



**COMMONWEALTH of VIRGINIA
Department of Education**

May 23, 2014

TO: Division Superintendents

FROM: Steven R. Staples, Superintendent of Public Instruction

SUBJECT: Virginia Public School Authority (VPSA) Educational Technology Notes Series X, Series XI, Series XII, Series XIII, Series XIV, and Series XV and School Security Equipment Grants

The Virginia Public School Authority (VPSA) has conducted the fourteenth sale of technology equipment notes, Series XIV. The proceeds from these notes provide the next installment of funds in the educational technology grant program, which provides support for school divisions to develop and implement the Standards of Learning (SOL) Web-based Technology Initiative. The Series XIV notes also include the school security equipment grant program, as well as the Virginia e-Learning Backpack Initiative authorized by the 2014 Special Session I of the General Assembly. Both of these programs will be discussed later in this memorandum.

The goal of the education technology grant program is to improve the instructional, remedial, and testing capabilities of the SOL in local school divisions and to increase the number of schools achieving full accreditation. Proceeds of the Series XIV notes are provided to:

1. Establish a computer-based instructional and testing system for the SOL;
2. Develop an internet ready local area network (LAN) capability and high speed Internet connectivity at high schools, followed by middle schools and then in elementary schools; and
3. Establish a 5-to-1 student computer ratio for high schools, followed by middle schools and then in elementary schools.

School divisions are required to use the Series XIV funds first to develop and maintain the capability to support the administration of online SOL testing for all students with the exception of students with a documented need for a paper SOL test.

In addition, for purposes of establishing or enhancing a computer-based instructional program supporting the SOL testing system, school divisions may use these grant funds to purchase handheld multifunctional computing devices that support a broad range of applications and that are controlled by operating systems providing full multimedia support and mobile Internet connectivity. School divisions that elect to use these grant funds to purchase such qualifying handheld devices must continue to meet the online testing requirements outlined above.

[Attachment A](#) to this memorandum lists the estimated local grant allocations for the Series XIV VPSA note issue. These estimated allocations are based on the amended 2012-2014 biennial budget passed by the 2014 Special Session I of the General Assembly and signed into law by Governor McAuliffe on April 1, 2014 (Chapter 1). Grants to school divisions for the Series XIV notes are based on \$26,000 per eligible school and \$50,000 per

school division. Eligible schools include those reporting fall membership as of September 30, 2013, as well as regional vocational, special education, and alternative education programs, academic year Governor's Schools, and the Virginia School for the Deaf and the Blind. Schools that serve only pre-kindergarten students are not eligible for this grant.

Eligibility for Virginia e-Learning Backpack Initiative Grants in Series XIV

Chapter 1, 2014 Special Session I Acts of Assembly, provides grants for schools that administered SOL tests in spring 2013, and that are not fully accredited based on school accreditation ratings in effect for fiscal year 2014. Those qualifying schools receive: (1) a supplemental grant of \$400 per student reported in ninth grade fall membership in a qualifying school for the purchase of a tablet computer device for that student and (2) a supplemental grant of \$2,400 per qualifying school to purchase two content creation packages for teachers. Schools eligible to receive this supplemental grant in fiscal year 2014 shall continue to receive the grant for the number of subsequent years equaling the number of grades 9 through 12 in the qualifying school up to a maximum of four years. Grants awarded to qualifying schools that do not have grades 10, 11, or 12 may transition with the students to the primary receiving school for all years subsequent to grade 9. Schools are eligible to receive these grants for a period of up to four years beginning in fiscal year 2014 and shall not be eligible to receive a separate award in the future once the original award period has concluded. Schools that are fully accredited or that are new schools with conditional accreditation in their first year are not eligible to receive this supplemental grant. Participating school divisions will assume recurring costs for electronic textbook purchases and maintenance. Additional information on the schools that qualify for these additional funds is included in Attachment A. The application for these grants is available, for eligible schools only, on the Department of Education's (DOE) Web site at:

http://www.doe.virginia.gov/support/technology/technology_initiatives/e-learning_backpack/index.shtml.

Local Match Requirements

Localities are required to provide a match of funds equal to 20 percent of the total grant amount provided to the school division, including the Virginia e-Learning Backpack Initiative grants. At least 25 percent of the local match must be used for teacher training in the use of technology funded with the educational technology grants. The Superintendent of Public Instruction is authorized to reduce the required local match for school divisions with a composite index below 0.2000. The Virginia School for the Deaf and the Blind is not required to provide a 20 percent match to its grant amount.

School divisions that administer 100 percent of SOL tests online in all elementary, middle, and high schools may use up to 75 percent of their required local match to purchase targeted technology-based interventions. Such interventions may include the necessary technology and software to support online learning, technology-based content systems, content management systems, technology equipment systems, information/data management systems, and other appropriate technologies that support the individual needs of students. School divisions that receive the Virginia e-Learning Backpack Initiative grants must use the 20 percent required local match of funds in qualifying schools to purchase tablet computer devices for ninth grade students reported in fall membership and content creation packages for teachers.

Reimbursement Process

The VPSA sold the spring 2014 Educational Technology Notes, Series XIV, on May 6, 2014, and closed the notes transaction on May 22, 2014. Proceeds of the Series XIV notes are now available for reimbursement to divisions for qualifying expenditures from the division's reimbursement account established under the Virginia State Non-Arbitrage Program (SNAP).

There are a limited number of business days between the closing date and the end of fiscal year 2014 on June 30, 2014. Therefore, to ensure sufficient time to process the school division reimbursement requests that need to be received by June 30, 2014, such reimbursement requests must be received by the Department of Education electronically, as well as the original signature page mailed to the Department, by June 20, 2014.

Consistent with previous VPSA notes, payments to school divisions and regional programs will be on a reimbursement basis only. School divisions and regional programs must first complete payments for the qualifying equipment purchased and then file a Series XIV reimbursement request with the Department of Education. School divisions and regional programs that adopted a reimbursement resolution and made expenditures prior to the issuance of the Series XIV notes are required to certify that all reimbursements are qualifying reimbursements. School divisions and regional programs may not be reimbursed for qualifying expenditures incurred more than 60 days prior to the adoption of a reimbursement resolution. Please note that reimbursements for the Series XIV issue for regional vocational, regional special education, Governor's Schools, and regional alternative education programs may be made directly to the regional programs through separate SNAP reimbursement accounts set up specifically for regional programs. If separate accounts for regional programs are established, school divisions will not be required to deposit the regional programs' share of the note proceeds in their account and then pass those proceeds on to the regional program.

The Series XIV reimbursement request form is a downloadable Excel template. This file is available on the Department of Education's Web site at:

http://www.doe.virginia.gov/school_finance/edu_technology_notes/index.shtml.

The Series XIV reimbursement form includes certification provisions that incorporate federal and state requirements regarding capital expenditures that qualify for reimbursement. School divisions are primarily responsible for determining whether requests for reimbursement are permissible under federal and state requirements. School division officials should carefully read and initial the certification provisions to ensure that none of their reimbursement requests violate any of the stated provisions.

Divisions are not required to submit copies of supporting reimbursement documentation to the Department of Education because the reimbursement request form incorporates the certification provisions. However, copies of all supporting documents (invoices, work orders, statements, etc.) for which reimbursement is to be made must be retained by the school division for at least five years in the event an audit is required. All reimbursement requests for the VPSA Series XIV notes issue must be made using the above-referenced Series XIV form. The Department of Education will review the reimbursement request and, when approved, file the request on behalf of the school division (or regional program) with the Virginia State Non-Arbitrage Program (SNAP), which serves as the investment and account manager for the note proceeds. Please note that no reimbursement requests for the Series XIV notes will be approved until all of the division's grant allocations from Series X (spring 2010), Series XI (spring 2011), Series XII (spring 2012) and Series XIII (spring 2013) are fully drawn down.

Prior to SNAP executing the actual payment of proceeds to school divisions or regional programs, school divisions and regional programs must complete the [SNAP VPSA Technology Notes Withdrawal Instructions form](#) to provide their bank routing number and account number directly to the State Non-Arbitrage Program (SNAP). If you need to make changes to wire instructions previously submitted to SNAP, please complete and sign the form and return the form to SNAP prior to requesting any further reimbursements. **NOTE: A withdrawal form is required for each new series issuance.** The completed form should be faxed to Nelson Bush or Linda Matio, SNAP representatives, at 1-800-252-9551. If you have not completed this form, the Department of Education will hold all requests for reimbursements until SNAP confirms receipt of your certified bank account information. SNAP will maintain all bank information and, if needed, will assist divisions who need to amend such information. If you have any questions regarding the [SNAP VPSA Technology Notes Withdrawal Instructions form](#), please contact Nelson Bush or Linda Matio of SNAP at 1-800-570-SNAP.

Proceeds from the Series X, XI, XII, XIII, and XIV issues may not be used for middle schools until all high schools in your division have achieved Stage 2 High School Readiness Certification. See [Administrative Supts. Memo No. 27](#), dated May 17, 2002, for additional information on certification procedures. Also, the proceeds of the Series X, XI, XII, XIII, and XIV notes may not be used for elementary schools until all middle schools in your division have achieved Stage 2 Middle School Readiness Certification. Procedures for achieving all levels of school readiness certification are explained in the following document:

http://www.doe.virginia.gov/support/technology/sol_technology_initiative/readiness/readiness_documentation.pdf.

The School Readiness Certification workbook is a downloadable Excel template. This file is available on the Department of Education's Web site at:

http://www.doe.virginia.gov/support/technology/sol_technology_initiative/index.shtml.

If expenditures for middle or elementary schools are submitted prior to achieving the appropriate certifications, those expenditures cannot be reimbursed until after the readiness certifications have been achieved.

Please submit all Series XIV requests for reimbursement using the Series XIV reimbursement request form referenced above. E-mail your completed request to Christina Snellings at VPSA@doe.virginia.gov. In addition, please mail a signed copy of the reimbursement form to the following address:

Christina Snellings
Budget Office
Virginia Department of Education
James Monroe Building, 25th Floor
101 North 14th Street
Richmond, VA 23219

No requests for reimbursement will be processed until the Department of Education has received both the electronic Series XIV reimbursement request form and your signed hardcopy Series XIV form with each certification initialed.

School Security Equipment Grant Program

In addition to the grants provided to support the SOL Web-based Technology Initiative and Virginia e-Learning Backpack Initiative grants, the Chapter 1 budget authorizes \$6.0 million in school security equipment grants as part of Series XIV. Proceeds of these additional equipment notes will be used to help offset the related local costs associated with the purchase of appropriate security equipment that will improve and help ensure the safety of students attending public schools in Virginia.

School divisions are required to use these funds to purchase security equipment that will be installed in eligible schools. The grants cannot be used to pay for security equipment that is not included or described in the grant application or for other type of school construction work (e.g., building renovations or alterations) or to cover any professional costs (e.g., architectural and engineering fees). The addition of any other architectural brick and mortar projects will result in the disqualification of a school division's grant application. Eligible schools must be scheduled to remain open for at least five more years and there be no planned renovations/additions scheduled for the next five years that would cause the security equipment being requested to become obsolete.

These grants will be awarded on a competitive basis through division applications to the Department of Education by August 1, 2014. Divisions may be awarded up to \$100,000 in grant funding for use in eligible schools and regional programs.

Localities are required to provide a match for these funds equal to 25 percent of the grant amount. The Superintendent of Public Instruction is authorized to reduce the required local match for school divisions with a composite index of local ability-to-pay below 0.2000. The Virginia School for the Deaf and the Blind is exempt from the match requirement.

Guidelines for the program and the application form to apply for funding are available on the DOE Web site at:

http://www.doe.virginia.gov/support/facility_construction/security_equipment_grants/index.shtml.

Educational Technology Notes, Series XIII (Spring 2013):

As initially announced in [Superintendent's Memo #146-13](#), dated May 24, 2013, the Series XIII notes were sold by the VPSA in May 2013. Proceeds of the Series XIII notes were available to school divisions for reimbursement of qualifying expenditures on and after the closing date of May 23, 2013. For grant allocations of Series XIII VPSA notes, see Attachment A to [Superintendent's Memo #146-13](#), dated May 24, 2013. No reimbursement requests for the Series XIII notes will be approved until the division's Educational Technology Notes Series X, XI, and XII proceeds are fully spent. Attachment E to this memorandum provides the status of the Series XIII grant balances.

For divisions and regional programs that have not completed reimbursement of expenditures from the XIII VPSA notes, the procedures outline in [Superintendent's Memo #146-13](#), dated May 24, 2013, should be followed and the Series XIII reimbursement request form should be used. The Series XIII reimbursement request form is a downloadable Excel template available on the Department of Education's Web site located at:

http://www.doe.virginia.gov/school_finance/edu_technology_notes/index.shtml.

Educational Technology Notes, Series XII (Spring 2012):

As initially announced in [Superintendent's Memo #133-12](#), dated May 18, 2012, the Series XII notes were sold by the VPSA in May 2012. Proceeds of the Series XII notes were available to school divisions for reimbursement of qualifying expenditures on and after the closing date of June 7, 2012. For grant allocations of Series XII VPSA notes, see Attachment A to [Superintendent's Memo #133-12](#), dated May 18, 2012. No reimbursement requests for the Series XII notes will be approved until the division's Educational Technology Notes Series X and XI proceeds are fully spent. Attachment D to this memorandum provides the status of the Series XII grant balances.

For divisions and regional programs that have not completed reimbursement of expenditures from the Series XII VPSA notes, the procedures outlined in [Superintendent's Memo #133-12](#), dated May 18, 2012, should be followed and the Series XII reimbursement request form should be used. The Series XII reimbursement request form is a downloadable Excel template available on the Department of Education's Web site located at:

http://www.doe.virginia.gov/school_finance/edu_technology_notes/index.shtml.

Educational Technology Notes, Series XI (Spring 2011):

As initially announced in [Superintendent's Memo #129-11](#), dated April 29, 2011, the Series XI notes were sold by the VPSA in May 2011. Proceeds of the Series XI notes were available to school divisions for reimbursement of qualifying expenditures on and after the closing date of May 19, 2011. For grant allocations of Series XI VPSA notes, see Attachment A to [Superintendent's Memo #129-11](#), dated April 29, 2011. No reimbursement requests for the Series XI notes will be approved until the division's Educational Technology Notes Series X proceeds are fully spent. Attachment C to this memorandum provides the status of the Series XI grant balances.

For divisions and regional programs that have not completed reimbursement of expenditures from the Series XI VPSA notes, the procedures outlined in [Superintendent's Memo #129-11](#), dated April 29, 2011, should be followed and the Series XI reimbursement request form should be used. The Series XI reimbursement request form is a downloadable Excel template available on the Department of Education's Web site located at:

http://www.doe.virginia.gov/school_finance/edu_technology_notes/index.shtml.

Educational Technology Notes, Series X (Spring 2010):

As initially announced in [Superintendent's Memo #110-10](#), dated May 7, 2010, the Series X notes were sold by the VPSA in May 2010. Proceeds of the Series X notes were available to school divisions for reimbursement of qualifying expenditures on and after the closing date of May 20, 2010. For grant allocations of Series X VPSA notes, see Attachment A to [Superintendent's Memo #110-10](#), dated May 7, 2010. No reimbursement requests for the Series XI, XII, XIII, or XIV notes will be approved until the division's Educational Technology Notes Series

X proceeds are fully spent. Attachment B to this memorandum provides the status of the Series X grant balances.

For divisions and regional programs that have not completed reimbursement of expenditures from the Series X VPSA notes, the procedures outlined in [Superintendent's Memo #110-10](#), dated May 7, 2010, should be followed and the Series X reimbursement request form should be used. The Series X reimbursement request form is a downloadable Excel template available on the Department of Education's Web site located at:

http://www.doe.virginia.gov/school_finance/edu_technology_notes/index.shtml.

Please note that the Department of Education has set a deadline of April 1, 2015, to complete all reimbursements from the Series X notes. Series X note proceeds allocated to school divisions and regional programs that have not been reimbursed from SNAP by April 1, 2015, will be used by the Department of Treasury to pay debt service on the notes and will no longer be available to reimburse the school divisions and regional programs. In order to accomplish all Series X reimbursements by the April 1, 2015, deadline, requests for reimbursement from the Series X proceeds must be received by the Department electronically and the original signature page sent to the Department, as indicated below, by March 15, 2015, to ensure sufficient time to process the requests.

Educational Technology Notes, Series XV (Spring 2015):

Information regarding the issuance of VPSA bonds for fiscal year 2015 will be provided after the adoption of a 2014-2016 biennial budget by the General Assembly.

Required Signatures for VPSA Educational Technology Equipment Reimbursements

Beginning June 1, 2014, all reimbursement requests for reimbursement of the Educational Technology Equipment Notes (any active series) must contain the signature of the division superintendent or the superintendent's designee. Please verify the designee information contained in the Single Sign-On for Web Systems (SSWS), Educational Registry Application for accuracy. DOE will only accept the signature of staff registered in the application.

DOE is also developing a VPSA Technology Notes reimbursement application for SSWS that is scheduled for release in fiscal year 2015. This application will also require approval of reimbursement requests by staff listed in SSWS.

If you have questions relating to the financing or determination of qualifying reimbursements, please call the budget office staff at (804) 225-2025. If you have questions relating to qualifying equipment that may be purchased from the VPSA note proceeds (i.e., hardware, software), please call Mark Saunders in the Office of Digital Innovations and Outreach at (804) 786-0307.

SRS/cs

Attachments:

- A. [Series XIV VPSA Notes Issue Estimated Local Grant Allocation](#) (PDF)
- B. [Series X VPSA Notes Issue Local Grant Balances](#) (PDF)
- C. [Series XI VPSA Notes Issue Local Grant Balances](#) (PDF)
- D. [Series XII VPSA Notes Issue Local Grant Balances](#) (PDF)
- E. [Series XIII VPSA Notes Issue Local Grant Balances](#) (PDF)
- F. [Sample Reimbursement Resolution](#) (PDF)

