

# ESSA Financial Updates

Elementary and Secondary Education Act (ESEA), as amended by  
the Every Student Succeeds Act (ESSA)

**December 4, 2018**

# Agenda

## ESEA Funding Overview

## General Fiscal Flexibilities

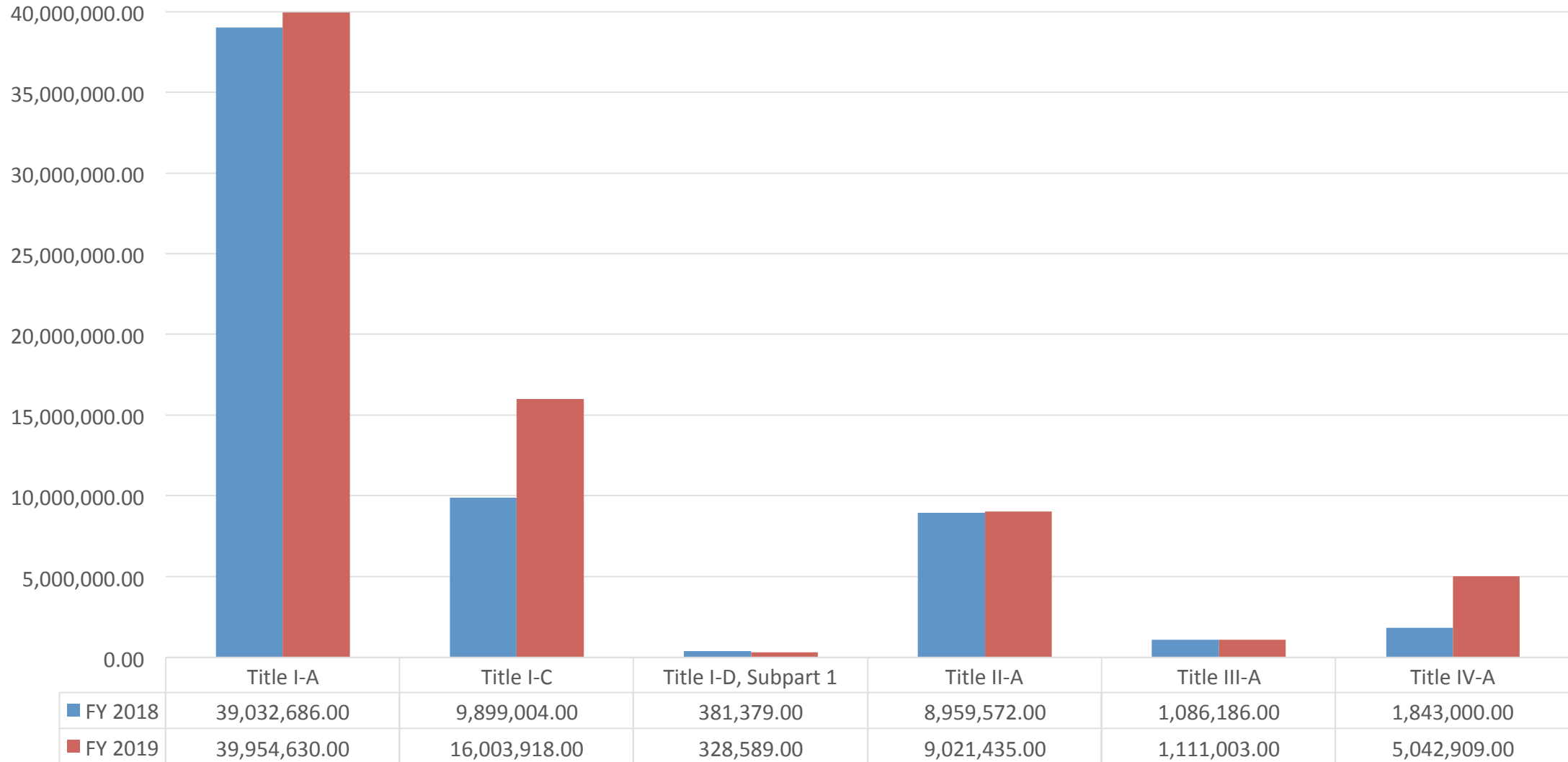
- Carryover Limitations
- REAP-Flex
- Transferability
- Consolidated Administrative Pool
- Supplement, Not Supplant

## Specific ESEA Program Fiscal Requirements

- Title I-A: Maintenance of Effort, Comparability, SNS, and Per-Pupil Expenditure Reporting
- Title IV-A: Fiscal Requirements based on allocation size

# ESEA Funding Overview

# FY18 vs. FY19 District Awards



# General Spending Considerations

## Necessary and reasonable

- Uniform Grant Guidance (UGG)
  - Costs never allowed (e.g., alcohol, lobbying, entertainment)
  - General criteria (e.g., costs must be allowable by particular grant)
  - Additional requirements (e.g., documenting time and effort for salaries)
  - Rules for procurement (e.g., tracking items, types of records required)

## Consistent with district application (ESEA Consolidated Application)

## Effective and meet program goals

- Some programs require, but good practice for all

# General Fiscal Flexibilities

# Carryover Funds

## Title I-A

- 15% carryover limitation
- A waiver may be granted once every 3 years if it is determined the request is reasonable and necessary

## Title I-C

- Carryover only allowed for migrant summer programs that cross fiscal years.
- Contact Sarah Emmal for how to budget for a migrant summer program.

## Title I-D, Title II-A, Title III-A, and Title IV-A

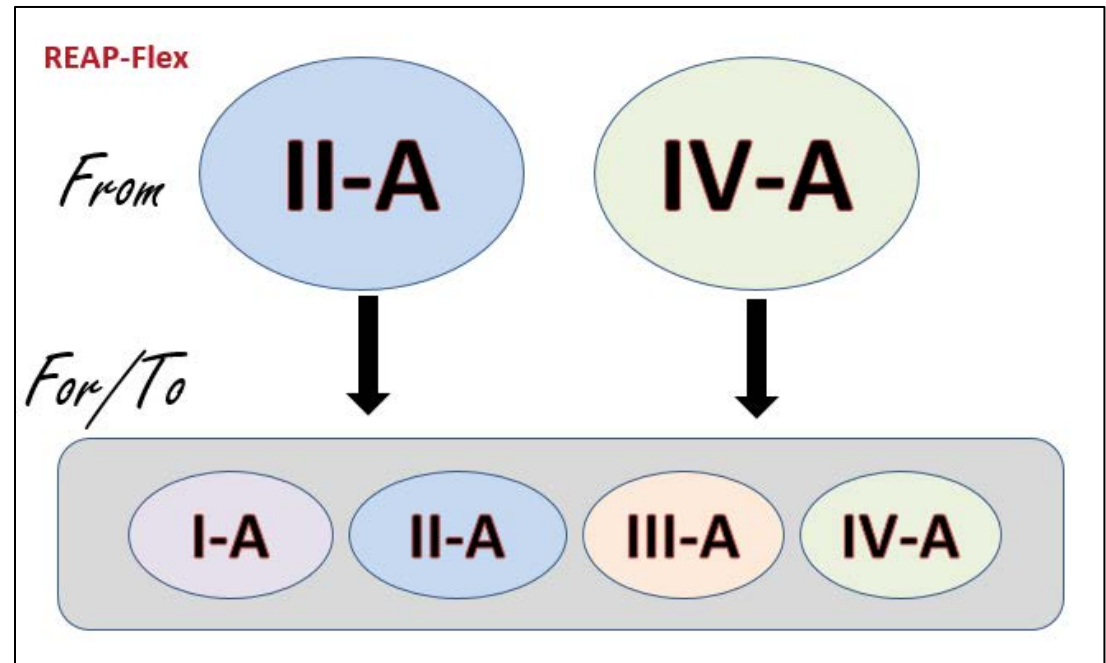
- No carryover limitations; however, funds expire after 27 months.

# REAP-Flex

REAP-Flex helps small, rural school districts that may receive Title program grant allocations in amounts too small to be effective by allowing alternate uses for funds.

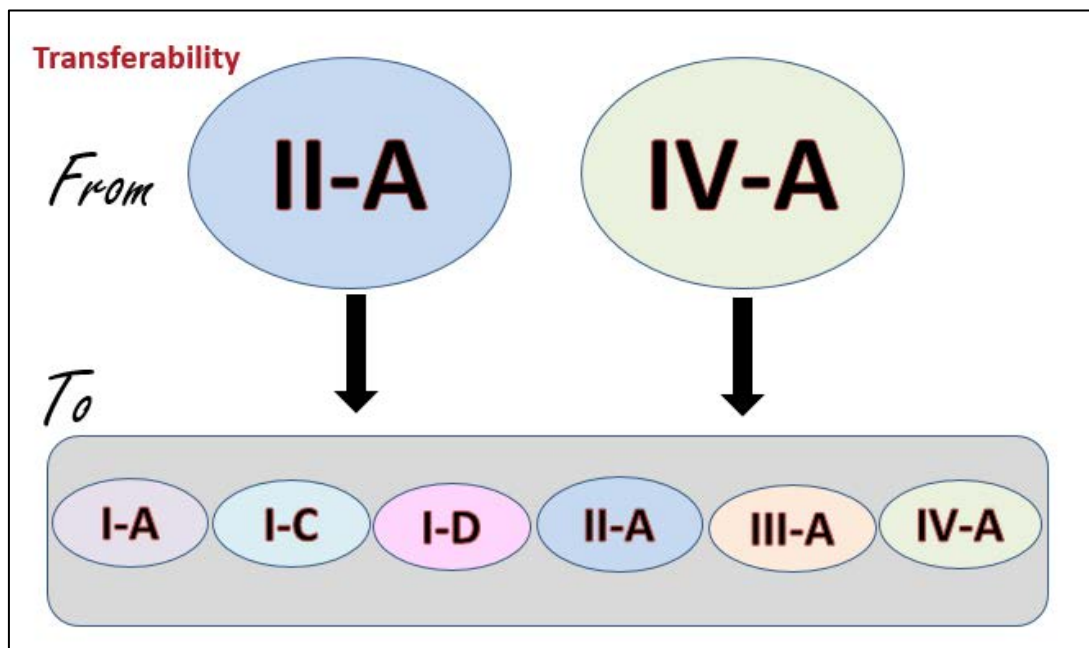
All districts are eligible to REAP-Flex **except:** ASD, FNSBSD, JSD, KPBSD, KGBSD, KIBSD, LKSD, MSBSD, SSD.

Districts may use up to 100% of funds from II-A and IV-A for allowable activities under I-A, II-A, III-A, and IV-A. (See graphic)





# Transferability



Transferability allows districts to target federal funds to federal Title programs that most effectively address their unique needs.

All districts are eligible.

Districts may transfer up to 100% of funds from II-A and IV-A to I-A, I-C, I-D, II-A, III-A, and IV-A, **if** the district already receives an allocation in the receiving Title. (See graphic)

# Consolidated Administrative Pool (CAP)

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All districts are eligible to consolidate funds from multiple ESEA programs for the purpose of covering the costs associated with administering those programs.

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Administrative caps are placed by certain Title programs, such as III-A and IV-A.

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If the districts uses the CAP, the district may not pay for additional administrative costs within that individual Title program budget.

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A district that uses the CAP shall not be required to keep separate records, by individual program, to account for costs relating to the administration of the programs included in the consolidation.

# Supplement, not Supplant

## Supplement, not supplant other state and local funds

- Title I-A
  - Note: New requirements for SNS Methodology.
- Title I-C
  - Note: Title I-C funds shall be used to address the identified needs of migratory children that are not addressed by services available from other Federal or non-Federal programs.
- Title I-D
- Title II-A
- Title IV-A

## Supplement, not supplant other **federal**, state and local funds

- Title III-A

# Title I-A Specific Fiscal Requirements

# Three Title I-A Fiscal Tests Under ESSA



Maintenance of Effort

Comparability

Supplement, not Supplant

# Title I-A Supplement, Not Supplant NCLB vs. ESSA

## NCLB

- Title I supplanting violation was presumed if Title I, Part A paid for
  - An activity required by federal, state, or local law,
  - An activity that was paid for with state or local funds in the prior year, or
  - The same services for Title I students that state and local funds support for non-Title I students.

## ESSA

- Under ESSA, compliance with SNS will no longer be tested through individual Title I costs, so these three presumptions no longer apply. ESSA, Section 1118(b)(3)(A).

# Title I-A Supplement, Not Supplant Overview

Title I-A Supplement, not Supplant under ESSA:

“A State educational agency or local educational agency shall use Federal funds received under this part only to supplement the funds that would, in the absence of such Federal funds, be made available from State and local sources for the education of students participating in programs assisted under this part, and not to supplant such funds.”

*§1118(b)(1) of ESEA, as amended by ESSA*

# Title I-A Supplement, Not Supplant Overview continued...

“To demonstrate compliance with paragraph (1), a local educational agency shall demonstrate that the **methodology used to allocate State and local funds** to each school receiving assistance under this part ensures that such school receives all of the State and local funds it would otherwise receive if it were not receiving assistance under this part.”

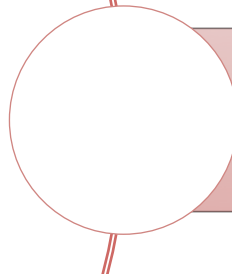
*§1118(b)(2) of ESEA, as amended by ESSA*



# Title I-A Supplement, Not Supplant Implementation



Costs still must only benefit eligible students.



Costs must be permissible under Title I and ESSA generally.



Costs must still be necessary and reasonable.

# Title I-A Supplement, Not Supplant Methodology Examples

- Distribution of State and local (non-Federal) resources based on the characteristics of the students;
- Distribution of State and local (non-Federal) resources based on staffing and supplies;
- Distribution of State and local (non-Federal) resources based on a combined approach, or,
- Other, as adopted by the district.

# Title I-A Supplement, Not Supplant Alaska District Submissions – Example 1

		RATIOS		METRICS - PER PUPIL		
		Pupil to Teacher*	Elementary Specials to Teaching Staff**	Materials & Supplies	Health & Postage Supplies	Accelerated Learning Funds***
2018-2019	Grades K-2	23 to 1	1 to 6	\$76.00	\$7.10	NA
	Grades 3-5	26 to 1				
	Grades 6-8	29 to 1	NA	\$86.00	\$7.10	NA
	Grades 9-12	32 to 1	NA	\$95.00	\$7.10	\$0.00

# Title I-A Supplement, Not Supplant Alaska District Submissions – Example 2

School Type	FY 2019 PTR – Grade Level Groupings							
	K	1	2	3	4-5	6	7-8	9-12
Secondary Schools								30
Middle Schools						27	27	
Elementary Schools	21	22	24	25	26	27		

# Title I-A Supplement, Not Supplant Alaska District Submissions – Example 2 continued...

## Elementary Schools

Number of Students	Librarians	Nurses	Office Administration	BPO
	FTE			
<300	1	1	1.5	1
300 to 400	1	1	2	1
400 to 500	1	1	2	1
500 to 750	1	1	2	1

## Middle Schools

Principals	Counselors	Nurses	Office Admin	BPO	Security
400:1	300:1	1 per school	3	1 per school	450:1

## High Schools

Principals	Counselors	Nurses	Office Admin	BPO	Security
400:1	300:1	1 per school	Principals + 3	1 per school	450:1

# Title I-A Supplement, Not Supplant Alaska District Submissions – Example 3

## School 1 – 32 students

6 FTE General Education teachers w/benefits	\$42,487.00 - \$65,475.00	\$600,826.00
1 FTE Special Education teacher w/benefits	\$61,553	\$100,201.00
2.94 FTE Special Ed Aide w/benefits	\$11,612.00 - \$21,934.00	\$95,046.00
Professional/Technical Services - contracted SPED director		\$63,000.00
Instructional supplies and materials (depending on needs)		\$12,500.00
1 FTE Principal w/benefits	\$80,000.00	\$137,090.00
1.76 FTE school secretarial staff w/benefits	\$19,344.00 - \$28,924.00	\$76,887.88
	<b>Total</b>	<b>\$1,085,550.88</b>

## School 2 – 8 students

2.25 FTE General Education teachers w/benefits	\$43,398.00 - \$54,398.00	\$224,382.00
.50 FTE Special Education teacher w/benefits	\$54,398	\$49,046.00
2.25 FTE Special Ed Aide w/benefits	\$14,346 - \$18,895.00	\$75,197.00
Instructional supplies and materials (depending on needs)		\$5,100.00
.25 Principal w/ benefits	\$7,200	\$102,870.95
.75 school secretarial staff w/ benefits	\$22,908.00	\$36,170.00
	<b>Total</b>	<b>\$492,765.95</b>

# Title I-A Supplement, Not Supplant

## Other State Examples

- [Miami-Dade School Allocation Plan](#)
- [Houston Independent School District Resource Allocation Handbook](#)
- [Seattle Public Schools](#)
- [Example](#) showing the distribution of state and local funds based on staffing/supplies.

# Title I-A Supplement, Not Supplant Seattle Public Schools: Elementary

## ELEMENTARY SCHOOLS

Elementary General Education Teacher Funding Ratios			
	Non-High Poverty Schools	High Poverty Schools > 40%	Very-High Poverty Schools > 75%
Kindergarten	20:1	18:1	18:1
1st Grade	20:1	18:1	18:1
2nd Grade	21:1	20:1	18:1
3rd Grade	24:1	20:1	18:1
4th Grade *	27:1	27:1	27:1
5th Grade *	27:1	27:1	27:1

*Plus Preparation Conference & Planning (PCP) time at 12.5%;  
allocations are rounded-up to nearest 1.0 FTE for Teachers  
and up to nearest 0.5 FTE for PCP.*

EXAMPLE : Non-High Poverty School		
	Student AAFTE	Teacher Calculation
Kindergarten	70	3.500
1st Grade	72	3.600
2nd Grade	68	3.238
3rd Grade	67	2.792
4th Grade	67	2.481
5th Grade	65	2.407
Sub-Total	409	18.02
Rounded Teacher FTE		<b>19.00</b>
PCP @ 12.5% (rounded)		<b>2.50</b>
Total Teacher Allocation		<b>21.50</b>

\* The grade 4-5 class size target is 28 students; the allocation has been enhanced to allow some flexibility to manage class sizes and split classrooms across all K-5.



# Title I-A Supplement, Not Supplant Seattle Public Schools: Elementary

Elementary Core Administrative and Support Staffing Ratios					
Elementary School Core Staffing Using Student AAFTE	≤ 300	301-450	451-600	601-750	751+
Principal	1.0	1.0	1.0	1.0	1.0
Admin Secretary - 220	1.0	1.0	1.0	1.0	1.0
Elementary Asst Secretary - 201	0.5	1.0	1.0	2.0	2.0
Librarian	0.5	0.5	0.5	1.0	1.0
Certificated Core Staff			0.5	0.5	0.5
House Administrator					1.0
Nurse **	0.2	0.3	0.4	0.5	0.5

\*\* Nurses allocated thru the WSS formula are staffed centrally.

Elementary Counselor / Social Worker / Head Teacher	
0.5 position for school that is:	Focus or Priority, or Greater than 50% poverty, or Social/Emotional Behavior program

# What should be included in the district's Title I-A SNS methodology?

## Include

- Teachers and Paraprofessionals
  - Salary, Benefits, Supplements
- Instructional Materials
- School Administration
  - Principals and Other Administration
- School Counselors
- Librarians
- Professional Development

## Exclude

- Debt Service
- Capital Expenditures
- Insurance
- Food Service
- Maintenance
- Utilities
- Transportation
- Athletic/Extracurricular
- Districtwide Activities (ie. district administration)
- Summer School Programs (districtwide)

# Title I-A Supplement, Not Supplant

## Important Notes

- Method might vary from school-to-school based on school size, variations in programs offered in a school, special education services, etc.
- All schools (even non-Title I schools) must be included in the methodology.
- SNS Methodology **does not** have the same exemptions as comparability (i.e. having one school per grade span or single school district).
- DEED does not have the authority to grant a waiver.
- Do not reinvent the wheel – does your district already have a methodology in place?

# Supplement, not Supplant Methodology vs. Per Pupil Expenditure Reporting

## Title I SNS Methodology

- Requires districts to distribute state and local funds to schools without taking into account a school's participation in the Title I Program.
- Methodology is inclusive of **just State and local funds.**

## PPE Reporting

- Districts will report the expenditures by school and at the district level, DEED will then calculate the school level per pupil expenditure.
- PPE is inclusive of **Federal, State, and local funds.**

# Title IV-A Specific Fiscal Requirements

# Title IV-A Fiscal Requirements for Districts Receiving **\$30,000 or more**

## Priority I: Well-Rounded

- At least 20% of district allocation must be dedicated to Well-Rounded Education

## Priority II: Safe & Healthy Students

- At least 20% of district allocation must be spent on student health and safety

## Priority III: Effective Use of Technology

- Some portion of the Title IV Part A allocation must be utilized for technology
- *Special Rule Applies – 15% technology purchase cap*

# Title IV-A Fiscal Requirements for Districts receiving **less than \$30,000**

Only required to focus on **ONE** of the three priority areas

## Priority I: Well-Rounded

- District Choice *\*must support school with greatest need*

## Priority II: Safe & Healthy Students

- District Choice *\*must support school with greatest need*

## Priority III: Effective Use of Technology

- District Choice *\*must support school with greatest need*
- *Special Rule Applies – 15% technology purchase cap*

# Title IV-A Special Rule: Effective Use of Technology

No more than 15 percent of funds may be used to purchase technology infrastructure such as: devices, equipment, software applications, platforms, digital instructional resources and/or other one-time IT purchases.

*Only applies to funds allocated to Priority III: Effective Use of Technology. It does not apply to the funds allocated to Priority I and Priority II.*



# Questions?



# DEED Program Contact Information

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