



Direct Student Services Grant Information FY 2027 Cohort Two

Preface

The Direct Student Services grant provides local education agencies (LEAs) with an opportunity to create and expand high-quality, meaningful, and engaging programming for low-achieving students. This opportunity is only available to LEAs that are either implementing a new program or expanding a currently provided program to impact 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

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 do have discretion on how the grant funds will be used to best serve students and parents through a meaningful choice. 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 came to that determination to align with grant requirements.

Timeline

The grant opens on October 1, 2026, and is set to close for initial applicants by the end of business on December 1, 2026. The department may open sequential rounds of funding, starting around January, depending on any available funds or reallocated funds. Any additional rounds of funding may be limited in scope for the type of activity, depending on the amount of available funds.



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Applicant Allocation Guidelines

LEAs may apply up to a maximum amount for each round of funding. These thresholds are subject to change for subsequent rounds of funding. The brackets for funding are based on October 1 enrollment numbers that 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 - \$20,000
- 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 and provide a brief description of the outcome within the completion report of the grant when the project period closes.

The department will be tracking expenditure requests to ensure that LEAs are meaningfully using the funds in a timely 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 be evaluating the drawdown of funds near the middle of October for all LEAs to determine potential reallocation by January.

Scoring

The department is aiming to effectively impact as many students as possible throughout the state. This will be a focus for the scoring to grant 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. Scoring may be specialized, depending upon the type of services provided to students. LEAs may write proposals detailing similar



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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 guided through a customized learning experience for various subjects. Artificial intelligence can assist educators with this process by simplifying workflow, identifying student struggles, synthesizing data, and assisting with lesson planning. This grant will support the costs of implementing or expanding access to high-quality, qualified artificial intelligence tutoring providers to expand 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 chosen must be a tutoring vendor that is research supported and or from the Arizona Department of Education's approved list of vendors that have a focus on Artificial Intelligence. If the LEA is choosing to use a vendor or provider outside the suggested vendors, they must provide a detailed narrative on the proven success of the provider and how it meets the needs of the LEA. The current suggested 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

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)



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Activity Category	Example(s) of Allowable Activities
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



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Activity Category	Example(s) of Allowable Activities
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

Program C – Literacy Coach

Schools identified with the highest needs are to directly support evidence-based literacy instruction in grades pre-k to third. This assists local education agencies (LEAs) in implementing a new or expanded personalized learning approach focused on meeting students' unique skills and abilities. Given the diverse needs of students and the expectation that students learn an increasingly rigorous curriculum, most teachers need ongoing, side-by-side support as they attempt to incorporate effective instructional practices into their classroom routines. This helps advance instruction in early literacy skills and promotes student learning through targeted deployment of well-trained literacy coaches.

Unique Scoring for Literacy Coach Program

LEAs must coordinate this program with information from the Arizona Department of Education Literacy Coach unit.

Literacy Coach Allowable Expenditures

Activity Category	Example(s) of Allowable Activities
Professional Development Costs can only be apportioned relative to direct student services	- Staff training costs - Professional development for instructors - Purchased services for training, speakers, stipends, etc.
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
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



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Activity Category	Example(s) of Allowable Activities
Hiring or Contracting New Positions Costs can only be apportioned relative to direct student services	• Contract instructors • Staff needed for additional or expanded course opportunities
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 D – Math Coach

This program helps teachers become mentors, provides resources to help implement high-leverage teaching techniques into their math teaching. Opportunity assists local education agencies (LEAs) in implementing a new or expanded personalized learning approach focused on meeting students' unique skills and abilities. Given the diverse needs of students and the expectation that students learn an increasingly rigorous curriculum, most teachers need ongoing, side-by-side support as they attempt to incorporate effective instructional practices into their classroom routines. This opportunity is only available to LEAs seeking to implement a new program or expand what is currently provided in order to impact a larger audience of students.

Unique Scoring for Math Coach Program

LEAs must implement the program through a research proven provider. The current suggested list is below and is subject to change:

- 1) National Institute for Excellence in Teaching
- 2) Arizona State University

Math Coach Allowable Expenditures

Activity Category	Example(s) of Allowable Activities
Professional Development Costs can only be apportioned relative to direct student services	• Staff training costs • Professional development for instructors • Purchased services for training, speakers, stipends, etc.
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



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Activity Category	Example(s) of Allowable Activities
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
Hiring or Contracting New Positions Costs can only be apportioned relative to direct student services	• Contract instructors • Staff needed for additional or expanded course opportunities
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)).