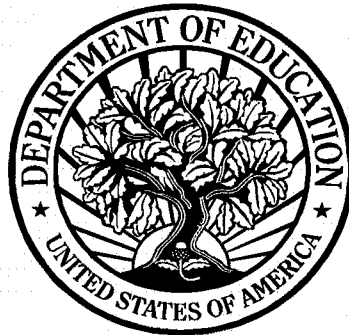


# **Application for Initial Funding under the State Fiscal Stabilization Fund Program**

**CFDA Numbers: 84.394 (Education Stabilization Fund) and  
84.397 (Government Services Fund)**



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

**OMB Number: 1810-0690  
Expiration Date: 9/30/2009**

## **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 1810-0690. The time required to complete this information collection is estimated to average 17 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(s) or suggestions for improving this form, please write to: U.S. Department of Education, Washington, D.C. 20202-4537. If you have comments or concerns regarding the status of your individual submission of this form, write directly to: State Fiscal Stabilization Fund Program, Office of Elementary and Secondary Education, U.S. Department of Education, 400 Maryland Ave., S.W., Room 3E108, Washington, D.C. 20202-3118

# APPLICATION INSTRUCTIONS

## GENERAL INSTRUCTIONS

To receive the initial 67 percent of the State's allocation under the State Fiscal Stabilization Fund (Stabilization) program, a Governor must submit to the Department an application that provides the following information:

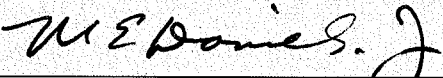
- A completed application cover sheet. *(Part 1 of the Application)*
- Assurances that the State will commit to advancing education reform in four specific areas:
  - (1) Achieving equity in teacher distribution;
  - (2) Improving collection and use of data;
  - (3) Enhancing the quality of standards and assessments; and
  - (4) Supporting struggling schools. *(Part 2 of the Application)*
- Confirmation that the initial baseline data identified in Appendix B of the application is acceptable for purposes of demonstrating the State's current status in each of the four education reform areas for which the State provides assurances, or submission of alternative initial baseline data. *(Part 3 of the Application)*
- The following maintenance-of-effort (MOE) information:
  - (1) An assurance that the State will comply with the Stabilization program MOE requirements;
  - (2) If applicable, an assurance that the State meets or will meet the eligibility criterion for a waiver of those requirements; and
  - (3) MOE baseline data. *(Part 4 of the Application)*
- A description of how the State intends to use the funds allocated under:
  - (1) The Education Stabilization Fund – CFDA No. 84.394; and
  - (2) The Government Services Fund – CFDA No. 84.397. *(Part 5 of the Application)*
- Accountability, transparency, and reporting assurances. *(Part 6 of the Application)*
- Other assurances and certifications. *(Part 7 of the Application)*


## APPENDICES TO THE APPLICATION

- Appendix A – State Allocation Data
- Appendix B – Instructions for Part 3: Initial Baseline Data for Education Reform Assurances
- Appendix C – Instructions for Part 4: Maintenance of Effort
- Appendix D – Instructions for Part 5: State Uses of Funds
- Appendix E – Application Checklist and Submission Information

**STATE FISCAL STABILIZATION FUND APPLICATION**

**PART 1: APPLICATION COVER SHEET  
(CFDA Nos. 84.394 and 84.397)**


<p>Legal Name of Applicant (Office of the Governor): Office of the Governor, Indiana</p>	<p>Applicant's Mailing Address: Office of Governor Mitch Daniels 200 W. Washington St. Room 206 Indianapolis, IN 46204</p>
<p>State Contact for the Education Stabilization Fund (CFDA No. 84.394)</p> <p>Name: Chris Ruhl</p> <p>Position and Office: Director, Indiana State Budget Agency</p> <p>Contact's Mailing Address: Chris Ruhl, Director Indiana State Budget Agency 200 West Washington Street State House Room 212 Indianapolis, IN 46204</p> <p>Telephone: (317) 232-5617 Fax: (317) 233-3323 E-mail address: <a href="mailto:cruhl@omb.in.gov">cruhl@omb.in.gov</a></p>	<p>State Contact for the Government Services Fund (CFDA No. 84.397)</p> <p><i>(Enter "same" if the same individual will serve as the contact for both the Education Stabilization Fund and the Government Services Fund.)</i></p> <p>Name: <b>SAME</b></p> <p>Position and Office:</p> <p>Contact's Mailing Address: <b>SAME</b></p> <p>Telephone: Fax: E-mail address:</p>
<p>To the best of my knowledge and belief, all of the information and data in this application are true and correct.</p>	
<p>Governor or Authorized Representative of the Governor (Printed Name): Governor Mitchell E. Daniels, Jr.</p>	<p>Telephone: (317) 232-4567</p>
<p>Signature of Governor or Authorized Representative of the Governor: </p>	<p>Date: 5/08/09</p>

<p>Recommended Statement of Support from the Chief State School Officer <i>(Optional)</i>:</p>	
<p>The State educational agency will cooperate with the Governor in the implementation of the State Fiscal Stabilization Fund program.</p>	
<p>Chief State School Officer (Printed Name): Dr. Tony Bennett, Superintendent of Public Instruction</p>	<p>Telephone: (317) 232-6610</p>
<p>Signature of the Chief State School Officer: </p>	<p>Date: 5/08/09</p>

**PART 2: EDUCATION REFORM ASSURANCES**

The Governor or his/her authorized representative assures the following:

- (1) The State will take actions to improve teacher effectiveness and comply with section 1111(b)(8)(C) of the Elementary and Secondary Education Act of 1965, as amended (ESEA) (20 U.S.C. 6311(b)(8)(C)) in order to address inequities in the distribution of highly qualified teachers between high- and low-poverty schools, and to ensure that low-income and minority children are not taught at higher rates than other children by inexperienced, unqualified, or out-of-field teachers. (*Achieving Equity in Teacher Distribution Assurance*)
- (2) The State will establish a longitudinal data system that includes the elements described in section 6401(e)(2)(D) of the America COMPETES Act (20 U.S.C. 9871(e)(2)(D)). (*Improving Collection and Use of Data Assurance*)
- (3) The State will –
  - (3.1) Enhance the quality of the academic assessments it administers pursuant to section 1111(b)(3) of the ESEA (20 U.S.C. 6311(b)(3)) through activities such as those described in section 6112(a) of the ESEA (20 U.S.C. 7301a(a)); (*Improving Assessments Assurance*)
  - (3.2) Comply with the requirements of paragraphs (3)(C)(ix) and (6) of section 1111(b) of the ESEA (20 U.S.C. 6311(b)) and section 612(a)(16) of the Individuals with Disabilities Education Act (IDEA) (20 U.S.C. 1412(a)(16)) related to the inclusion of children with disabilities and limited English proficient students in State assessments, the development of valid and reliable assessments for those students, and the provision of accommodations that enable their participation in State assessments; (*Inclusion Assurance*) and
  - (3.3) Take steps to improve State academic content standards and student academic achievement standards consistent with section 6401(e)(1)(A)(ii) of the America COMPETES Act. (*Improving Standards Assurance*)
- (4) The State will ensure compliance with the requirements of section 1116(b)(7)(C)(iv) and section 1116(b)(8)(B) of the ESEA with respect to schools identified under these sections. (*Supporting Struggling Schools Assurance*)

Governor or Authorized Representative of the Governor (Printed Name): Governor Mitchell E. Daniels, Jr.	
Signature: 	Date: 5/08/09

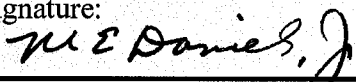
**PART 3: INITIAL BASELINE DATA FOR EDUCATION REFORM ASSURANCES**

**SPECIAL NOTES:**

- In completing this portion of the application, please refer to Appendix B – Instructions for Part 3: Initial Baseline Data for Education Reform Assurances.
- The data described in Appendix B for two of the education reform assurances in Part 2 of the application – the Improving Assessments Assurance and the Improving Standards Assurance – are the most current available baseline data for these areas. Thus, the Department is not inviting States to submit additional information with respect to these two assurances.
- The Governor or his/her authorized representative should confirm whether the initial baseline data sources described in Appendix B for the four assurances referenced below – Achieving Equity in Teacher Distribution; Improving Collection and Use of Data; Improving State Academic Content and Student Achievement Standards; and Supporting Struggling Schools – reflect the State’s current status with respect to these assurances. A State that confirms the use of these initial baseline data sources does not have to submit additional baseline data with this application. If a State elects not to use the identified data sources for one or more of these four assurances, it must submit other initial baseline data for that assurance.

The Governor or his/her authorized representative confirms that the data sources that are currently available to the Department and described in Appendix B are a reasonable reflection of the current status of the State with respect to the following education reform assurances that he/she provided in Part 2 of the Application (*check only those assurances for which the State accepts the data described in Appendix B*):

- Achieving Equity in Teacher Distribution Assurance.
- Improving Collection and Use of Data Assurance.
- Improving Standards Assurance.
- Supporting Struggling Schools Assurance.

Governor or Authorized Representative of the Governor (Printed Name): Governor Mitchell E. Daniels, Jr.	
Signature: 	Date: 5/08/09

**PART 4, SECTION A: MAINTENANCE-OF-EFFORT (MOE) ASSURANCE**

**SPECIAL NOTES:**

- In completing Part 4 of the application, please refer to Appendix C – Instructions for Part 4: Maintenance of Effort.
- The Governor or his/her authorized representative should check only those MOE requirements that he or she anticipates the State will meet. If the Governor or his/her authorized representative anticipates that the State will be unable to meet one or more of the requirements, he or she must sign the additional waiver assurance in Part 4, Section B.
- For the purpose of determining MOE, State support for public institutions of higher education (IHEs) must not include support for capital projects or for research and development or tuition and fees paid by students.

The Governor or his/her authorized representative assures the following (*check appropriate assurances that apply*):

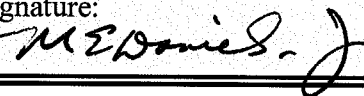
- X   In FY 2009, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- X   In FY 2010, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- X   In FY 2011, the State will maintain State support for elementary and secondary education at least at the level of such support in FY 2006.
- X   In FY 2009, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.
- X   In FY 2010, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.
- X   In FY 2011, the State will maintain State support for public IHEs at least at the level of such support in FY 2006.

**---OR---**

       To the best of his/her knowledge and based on the best available data, the State will be unable to meet any of the above-referenced maintenance-of-effort requirements.

Governor or Authorized Representative of the Governor (Printed Name):  
Governor Mitchell E. Daniels, Jr.

Signature:



Date:

5/08/09

