



Direct Student Services Grant Information

The Direct Student Services grant offers local education agencies (LEAs) the opportunity to develop and expand high-quality, meaningful, and engaging programs for low-achieving students. This opportunity is only available to LEAs that are either implementing a new program or expanding an existing program to reach a larger audience of students. LEAs should target the lowest-achieving students but can expand to all students while evaluating different program options to best serve students and parents.

Grant Funding Guidelines – Cohort Two

LEAs implementing direct student services must consider the needs of low-achieving students. To support this, the LEA must consider prioritizing grant funds at schools using the prioritization elements below:

1. First, distribute funds to schools identified as Comprehensive Support and Improvement (CSI)
2. Then, distribute funds to pay costs for low-achieving students in Additional Targeted Support and Improvement (ATSI) schools
3. Next, distribute funds to pay costs for low-achieving students in Targeted Support and Improvement (TSI) buildings
4. Finally, distribute funds to pay costs for other low-achieving students in any other schools within the LEA.

LEAs have discretion on how grant funds will be used to best serve students and parents through meaningful choices. However, LEAs distributing funds to schools not identified in school improvement must provide a brief explanation (approximately four to six sentences) with evidence of how the LEA arrived at that determination to align with grant requirements.

Timeline – Cohort Two

The second cohort grant opens for competition on December 1, 2025, and is set to close for applicants by the end of business on January 30, 2026. The department may offer subsequent rounds of funding, depending on the availability of remaining funds for reallocation. Any additional rounds of funding may be limited in scope for the type of activity, depending on the amount of available funds and when they become available for reallocation. LEAs interested in being considered for this funding should submit their applications by January 30, 2026.

Applicant Allocation Guidelines

LEAs may apply up to a maximum amount for each round of funding. These thresholds are subject to change for subsequent funding rounds. The funding brackets are based on October 1 enrollment numbers, which count the number of publicly enrolled students.

Applicants may apply for the maximum amount based on the following enrollment criteria:

- LEAs with enrollment of less than 1,200 students - \$10,000



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- LEAs with enrollment between 1,200 and 10,000 students - \$50,000
- LEAs with enrollment greater than 10,000 students - \$100,000

These amounts are not guaranteed, as funding is competitive based on applicant scoring and performance. LEAs obligating and expending funds for this grant are required to follow all normal state and federal procurement requirements.

Monitoring & Tracking Performance

LEAs are required to track the implementation of direct student services, respective of the type of program the LEA funds. Grant applications must describe how the LEA will monitor the LEA's implementation of direct student services (i.e., system or process). LEAs will be required to report the number of schools and students impacted, as well as provide a brief description of the outcome, within the completion report of the grant when the project period closes.

The department will track expenditure requests to ensure that LEAs are using the funds in a timely and meaningful manner. LEAs not actively drawing down funds (e.g., sixty to ninety days) will be notified that their funds are at risk of being forfeited and reallocated. The department will evaluate the drawdown of funds near the middle of October for all LEAs to determine potential reallocations by January.

Scoring

The department is aiming to effectively impact as many students as possible throughout the state. This will be a focus for scoring applications that LEAs submit. Grant applications will be scored, and LEAs will be approved based on the scoring methodology. As there are limited funds, the department may revise requested amounts with LEAs or award LEAs until the reserved funds are depleted.

General scoring significance and priority of applications will be considered from the following:

- 1) Clear articulation of how the LEA will maximize students served by direct student services (30%)
- 2) Effective return on investment for dollars spent per student (30%)
- 3) Effectiveness in identifying the needs of the students impacted (20%)
- 4) The number of schools in school improvement and implementation of direct student services at the schools (20%)

LEA applications will be reviewed by program staff but may also receive input from various units within the department, depending on the subject matter (e.g., literacy coach). Scoring may be specialized, depending upon the type of services provided to students. The department has suggested programs (see program sections); however, LEAs may also write proposals detailing similar impacts as outlined in the document. Once approved, LEAs are allowed to fund a variety of activities with the primary goal of implementing and expanding direct student services to the LEA's students in the state of Arizona.

The department is open to other LEA programs that meet the effective and efficient measurements in the section. LEAs should contact the program area to discuss how information may be submitted in these circumstances.



Program A – Tutoring

Tutoring provides an opportunity for personalized, real-time, individualized teaching or guiding in a special subject or for a particular concept. With the rise of artificial intelligence throughout the United States, the department is focused on innovative tutoring programs to help teachers in the classroom. This can help assist teachers and provide effective study practices for students across the state. The goal is to enhance critical thinking and problem-solving with a guided, thorough, customized learning experience for various subjects. Artificial intelligence can assist educators with this process by simplifying workflows, identifying student struggles, synthesizing data, and supporting lesson planning. This grant will support the costs of implementing or expanding access to high-quality, qualified artificial intelligence tutoring providers, thereby increasing access for students in the state of Arizona. The tutoring provider must be on the department's approved list of vendors as part of the scoring.

Unique Scoring for Tutoring

The vendor must be from the Arizona Department of Education's approved list of vendors that have a focus on Artificial Intelligence. The current list is below and is subject to change:

- 1) Khanmigo, this is the suggested vendor at the Arizona Department of Education and is already supporting state initiatives throughout Arizona
- 2) Varsity Tutors for Schools

Tutoring Allowable Expenditures

Activity Category	Example(s) of Allowable Activities
Family and Community Engagement Up to 1% of the total allocation may be used for Family and Community Engagement	• Materials or supplies for meetings and activities • Materials to distribute to parents and families to share the results of the programming funded by the grant
Supplies, Equipment, and Services Costs can only be apportioned relative to direct student services	• Curriculum materials, equipment, and supplies • High-quality tutoring services from a provider (e.g., Khanmigo)
Purchasing Services from Vendors to Expand Courses Costs can only be apportioned relative to direct student services	• Online or blended learning modules • Licenses for instructional software • Competency-based learning opportunities • Project-based learning opportunities • Digital/online learning platform licenses
Grant Program Administration Up to 2% of the total allocation may be used to administer the grant program.	• Costs associated with administering the grant



Program B – ACT Preparation

The ACT is Arizona's statewide high school achievement test for students in the Grade 11 cohort. ACT testing is used to help students prepare for post-secondary education or opportunities. LEAs may use grant funds to implement or expand the number of students who may participate in ACT Test preparation.

Unique Scoring for ACT Preparation

Services must be provided by an established and recognized vendor.

ACT Test Preparation Allowable Expenditures

Activity Category	Example(s) of Allowable Activities
Family and Community Engagement Up to 1% of the total allocation may be used for Family and Community Engagement	- Materials or supplies for meetings and activities - Materials to distribute to parents and families to share the results of the programming funded by the grant
Supplies, Equipment, and Services Costs can only be apportioned relative to direct student services	- Curriculum materials, equipment, and supplies - High-quality tutoring services from a provider (e.g., Khanmigo)
Purchasing Services from Vendors to Expand Courses Costs can only be apportioned relative to direct student services	- Online or blended learning modules - Licenses for instructional software - Competency-based learning opportunities - Project-based learning opportunities - Digital/online learning platform licenses
Exam Fees and Costs	Exam and course fees for low-income students that are not covered by other state and federal funds from an established vendor
Grant Program Administration Up to 2% of the total allocation may be used to administer the grant program.	Costs associated with administering the grant



Assurances

LEAs must ensure that the following requirements are met in the funding application according to Section 1003A of the Every Student Succeeds Act (ESSA). This will be required to be attested to in the grant application.

1. Ensure that grant funds are prioritized to:
 - a. First, distribute funds to schools identified as CSI.
 - b. Then, distribute funds to pay costs for low-achieving students in ATSI buildings.
 - c. Next, distribute funds to pay costs for low-achieving students in TSI buildings.
 - d. Last, pay costs for other low-achieving students served by the local educational agency.
2. Ensure funds are used for one or more of the following identified activities:
 - a. Enrollment and participation in academic courses not otherwise available at a student's school, including advanced coursework, and career pathway courses that are aligned with state academic standards and lead to an industry-recognized credential.
 - b. Credit recovery and academic acceleration courses that lead to a regular high school diploma.
 - c. Activities that assist students in successfully completing postsecondary level instruction and examinations that are accepted for credit at institutions of higher education (including Advanced Placement and International Baccalaureate courses), which may include reimbursing low-income students to cover costs associated with such examinations.
 - d. Components of a personalized learning approach.
3. Ensure that budgeted activities are allowable
 - a. Districts and community schools may use no more than 1 percent of the award for outreach and communication to families about available direct student services activities funded through the grant.
 - b. Districts and community schools may use no more than 2% of the award on administrative costs related to the direct student services funded through the grant.
4. Ensure, through outreach and communication, that parents:
 - a. Can exercise a meaningful choice of direct student services for their child's education.
 - b. Have adequate time and information to make a meaningful choice prior to enrolling their child in a direct student service.
5. Ensure that practices and providers are used to support the action steps and strategies in the building's school improvement plan for schools in school improvement.
6. Ensure that service providers have access to district- and school-level data, to teachers, and to other district/school personnel upon request.
7. Ensure that all direct student services are monitored.
8. Ensure that the result of direct student service providers in improving relevant student outcomes is publicly reported in a manner that is accessible to parents.



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9. Ensure that if using the funds for transportation to allow a student enrolled in a CSI school to transfer to another public school that is not identified as CSI, the LEA has not reserved funds under Title I, Part A for public school choice transportation (under section 1111(d)(1)(D)(v)).