the Top. The Performance Evaluation Reform Act (PERA) was signed into law in January 2010 and stated that by September 2012, each Illinois school district must establish a new method for evaluating performance for teachers and principals. The language was very close to Race to the Top, stating that test score “growth” must be a “significant factor” in evaluations. Some think that PERA was enacted just to get Race to the Top funding.

Education Reform in the Spotlight

Our political system leads to many different views being expressed and this is part of what makes America an innovative country. The Chicago Teachers Union exercised their right to spur change and this put the spotlight on a political issue. The public was able to debate education and see the points of view of teachers, unions and municipalities. If programs like Race to the Top create change, we can only hope that the education system will continue to evolve to the benefit of all students.
Making Better Use of Formula Grants

By Michael Paddock

Formulas grants, or title grants as they are sometimes called, are those reliable, easy funding sources that your agency probably already receives.

Some examples of formula grants include Title I and IDEA grants for schools, Strengthening Institutions Program grants at higher educational institutions, Community Development Block Grants in municipalities, Justice Assistance Grants for police departments, and Hospital Preparedness Program grants in hospitals. In some states, these pass-through grants are re-distributed to local entities through a competitive (non-formula) process at the state level, but most states pass these funds through on a formula basis.

As the name implies, formula grants use an objective calculation to determine how much funding is available to each eligible recipient, and although some forms may be required, and the forms can be simple or extensive, applicants are essen-
tially guaranteed to receive their allotted funding.

It is the very ease of accessing this annuity that so often leads to inefficiency in the use of the funds and a lack of scrutiny by executives and boards of how the funding is spent. If your organization's approach to formula funding resembles the one I just described, don't be alarmed. The same phenomenon appears across organizations, regions, and fields of specialization.

Another feature of most formula funding is its flexibility. Recipients are given a broad set of program goals and encouraged to use their funding to advance those goals. In pursuit of broad objectives, recipients can use their funds for equipment, materials, technology, training, staffing, and in some cases even construction, so long as they can demonstrate that they are using the funds to "supplement" (not "supplant") locally funded initiatives.

Add these features together, and you get a large amount of money being distributed more or less consistently each year to recipients who can use the funding for a wide range of activities. You also have oversight of the funding that is often less than would be allocated to a similar locally-funded application.

As with any bureaucracy, further investigation into your own agency's use of the funding will probably provoke an explanation of what the money is spent on each year, in terms of a position or a broad budget category, rather than why the money is spent that way or how the decisions on the use of funding are made each year.

All that said, it may be worthwhile to take a second look at your organization's use of its formula funding, and, if possible, participate in developing an assessment of how formula funds are allocated each year, to ensure there is accountability, efficiency, and prioritization built into the process.

**FIND OUT WHO IS RESPONSIBLE FOR FORMULA FUNDING IN YOUR ORGANIZATION**

The individual who actually writes the application for formula funding each year may welcome input into the process. Depending on the size and complexity of your organization, the job of developing the annual application may fall on the top or (more often) second executive of the organization, while in others, it may be someone who participates in some way in the division that uses the funding, such as a reading team in a school district or an emergency management committee in a hospital.

**ASK HOW DECISIONS ON HOW TO USE THE FUNDS ARE MADE**

The process for developing budgets for formula grants can range from an individual copying and pasting last year's budget into the new one to an ad-hoc governing committee that decides what should be included each year and demands accountability for how the previous years' funds were spent. Understanding which end of the spectrum your organization falls on will be important in evaluating what you might do to improve the process and ensure you are able to contribute meaningfully.

**WORK TOWARD A STRUCTURE**

A transparent structure for making decisions about how to use formula funds does two important things. First, it allows for an annual re-examination of the priorities that drive the uses of the funds, reducing the likelihood of recycling old budgets just because it's easier. Second, it encourages participation in the process and may result in new ideas and better ways of doing things that ultimately produce more meaningful results for your organization, its constituents, and its community.

A structure doesn't have to mean layers of bureaucracy, endless meetings, or even a concrete committee roster, but it should have a defined process for evaluating the needs of the organization, comparing that with the intent of the formula grants it receives, and determining the best use of the funds each year.

**COMMUNICATE AND EXPAND**

Decisions to use your formula funding that are based on a clear understanding of the need in your community and with an eye toward the most effective use of funding will help ensure these programs advance your mission and the maximize goals of the funder. Moreover, the initiative you have undertaken will provide a platform from which to attract funding from other sources, so be sure to communicate your efforts to the wider community and consider seeking additional grant dollars to build on your efforts. Funders love to add to projects that have already been funded by someone else, and your colleagues in other similar circumstances may find inspiration from your efforts.
**UPCOMING WEBCAST EVENTS**

- Funding for Federally Qualified Health Centers—Sponsored by Cisco  
  October 4, 2012 at 2:00PM EDT

- Practice Makes Perfect: Funding Health Professional Education & Training Initiatives—Sponsored by AT&T  
  October 23, 2012 at 2:00PM EDT

- Funding to Enhance Technology in Your College Workforce Development Programs—Sponsored by Cisco  
  November 13, 2012 at 2:00PM EDT

- Funding Educational Innovation—Sponsored by Cisco  
  December 11, 2012 at 2:00PM EDT

**RECENT WEBCAST RECORDINGS**

- Finding Technology Dollars in K-12 Title Funding—Sponsored by Cisco  
  Recorded September 18, 2012

- Realizing Student Achievement in the 21st Century—Sponsored by Cisco  
  Recorded August 28, 2012

- Funding Decontamination for Emergency Management—Sponsored by RSDecon  
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