



## **Serving Idaho’s Children, Youth and Young Adults: Tracking ARRA Spending in Idaho**

**February 2011**

**Final Report**

### **Stimulus Spending Through ARRA Winds Down What Comes Next?**

By Judith L. Brown<sup>1</sup>

Most of the stimulus spending authorized in February 2009 through ARRA<sup>2</sup> had to be spent or at least allocated by the end of 2010.<sup>3</sup> Accordingly, as expected, ARRA spending and the required reporting on that spending are winding down. This tracking report<sup>4</sup> updates Idaho’s use through early 2011 of those ARRA funding streams of most direct benefit to Idaho’s families with children, from infants and toddlers through young adults. It also briefly touches on some post-ARRA considerations and areas of concern for advocates, practitioners and others to watch going forward.

#### **I. ARRA Spending in Idaho: Report as of Early February 2011**

Table 1 identifies ARRA spending in Idaho through early February, 2011, for those ARRA funding streams being followed in this tracking series. The closing date for this reporting period would normally have been December 31, 2010. However, the closing date appears to have been extended into early 2011 in order to “catch” as many final reports as possible on funding streams coming to a close.

The “Allocated” in Table 1 column gives estimates developed at the time of ARRA’s passage of total expected allocations to Idaho for the various ARRA funding streams of most direct benefit to Idaho’s children, youth, young adults and their families. Amounts in the “Awarded,” “Spent” and “Available” columns come primarily from Idaho’s sixth quarterly report on ARRA spending, recently made available to the public on Idaho’s recovery website, [www.accountability.idaho.gov](http://www.accountability.idaho.gov). As described in previous tracking reports, Idaho’s quarterly reports do not include information on several ARRA funding streams, and so other sources for these streams have been found. This includes ARRA spending for Medicaid,

food stamps, both the TANF Emergency Contingency Fund and the TANF Supplemental Grant Extension, Head Start and Early Head Start, and College Work-Study.

As Table 1 shows, most of Idaho's ARRA funding has been spent at this point. Several funding streams (including state fiscal relief for K-12 education, unemployment insurance, CSBG, School Lunch Equipment Assistance grants, and college work-study) have been completely expended.

Comments about noteworthy aspects of specific funding streams in Table 1 follow.

- As mentioned in the previous tracking report, Congress passed additional state fiscal relief for K-12 education (and for Medicaid) last August. Idaho has received an additional \$51.6 million from the federal government for K-12 education in post-ARRA stimulus funds.<sup>5</sup>
- Idaho received or at least allocated about 35 percent less in ARRA funding for higher education than originally anticipated. At one point, it was feared that this would prevent Idaho from receiving additional fiscal relief from the federal government for its education programs. This turned out not to be the case, although the under-spending on higher education has not been explained in a transparent way to Idaho citizens.
- As described in the last tracking report, Idaho was anticipated to be eligible for another \$51 million or so in additional state fiscal relief for its Medicaid program through the legislation enacted in August. However, this post-ARRA legislation did not extend ARRA's transparency and accountability provisions, and the US Department of Health and Human Services website is no longer providing weekly updates on this funding stream. Hence the exact amount of stimulus funding for Medicaid that has come to Idaho cannot readily be tracked.
- Table 1 indicates that more than 25 percent of the Governor's Discretionary funds remain unspent. However, this money was obligated during the 2010 legislative session, including \$7.4 million for education and \$2 million for correcting an earlier miscalculation.<sup>6</sup>
- Unemployment Insurance as an ARRA funding stream came to an end last June. It has been continued temporarily under post-ARRA legislation, but can no longer be readily tracked.
- Demand for enhanced food stamp benefits under ARRA in Idaho remains high and continues to outpace original expectations. At this point, ARRA funding for expanded food stamp benefits exceeds original estimates by over 40 percent. As discussed in the previous tracking report, enhanced food stamp benefits under ARRA are currently scheduled to continue to March 2014.
- Idaho succeeded in being awarded additional TANF funds through both the Emergency Fund and the supplemental grant extension before those two funding streams ran out of money, as shown by comparing this tracking report with the previous one. In addition, as of the last tracking report, Idaho had not yet started spending these funds, but spending appears to be underway now.
- Difficulties in tracking ARRA funding for Head Start and Early Head Start were discussed in the last tracking report. Idaho received healthy allotments through these ARRA funding streams and increased enrollment by over 300 children.
- Significant amounts of Idaho's LEA grants and school improvement grants remain to be spent.
- Large chunks of IDEA funds for all three age groups (infants and toddlers, preschool and school age) also remain to be spent. This is as expected, however, as IDEA funds were intended to be split between fiscal years 2010 and 2011.<sup>7</sup>

- Spending of McKinney-Vento funds for the education of homeless children and of ARRA job training funds is nearly but not quite complete.
- Idaho received about 12 percent less than originally estimated for college work-study. This funding stream is now closed.

## **II. Post-ARRA Considerations: Now What?**

As has been touched on above, ARRA funding is coming to an end, and apparently so too is ARRA's readily accessible reporting on how our governments are spending our money. ARRA has been a national experiment in many ways. It was the biggest stimulus package ever adopted. It also set high standards for reporting and accountability so that ordinary citizens could follow how their money was being spent. As the months went by, it took the many federal departments and agencies, as well as the individual states with their own departments and agencies, some time to develop and implement ARRA's reporting requirements—but they did it. Now, with the recovery far from complete, some streams of ARRA funding are being continued by post-ARRA legislation. Unfortunately, ARRA's requirements for frequent, accessible and transparent reporting are not being continued. If advocates, practitioners and others want their government to be transparent and accountable, they are going to have to demand it.

Continuing some stimulus funding streams while allowing others to lapse also raises questions. The recession has officially ended, but a jobless recovery with continuing high rates of unemployment drags on. What can and should be done to promote a robust recovery without irresponsibly over-burdening future generations with debt? Here in Idaho and elsewhere, demand for food stamps and for Medicaid services will continue to be high for some time. Nationwide, we need to promote a more highly educated and skilled workforce. Much work remains to be done to meet the requirements of sustaining the recovery in a fiscally responsible way.

## Endnotes

- <sup>1</sup>Judith L. Brown is a consulting economist with interests in poverty reduction, economic development and tax policy. She has master's degrees in both economics and agricultural economics from Michigan State University, and for 10 years was director of the nonpartisan Idaho Center on Budget and Tax Policy.
- <sup>2</sup>ARRA, the American Recovery and Reinvestment Act, was enacted in February 2009. It is variously known also as the recovery act and the stimulus bill.
- <sup>3</sup>Table 2 in Idaho KIDS COUNT, "Making Use of Economic Recovery Funds: Opportunities for Idaho to Better Serve Youth and Young Adults," by Judith L. Brown (September 2009), at [http://www.idahokidscount.org/downloads/library/downloads/primary\\_research/Small\\_Faces/SmallFacesSupportingDataTables.pdf](http://www.idahokidscount.org/downloads/library/downloads/primary_research/Small_Faces/SmallFacesSupportingDataTables.pdf), outlines how ARRA funding streams were to be distributed across fiscal years 2009, 2010 and 2011.
- <sup>4</sup>Previous tracking reports are available at [http://www.idahokidscount.org/IKC\\_Policy\\_Briefs.php#IKC%20Special%20Section:%20ARRA%20Reports%20for%20Idaho](http://www.idahokidscount.org/IKC_Policy_Briefs.php#IKC%20Special%20Section:%20ARRA%20Reports%20for%20Idaho).
- <sup>5</sup>"State of Idaho – American Recovery and Reinvestment Act of 2009 Data as of February 2011" available on Idaho's recovery website at [http://www.accountability.idaho.gov/TrackingReports/StimulusTracking\\_Q6.pdf](http://www.accountability.idaho.gov/TrackingReports/StimulusTracking_Q6.pdf) and downloaded on February 14, 2011.
- <sup>6</sup>Idaho Division of Financial Management (April 2010), *2010 Legislative Session Budget Activities Summary*, available at [http://dfm.idaho.gov/Publications/BB/BudActivitySummary/BudSummary10/Budget%20Summary\\_fulldocument.pdf](http://dfm.idaho.gov/Publications/BB/BudActivitySummary/BudSummary10/Budget%20Summary_fulldocument.pdf).
- <sup>7</sup>See Idaho Division of Financial Management (March 11, 2009), "Estimated Federal Stimulus Funding," available at [www.accountability.idaho.gov/pdf/Report\\_Appendix\\_A.pdf](http://www.accountability.idaho.gov/pdf/Report_Appendix_A.pdf).

## Notes to Table 1

- <sup>1</sup>Except as noted for Head Start and Early Head Start, these figures are adapted from Idaho Division of Financial Management (March 11, 2009), "Estimated Federal Stimulus Funding," available at [www.accountability.idaho.gov/pdf/Report\\_Appendix\\_A.pdf](http://www.accountability.idaho.gov/pdf/Report_Appendix_A.pdf). See also Table 2 of Idaho KIDS COUNT, "Making Use of Economic Recovery Funds: Opportunities for Idaho to Better Serve Youth and Young Adults," by Judith L. Brown (September 2009), at [http://www.idahokidscount.org/downloads/library/downloads/primary\\_research/Small\\_Faces/SmallFacesSupportingDataTables.pdf](http://www.idahokidscount.org/downloads/library/downloads/primary_research/Small_Faces/SmallFacesSupportingDataTables.pdf).
- <sup>2</sup>Except where otherwise noted, this is data as of February 2011 available on Idaho's recovery website at [http://www.accountability.idaho.gov/TrackingReports/StimulusTracking\\_Q6.pdf](http://www.accountability.idaho.gov/TrackingReports/StimulusTracking_Q6.pdf) and downloaded on February 14, 2011. Apparently the closing date for this reporting period was moved from December 31, 2010 to February 2011 in order to make this the final report required for many ARRA funding streams.
- <sup>3</sup>National Education Association (February 12, 2009), "American Recovery and Reinvestment Act of 2009: House and Conference Agreement, Major Education-Related Programs," available for download at <http://www.progressivestates.org/stimulus#4>.
- <sup>4</sup>This includes WIA funding streams for adults, youth and dislocated workers.
- <sup>5</sup>"State and Territories Medicaid Program Funding Awards—Recovery Act, Section 5001 Grants" at <http://transparency.cit.nih.gov/RecoveryGrants/grant.cfm?grant=Reinvestment>, downloaded

August 19, 2010. Since Medicaid funds are drawn down as they are spent, the “Available” column has no relevance for this funding stream. Stimulus spending on Medicaid has not been updated since August 2010 because that is when Congress enacted new (post-ARRA) legislation extending the enhanced federal matching rate into 2011, and this new legislation did not require monthly reporting.

<sup>6</sup>Idaho Department of Labor, *Idaho Employment* newsletter, January 2010, p. 2, available online at <http://labor.idaho.gov>. Note that since Unemployment Insurance funds are drawn down as they are spent, the “Available” column has no relevance for this funding stream.

<sup>7</sup>Calculated from data included in the USDA weekly financial and activity report retrieved at [http://www.recovery.gov/Transparency/agency/reporting/agency\\_reporting2.aspx?agency\\_code=12&dt=02/04/2011](http://www.recovery.gov/Transparency/agency/reporting/agency_reporting2.aspx?agency_code=12&dt=02/04/2011). It is not specified whether the expenditures on Food Stamps identified by this source include or exclude the rather small amount spent directly by the state of Idaho on “Food Stamp Administration,” which is all that is reported on Idaho’s recovery website, [www.accountability.idaho.gov](http://www.accountability.idaho.gov). Since this is an entitlement program, the “Available” column has no relevance.

<sup>8</sup>Obtained from a data sort of the U.S. Department of Health and Human Services weekly financial and activity report for February 4, 2011, retrieved at <http://www.hhs.gov/recovery/reports/#weekly>.

<sup>9</sup>Direct communication between the author and the HHS Region X offices in Seattle.

<sup>10</sup>U.S. Department of Education, “American Recovery and Reinvestment Act of 2009 – Spending Report by Program as of February 11, 2011” at <http://www2.ed.gov/policy/gen/leg/recovery/reports.html>, downloaded February 14, 2011.

**Table 1. Serving Idaho's Children, Youth and Young Adults: Tracking ARRA Spending in Idaho**

**February 2011**

	<u>Allocated<sup>1</sup></u>	<u>Awarded<sup>2</sup></u>	<u>Spent<sup>2</sup></u>	<u>Available<sup>2</sup></u>
<b>State Fiscal Relief</b>				
<b>Education - State Fiscal Stabilization Fund</b>				
<b>K-12*</b>	\$166,175,780	\$179,248,800	\$179,248,800	\$0*
<b>Higher Ed</b>	\$35,535,300	\$22,450,882	\$18,031,068	\$4,419,814
<b>Medicaid*</b>	\$255,661,900	\$264,649,786 <sup>5</sup>	\$264,649,786 <sup>5</sup>	- *
<b>Governor's Discretionary</b>	\$44,877,000	\$44,876,946	\$32,208,079	\$12,668,867
<b>Unemployment Insurance*</b>	\$150,236,000	\$240,000,000++ <sup>6</sup>	\$240,000,000++ <sup>6</sup>	\$0*
<b>SNAP (Food Stamps)</b>	\$65,100,000	\$92,043,211 <sup>7</sup>	\$87,221,375 <sup>7</sup>	-
<b>TANF - Emergency Fund</b>	\$336,000	\$1,162,618 <sup>8</sup>	\$654,260 <sup>8</sup>	\$508,358
<b>- Supplemental Grant Extension</b>	\$3,498,000	\$3,498,046 <sup>8</sup>	\$7,315 <sup>8</sup>	\$3,490,731
<b>Community Services Block Grant (CSBG)</b>	\$4,946,000	\$4,945,865	\$4,945,865	\$0
<b>Child Care &amp; Development Fund (formerly CCDBG)</b>	\$11,946,000	\$11,946,497	\$10,655,765	\$1,290,732
<b>Head Start &amp; Early Head Start</b>	\$6,500,000 <sup>3</sup>	\$6,754,583 <sup>9</sup>	not readily available through ARRA reporting	
<b>Title I - LEA grants</b>	\$24,304,300	\$34,955,709	\$20,708,878	\$14,246,831
<b>Title I - School Improvement grants</b>	\$10,603,000	\$10,650,687	\$95,767	\$10,554,920
<b>IDEA - Part B - Preschool</b>	\$2,268,800	\$2,268,765	\$1,326,638	\$942,127
<b>- Part B - School Age</b>	\$53,247,400	\$53,247,375	\$31,642,385	\$21,604,990
<b>- Part C (Infants and Toddlers)</b>	\$2,358,600	\$2,689,423	\$1,603,891	\$1,085,532
<b>Title II-D - Education Technology grants</b>	\$3,209,400	\$3,209,375	\$1,484,197	\$1,725,178
<b>School Lunch Equipment Assistance grants</b>	\$469,300	\$481,315	\$481,315	\$0
<b>McKinney-Vento funds - education for homeless</b>	\$191,000	\$212,196	\$198,851	\$13,345
<b>College Work-Study</b>	\$543,000	\$479,159 <sup>10</sup>	\$479,159 <sup>10</sup>	\$0
<b>Job Training - WIA</b>	\$6,985,000 <sup>4</sup>	\$6,985,249	\$6,769,837	\$215,412

\*These streams of funding have been extended beyond the initial ARRA allocations under subsequent (non-ARRA) legislation.

Notes to this table are on the preceding page.