

## ED & DoD Impact Aid Overview

### U. S. Department of Education

The mission of the Impact Aid Program is to disburse payments to local educational agencies that are adversely financially burdened by Federal activities and to provide technical assistance and support services to local educational staff and other interested parties. Since 1970, Impact Aid has only been funded at a 60% level.

Historically, school districts have used these funds to offset a variety of operational expenses (i.e., teacher and aide salaries; remedial tutoring; advanced placement classes; special enrichment programs, textbooks purchasing, computers, and after-school programs). Payments for Children with Disabilities must be used for the extra costs of educating these children.

There are four (4) Impact Aid Program components:

1. **Section 8002 – Payments for Federal Property**

Formula grant payments for Federal Property assists local school districts that have lost a portion of their local tax base because of Federal ownership of property. Eligibility is based on a school district ability to demonstrate that the Federal Government has acquired, since 1938, real property with an assessed valuation of at least 10 percent of all real property in the district at the time of acquisition.

2. **Section 8003 – Payments for Federally connected Children**

These formula grants help local school districts educate federally connected children who may be the children of members of the uniformed services, children who live on Indian lands, children who live on federal property or federally subsidized low rent housing, and children whose parents work on federal property. Section 8003 also includes additional payments for children with disabilities who are eligible under the Individuals with Disabilities Education Act (IDEA).

3. **Section 8007b – Discretionary Construction Grant Program**

This program authorizes competitive grants for emergency repairs and modernization of school facilities to certain eligible LEAs that receive Impact Aid. Emergency repair grants must be used to repair, renovate, or alter a public elementary or secondary school facility to ensure the health, safety, and well being of students and school personnel. Modernization grants may be used to extend a public elementary or secondary school facility to ease overcrowding and provide facilities that support a contemporary educational program.

4. **Section 8008 – Facilities Maintenance**

Section 8008 grants help maintain ED owned school facilities that are operated by LEAs' and that serve military installations.

## U.S. Department of Defense Education Assistance

### DoD Supplement to Impact Aid Program

In 1991, Congress began supplementing "heavily-impacted" local educational agencies (LEAs) through the DoD authorization and appropriations bill in two programs called "Assistance to Schools with Significant Numbers of Military Dependent Students" (also called *DoD Supplemental Impact Aid*) and "*Impact Aid for Children with Severe Disabilities*" In 1996, Congress added "Assistance to Schools with Enrollment Changes Due to Base Closures, Force Structure Changes, or Force Relocations" or *Impact Aid for Large Scale Rebasing*.

The Deputy Under Secretary of Defense (Military Community and Family Policy) administers the Impact Aid Program for DoD and coordinates with other government activities to disburse payments to the eligible LEAs.

For FY 2006, Congress appropriated \$30 million for the DoD Supplemental Impact Aid and an additional \$5 million for districts educating severely-disabled military children. Congress also appropriated \$7 million for Impact Aid for Large Scale Rebasing.

For FY 2007, Congress appropriated \$30 million for the DoD Supplemental Impact Aid and an additional \$5 million for districts educating severely-disabled military children. Congress also appropriated \$8 million for Impact Aid for Large Scale Rebasing.

For FY 2008, Congress appropriated \$30 million for the DoD Supplemental Impact Aid and an additional \$5 million for districts educating severely-disabled military children. Congress did not appropriated funds for Impact Aid for Large Scale Rebasing.

### DoD Supplemental Impact Aid

The DoD supplemental Impact Aid Program provides financial assistance to LEAs that are heavily impacted by the presence of military or DoD civilian dependent students. Eligible LEAs must have at least 20% military or civilian dependent students in average daily attendance in their schools, as counted on their Federal Impact Aid application for the preceding year.

If a school district has at least 20% average daily attendance of military dependent students, the district does not have to do anything until contacted by a DoD representative regarding their eligibility for the supplemental Impact Aid funding. The Department of Education (ED) supplies all the necessary data for eligibility to the DoD. Eligible school districts will be contacted and requested to submit a Standard Form (SF) 3881, ACH Vendor/ Miscellaneous Payment Enrollment Form, for DoD to provide payment to the LEA by electronic transfer.

Funding awards and levels vary according to the number of eligible LEAs and their military dependent students, and the amount of funding appropriated by Congress.

*DoD Impact Aid for Children with Severe Disabilities Program*

The DoD Impact Aid for Children with Severe Disabilities Program is available to any LEA that has at least two military dependent children with severe disabilities that meet certain special education cost criteria. DoD works with LEAs and ED to clarify or resolve any funding or disbursement eligibility issues.

LEAs who meet the minimum criteria of having at least two military dependent children with disabilities will be contacted by the Deputy Under Secretary of Defense (Military Community and Family Policy) and invited to apply for the DoD Impact Aid for Children with Severe Disabilities Program. However, to actually qualify and receive a payment, the LEA:

- Must serve two or more children with severe disabilities, for costs incurred in providing a free and appropriate education (FAPE) to each such child;
- Must make payments only on behalf of children whose individual educational or related services cost exceeds either
  - Five times the national or State average per pupil expenditure (whichever is lower) for a special education (SPED) program that is located outside of the boundaries of the school district of the LEA that pays for the FAPE of the student, or
  - Three times the State average per pupil expenditure for a SPED program offered by the LEA, or within the boundaries of the school district served by the LEA, and
- Schools must submit a DD Form 816 and 816C by **TBD**.

*Impact Aid for Large Scale Rebasing*

To assist communities in making adjustments resulting from changes in the size or location of the Armed Forces, DoD provides financial assistance to eligible LEAs. Schools that are eligible for this impact aid need not apply for this financial assistance, but must have applied for ED Impact Aid.

ED provides the data to the Deputy Under Secretary of Defense (Military Community and Family Policy) based on the following eligibility requirements:

- Schools must have at least 20% military or DoD civilian dependent students, and
- The number of military or DoD civilian dependent students must have increased or decreased by at least 250 or 5% of the total number of military or civilian dependent students.

Upon receiving information, DoD verifies with the Services that one of the following four actions occurred causing the increase or decrease in the number of military and civilian dependent students:

- 1) The global rebasing plan of the Department of Defense; or
- 2) The official creation or activation of one or more new military units; or
- 3) The realignment of forces as a result of the base closure process; or

- 4) A change in the number of housing units on a military installation.

Once the information is verified, DoD will determine a per-student rate and will multiply the number of gaining and/or losing students to determine the amount allocated to each school. Schools were notified of the FY07 amount by **September 07**.

*Additional MC&FP Assistance*

MC&FP provides policy and management direction for dependents' education programs overseas and stateside to ensure that educational services are of uniformly high quality through the term of this growth activity. In November 2006, MC&FP and the Department of Defense Education Activity (DoDEA) provided a listing of possible resources including information on best practices, grants and subject experts to impacted growth communities through two venues:

- 1) A report to Congress, *Report on Assistance to Local Educational Agencies for Defense Dependents Education*, and
- 2) An Atlanta, GA conference, *Education for Military-Connected Communities*.

An updated report is due to congress in March 08.

In October 07, the Department of Defense Education Activity (DoDEA), in collaboration with MC&FP, stood up the Education Partnership Directorate to work closely with the Department of Education, individual states and school districts to support the best practices for schools and ensure the best possible educational experience for military connected students.

*Planning Assistance*

The Office of Economic Adjustment (OEA) can provide technical and/or financial assistance to communities to assist them in assessing LEA school impacts from installation growth. This assistance is part of the broader growth planning response and should be coordinated with developing housing, infrastructure, transportation, utility, social and public service needs/responses. The assistance can help a LEA develop a robust business plan that identifies existing capacity and operation and maintenance gaps (construction, books, buses, teachers, and other), other possible funding sources at the local, state and Federal level and plan for absorption.

**The Economic Adjustment Committee**

Through the Economic Adjustment Committee (EAC), the Department is collaborating with the Department of Education to better understand school impacts. Upon certification by the Services' headquarters of the projected student growth numbers, Federal team visits are underway to those growth locations where the receiving community either requests a visit or the EAC member agencies determine the magnitude of the growth is likely to adversely impact the local school system(s). Coordination with the installation, LEAs and their respective State educational authorities will occur as they review their capacities for absorbing the costs associated with responding to the influx of these dependents.