

Budget Methodology of Local/State Funds for ESEA



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TITLE I FISCAL REQUIREMENTS

There are three major fiscal requirements that must be met to ensure that Title I funds are used to support students at-risk of failing:

- Maintenance of Effort [Sec. 1118(a)]
- Comparability [Sec. 1118(c)]
- Supplement not Supplant [Section 1118(b)]

TITLE IA SUPPLEMENT NOT SUPPLANT *[ESEA Section 1118(b)(1)]*

- Federal funds must be used to supplement the funds that would, in the absence of federal funds, be made available from State and local sources for the education of students participating in Title I programs, and in not to supplant such state and local funds.

PAST SUPPLEMENT NOT SUPPLANT

- Three “Tests” for Supplanting
- 1) Is the activity or service provided by state/local law or other federal law? If Yes, supplanting.
- 2) Was the activity or service provided by local funds in the past? If Yes, supplanting.
- 3) Did the LEA use federal funds to provide services to children participating in a federal program that the LEA provided with non-Federal funds to children not participating in a federal program. If Yes, supplanting.



**NEW
METHODOLOGY**

TITLE IA SUPPLEMENT NOT SUPPLANT *[ESEA, Section 1118(b)(2)]*

LEAs are required to identify the methodology used to allocate state and local funds to Title I schools and demonstrate that these schools receive all the state and local funds they would be entitled to, even if they were not Title I schools.

The methodology is a local decision.

**NEW
METHODOLOGY**

Title I Supplement Not Supplant

Methodology for school funding could vary based on:

- Grade span
- Student needs such as ELs, newly arrived ELs, spec ed, low-income)
- Instructional School models (Expeditionary Learning, Career Technical Ed, Exploratory Curriculum)
- Other factors providing that those factors are not based on a school's Title I status

REVIEW OPTIONAL METHODOLOGY EXAMPLES

- Purpose of examples are to provide options to meet this requirement
- **DISCLAIMER:** The examples are extremely simplified.

Optional Methodology 1:

- Per Pupil Amount
- Develop a per pupil formula where students with educational disadvantages generate more money for their schools.

PER PUPIL FORMULA

School Name	\$7000 Per Student		\$250 per Low Income LI Students		\$500 per English Learner (EL)		Total State and Local Funds
	Total Enrollment	Amount	# of LI Students	Amount	# of Els	Amount	
Green Elem School	450	\$ 3,150,000	200	\$ 50,000	100	\$ 50,000	\$ 3,250,000
Red Elem School	375	\$ 2,625,000	125	\$ 31,250	76	\$ 38,000	\$ 2,694,250
Ash Middle School	250	\$ 1,750,000	75	\$ 18,750	43	\$ 21,500	\$ 1,790,250
Maple High School	465	\$ 3,255,000	210	\$ 52,500	125	\$ 62,500	\$ 3,370,000
District Costs (e.g. administration, human resources, transportation, etc.) Debt Service?							\$ 4,053,530
TOTAL DISTRICT BUDGET							\$ 15,158,030
Other weighted factors may include students with disabilities, number of preschool students, etc.							

Optional Method 2:

- Resource Formula
- Use a resource formula to average the personnel and non-personnel costs and ensure that every Title I school receives at least the average from the formula.

RESOURCE FORMULA

For all its elementary schools, an LEA allocates:							
School Name	Total Enrollment	Teachers 1:22 at \$65000/teacher	Principal 1/school	Librarian 1/school	Guidance Counselor 1/school	Non-Personnel \$825/student	Total State and Local Funds
Red Elem	450	\$ 1,329,545	90,000	70,000	70,000	371,250	\$ 1,930,795
Blue Elem	375	\$ 1,107,955	90,000	70,000	70,000	309,375	\$ 1,647,330
Green Elem	250	\$ 738,636	90,000	70,000	70,000	206,250	\$ 1,174,886
Yellow Elem	465	\$ 1,373,864	90,000	70,000	70,000	383,625	\$ 1,987,489

Even though funds are distributed on this formula, schools do not necessarily have to use the state/local funds for the specific position in the chart.

Optional Method #3:

- Year end Expenditures
- Ensures the per pupil expenditure in each Title I schools is at least as much as the average per pupil spending in non-Title I schools within the district.
 - Spending in Title I schools can vary up to 5% of average spending in non-Title I schools in a given year.

Optional Method #4:

- Any locally developed methodology of allocating state and local funds to ensure that it meets the Supplement Not Supplant requirements.

Exemption

- A single school LEA is exempt.

Flexibilities

- Districtwide activities can be administrative services, programs like summer school, preschool, and services like curriculum development, data analysis, professional development.
- Supplemental Funds for programs that meet the intents and purposes of Title I can be eliminated from consideration.

Methodology Tips

- Don't reinvent the wheel; look at what you already have in place.
- Document your methodology and decisions made regarding your methodology.
- Keep records supporting the results of calculating the methodology.

KEY METHODOLOGY AREAS

Included if generally allocated at the building level:

- Teaching
- Learning resources
- Guidance and counseling
- Supervision (Administrative)
- Health related services
- Instructional PD
- Instructional Technology
- Curriculum

- **Communications** (i.e. translation for parent family/engagement)

Excluded:

- Centrally administered resources
- Student transportation
- Debt service
- Capital expenditures
- Child nutrition/Food service
- Facilities expenditures

WHEN AND HOW

- August 1 in FY19 ESEA Application
- Describe methodology
- Calculation documentation will become part of future Monitoring requirements

FY19 Application

Title I Supplement Not Supplant Page

Under ESSA Title I, Part A, the district must describe a Supplement Not Supplant budget methodology that is used to allocate **State and Local** funds to schools and that the allocation process is equitable for all schools.

Exemption: o Check if LEA is a one school district. It is exempt from describing methodology and uploading any documentation. Go to next page.

All other LEAs are required to describe its methodology for allocating state and local funds for Title I Supplement Not Supplant because the district has multiple schools and may have a duplication of grade spans.

Statement of Methodology:

The LEA uses a ___districtwide or ____grade span methodology

Type of Methodology:

The LEA uses the following method(s) to allocate school level funding:

Per pupil

Weighted per-pupil

Personnel/non-personnel costs, or

Other, describe _____

Describe the school level budgeting process including known quantifiable factors on which the allocation of state and local funds to each school in the district is based:

SEA Evaluation

- Is there a method or process described?
- Are there quantifiable factors included in the method or process?
- Are schools across the district or schools by grade span treated equitably, no difference between Title I and non-Title I schools?
- The answer to each one must be YES in order to be accepted.

Questions??

Let's discuss some examples.

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MAINTENANCE OF EFFORT IMPACTS ALL ESEA TITLES

Sections 1118(a) & 8521(a)(b)

- Determined prior to awarding new grant awards
- SAU must meet 90% of previous year's total operating expenses at the aggregate or per pupil level for most current year available as compared to its preceding year
- Debt and Community Services expenses are removed
- Add in tuition assessments
- Calculate for Total Operating Costs

MAINTENANCE OF EFFORT IMPACTS ALL ESEA TITLES

- Use the average attending student count from October and April.
- Calculate Average Per Pupil Costs
- If 90% is not met, the SAU can receive a waiver once in a 5 year period. [NEW UNDER ESSA]
- Otherwise an adjustment is made to each of the Title allocations/awards and notice is provided to SAU.

TITLE IA COMPARABILITY

Section 11118(c)

- SAU's with multiple attendance areas must ensure that the use of state/local funds for services in schools is comparable between Title I and Non-Title I schools.
- Every November/December using Maine's Title IA Comparability Report
- <http://www.maine.gov/doe/title-IA/forms/index.html>
- The data reviews student/staff ratios.

Questions??

- Contact:

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