



COMMONWEALTH of VIRGINIA
Department of Education

May 24, 2013

TO: Division Superintendents

FROM: Patricia I. Wright, Superintendent of Public Instruction

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

The Virginia Public School Authority (VPSA) is conducting the thirteenth sale of equipment notes, Series XIII. 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 XIII notes also include a new school security equipment grant program authorized by the 2013 General Assembly and 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 XIII notes are provided to:

1. Establish a computer-based instructional and testing system for the SOL;
2. Develop the capability for high speed Internet connectivity at high schools followed by middle schools and then in elementary schools; and
3. Administer 100 percent of high school SOL tests online by fiscal year 2011, 100 percent of middle school SOL tests online by fiscal year 2012, and 100 percent of elementary school SOL tests online by fiscal year 2013.

School divisions are required to use the Series XIII 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 XIII VPSA note issue. These estimated allocations are based on the amended 2012-2014 biennial budget passed by the 2013 General Assembly and signed into law by Governor McDonnell on May 3, 2013 (Chapter 806). Grants to school divisions for the Series XIII 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, 2012, 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 Supplemental Grants in Series XIII

Chapter 806, 2013 Acts of Assembly, provides supplemental grants of \$26,000 from the VPSA technology notes Series XIII to eligible divisions to support schools that are not fully accredited. School divisions may apply for a supplemental grant of \$26,000 for each qualifying school that administered SOL tests in Spring 2012 and that is not fully accredited based on school accreditation ratings in effect for fiscal year 2013. Schools that are fully accredited or that are new schools with conditional accreditation in their first year are not eligible to receive a supplemental grant. Additional information on the schools that qualify for these additional funds is included in Attachments [A](#), [C](#), [D](#), and [E](#).

School divisions are required to use these supplemental grants first for the purpose of developing and maintaining capacity to support 100 percent online SOL testing of all students in qualifying schools and helping the schools achieve full accreditation with the assistance of targeted technology-based interventions. Any purchase of technology-based interventions with supplemental grant funds must be qualifying expenses under the technology notes program. Eligibility for these funds requires divisions to submit an application and plan that includes goals, objectives, strategies, and a timeline for implementation. Division plans must be reviewed and approved by the Superintendent of Public Instruction prior to disbursement of the supplemental grant funds. The application for these supplemental grants is available, for eligible schools only, on the Department of Education's Web site at:

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

Pursuant to Chapter 806, 2013 Acts of Assembly, the supplemental grants will be provided on this basis for the last time in Series XIII and will be replaced with a new tablet device initiative, (i.e., Virginia e-Learning Backpack Initiative) in Series XIV as described later in this memorandum.

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 supplemental 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 supplemental grants and that already administer 100 percent of their SOL tests online, should give first priority to purchasing these technology-based interventions as well as teacher training in the use of the interventions from their required local match.

Reimbursement Process

The VPSA is planning to sell the spring 2013 Educational Technology Notes, Series XIII, on May 9, 2013, and to close on the notes transaction on May 23, 2013. Proceeds of the Series XIII notes will be made available for reimbursement of qualifying expenditures to divisions following the closing date.

There are a limited number of business days between the closing date and the end of fiscal year 2013 on June 30, 2013. Therefore, to ensure sufficient time to process the school division reimbursement requests that need to be

received by June 30, 2013, 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, 2013. Please note that no requests for reimbursement may be processed until the note proceeds have officially been issued and closed.

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 XIII 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 XIII 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 XIII 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 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 XIII 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 XIII 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 XIII notes issue must be made using the above-referenced Series XIII 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 XIII notes will be approved until all of the division's grant allocations from Notes Series IX (Spring 2009), Series X (Spring 2010), Series XI (Spring 2011), and Series XII (Spring 2012) are fully drawn down. Please see Attachments [B](#), [C](#), [D](#), and [E](#) to this memorandum that provide the Series IX, X, XI, and XII allocation balances, respectively, for each school division and regional program.

[Attachment H](#) to this memo provides the SNAP VPSA Technology Notes Withdrawal Instructions form. School divisions and regional programs will need to provide their bank routing number and account number directly to the State Non-Arbitrage Program (SNAP) before SNAP executes the actual payment of Notes proceeds to the school division or regional program. If you need to make changes to wire instructions previously submitted to SNAP, please complete and sign [Attachment H](#) and return the form to SNAP prior to requesting any further reimbursements. **NOTE: Beginning with Series XIII, a withdrawal form is required for each new series issuance.** The completed form should be faxed to Nelson Bush or Christine Rose, 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 [Attachment H](#), please contact Nelson Bush or Christine Rose of SNAP at 1-800-570-SNAP.

Proceeds from the Series IX, X, XI, XII, and XIII 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 IX, X, XI, XII, and XIII 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 XIII requests for reimbursement using the Series XIII reimbursement request form referenced above. E-mail your completed request to Richard Schley at VPSA@doe.virginia.gov. In addition, please mail a signed copy of the reimbursement form to the following address:

Richard Schley
Office of Educational Technology
Virginia Department of Education
James Monroe Building, 22nd 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 XIII reimbursement request form and your signed hardcopy Series XIII form with each certification initialed.

Security Equipment Grant Program

In addition to the grants provided to support the SOL Web-based Technology Initiative and supplemental grants for unaccredited schools, the Chapter 806 budget authorizes \$6.0 million in grants as part of Series XIII to fund school security equipment grants. These grants will be awarded on a competitive basis through division applications to the Department of Education by August 1, 2013. Divisions may be awarded up to \$100,000 in grant funding for use in eligible schools and regional programs. A separate superintendent's memorandum on the school security equipment grants and application process is forthcoming.

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 IX, X, and XI proceeds are fully spent. [Attachment E](#) 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 IX and X proceeds are fully spent. [Attachment D](#) 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, or XIII notes will be approved until the division's Educational Technology Notes Series IX and X proceeds are fully spent. [Attachment C](#) 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.

Educational Technology Notes, Series IX (Spring 2009):

As initially announced in [Superintendent's Memo #096-09](#), dated April 10, 2009, the Series IX notes were sold by the VPSA in April 2009. Proceeds of the Series IX notes were available to school divisions for reimbursement of qualifying expenditures on and after the closing date of May 21, 2009. For grant allocations of Series IX VPSA notes, see Attachment A to [Superintendent's Memo #096-09](#), dated April 10, 2009. No reimbursement requests for the Series X, Series XI, Series XII, or Series XIII notes will be approved until the division's Educational Technology Notes Series IX proceeds are fully spent. [Attachment B](#) to this memorandum provides the status of the Series IX grant balances.

For divisions and regional programs that have not completed reimbursement of expenditures from the Series IX VPSA notes, the procedures outlined in [Superintendent's Memo #096-09](#), dated April 10, 2009, should be followed and the Series IX reimbursement request form should be used. The Series IX 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 XIV (Spring 2014):

The amended 2012-2014 biennial budget (Chapter 806, 2013 Acts of Assembly) includes funding to continue the educational technology notes program in fiscal year 2014 with debt service paid through the Literary Fund. The Chapter 806 budget includes Virginia Public Schools Authority (VPSA) equipment notes totaling approximately \$59.6 million in fiscal year 2014 to be issued in the spring of 2014 as Series XIV.

The fiscal year 2014 budget maintains grant amounts at \$26,000 per eligible school (i.e., for K-12 schools 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) and \$50,000 per school division. The fiscal year 2014 budget also authorizes funding for supplemental grants supporting the Virginia e-Learning Backpack Initiative, which is described below. Please note that the supplemental grants for schools not fully accredited that were available in Series XI, XII, and XIII will no longer be available, beginning with Series XIV.

As was authorized in the Series XIII issue notes, Chapter 806 authorizes \$6.0 million from the Series XIV notes for division grants to fund school security equipment grants. These grants will be awarded on a competitive basis through applications submitted to the Department of Education by August 1, 2014. Divisions may be awarded up to \$100,000 in grant funding for eligible schools and regional programs.

Virginia e-Learning Backpack Initiative Supplemental Grant

Schools with a ninth grade that administer SOL tests in Spring 2013 and that are not fully accredited based on school accreditation ratings in effect for fiscal year 2014 will qualify to participate in the Virginia e-Learning Backpack Initiative in fiscal year 2014 and 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 in qualifying schools. Schools eligible to receive a Virginia e-Learning Backpack Initiative grant in fiscal year 2014 will 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 (to support schoolwide implementation). Schools eligible to receive these grants for a period of up to four years beginning in fiscal year 2014 will 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. Eligible schools receiving this grant will also continue to receive the existing \$26,000 grant supporting the SOL Web-based Technology Initiative. School divisions with schools eligible for this initiative may begin implementation during the 2013-2014 school year prior to the availability of the Series XIV proceeds by executing a reimbursement resolution. However, this will require a local source of funds to pay expenditures pending the availability of the notes proceeds at year end.

The list of eligible schools and estimated grant amounts for the e-Learning Backpack Initiative will be available in fall 2013. A separate superintendent's memorandum providing additional details on the Virginia e-Learning Backpack Initiative is forthcoming.

Other Series XIV Information

All program requirements for the Series XIV notes, including the qualifying schools, qualifying use of proceeds, local matching requirements and the reimbursement process, are all the same as the Series XIII notes described above. The Series XIV notes are also provided in support of the SOL online testing requirements to administer 100 percent of high school SOL tests online by fiscal year 2011, 100 percent of middle school SOL tests online by fiscal year 2012, and 100 percent of elementary school SOL tests online by fiscal year 2013.

The fiscal year 2014 budget updates the number of schools eligible for funding under the VPSA technology grants. Funding to school divisions for the VPSA technology grant program was increased by \$260,000 in fiscal year 2014 based on an anticipated increase in the number of eligible schools in fiscal year 2014. [Attachment F](#) to this memorandum lists the estimated local grant allocations for the Series XIV note issue.

School divisions that have spent all of their Series IX, Series X, Series XI, Series XII, and Series XIII note proceeds and that have adopted a reimbursement resolution for the Series XIV (Spring 2014) notes issue may make purchases in support of the SOL Web-based Technology Initiative to be reimbursed from Series XIV proceeds; however, please be aware that the note proceeds will not be available for reimbursement until after the closing of the notes sale, which will likely be in May or June 2014. Please be aware that, prior to incurring any costs, the local school board must state its intention to use the proceeds of the equipment notes to reimburse

qualifying expenditures, including for the Virginia e-Learning Backpack Initiative supplemental grants. This must be done through a reimbursement resolution adopted by the local school board. A sample resolution is provided as [Attachment F](#) to this memorandum. Please note that divisions may not reimburse themselves for project-related expenditures incurred more than 60 days prior to the adoption of the resolution.

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 Richard Schley in the Office of Educational Technology at (804) 371-6882.

PIW/cs

Attachments:

- a. [Series XIII VPSA Notes Issue Estimated Local Grant Allocation](#) (PDF)
- b. [Series IX VPSA Notes Issue Local Grant Balances](#) (PDF)
- c. [Series X VPSA Notes Issue Local Grant Balances](#) (PDF)
- d. [Series XI VPSA Notes Issue Local Grant Balances](#) (PDF)
- e. [Series XII VPSA Notes Issue Local Grant Balances](#) (PDF)
- f. [Series XIV VPSA Notes Issue Estimated Local Grant Allocation](#) (PDF)
- g. [Sample Reimbursement Resolution](#) (PDF)
- h. [SNAP VPSA Technology Notes Withdrawal Instructions](#) (PDF)