

Section Thirteen

Other Resources

- 13.1 Frequently Used Acronyms
- 13.2 Title I 101 PowerPoint

Frequently Used Acronyms in BSA/BSI

6/27/07

ARM	Office of Accountability, Research, and Measurement
AYP	Adequate Yearly Progress
BEES	Bureau of Exceptional Education and Student Services
BFCO	Bureau of Family and Community Outreach
BPSO	Bureau of Public School Options
BSA	Bureau of Student Assistance
BSI	Bureau of School Improvement
CA	Corrective Action
CNA	Comprehensive Needs Assessment
CONSOLO	Consolidated Report or Consolidated Project Application
COP	Committee of Practitioners
CSI	Continuous School Improvement
CSPR	Consolidated State Performance Report
DAIP	District Assistance and Intervention Plan
DAP	District Action Plan
DART	Data analysis, Assessment of Needs, Review of Standards, Targeting Instruction
DI&AIP	District Improvement and Assistance Intervention Plan
DIBELS	Dynamic Indicators of Basic Early Literacy Skills
DIP	District Improvement Plan
DOE	Department of Education
DPARs	District Public Accountability Reports
EHCYP	Education for Homeless Children and Youths Program
ETAS	Educational Information and Accountability Services
ELL	English Language Learner
ESE	Exceptional Student Education
ESEA	Elementary and Secondary Education Act
F.S. or FS	Florida Statutes
FAC	Florida Administrative Code
FCAT	Florida Comprehensive Assessment Test
FCIM	Florida's Continuous Improvement Model
FDOE	Florida Department of Education
FRPL	Free and Reduced Price Lunch
FY	Fiscal Year
GAO	General Accounting Office
GEPA	General Education Provisions Act
GM	Grants Management
GPRA	Government Performance and Results Act
HQT	Highly Qualified Teacher
IASA	Improving America's Schools Act

Frequently Used Acronyms in BSA/BSI

6/27/07

LEA	Local Educational Agency
MOE	Maintenance of Effort
MSID	Master School Identification File
NAYP	Did Not make Adequate Yearly Progress
NCLB	No Child Left Behind
P.L. or PL	Public Law
PIP	Parent Involvement Policy
PIRC	Parent Information and Resource Center
PPA	Per Pupil Allocation
PPE	Per Pupil Expenditure
PSAA	Public School Attendance Area
PSES	Public School Eligibility Survey
RFA	Request For Application
RFP	Request For Proposal
SACSI	School Advisory Committee on School Improvement
SASA	Student Achievement and School Accountability Program
SBE	State Board of Education
SEA	State Educational Agency
SES	Supplemental Educational Services
SINI	School In Need of Improvement
SIP	School Improvement Plan
SMART	Specific, Measurable, Accountable, Realistic, Time-Bound
SPAR	School Public Accountability Report
SRRD	School Recognition Reporting Database
SSS	Sunshine State Standards
SW	Schoolwide
SWP	Schoolwide Program or Plan
TA	Targeted Assistance or Technical Assistance
TANF	Temporary Assistance to Needy Families
TAP	Technical Assistance Paper
TAPS	Tracking Application Processing System
TSA	Total School Allocation
USDE or USDOE	United States Department of Education
VPK	Voluntary Pre-Kindergarten

**Title I
101**
Florida Department of Education
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Agenda

- Title I Basics
 - Overview
 - Program design
- Allocation of Title I, Part A Funds
 - LEA set-asides
 - Ranking and Serving
- Title I Fiscal Rules
 - Maintenance of effort
 - Comparability
 - Supplement not supplant
- Equitable Services

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Title I Basics


State-Administered Program

- ED grants funds to state based on statutory formula
- State grants funds to LEAs based on statutory formula (ED calculates grant)
- LEA allocates funds to schools based on ranking and serving

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Funding vs. Service

- Allocations are based on poverty levels
- Service is based on academic need



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Program Design

- Two models of Title I, Part A program:
 1. Targeted Assistance
 2. Schoolwide

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Targeted Assistance Schools (TAS)

- Must identify eligible students:
 - Students failing, or most at risk of failing, to meet the state's challenging student academic achievement standards
 - Migrant
 - Neglected and delinquent
 - Homeless
 - Head start, even start, early reading first

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TAS Eligibility

- Identifying eligible students:
 - Multiple, educationally related, objective criteria developed by LEA
 - If preschool-grade 2, judgment of teacher, interviews with parents, and other developmentally appropriate means
- Eligibility is not based on poverty

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Components of TAS

- Use resources to help ID'd students
- Incorporate into existing planning
- Effective methods and instructional strategies based on scientifically based researched
 - Extended learning time
 - Accelerated, high quality curriculum
 - Minimize removal from classroom during regular hours

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Components of TAS (cont.)

- Coordinate with regular ed program
- Highly qualified teachers
- Professional development
- Parental involvement
- Coordinate with other federal, state, and local services and programs

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Schoolwide

- Consolidate federal, state, and local funds to upgrade the entire educational program
 - Except Reading First
- Ensure all children meet standards, particularly those most at risk
- Requirement:
 - 40% poverty
 - Schoolwide plan

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Schoolwide Flexibility

- Exemption from program requirements
 - Not IDEA
 - Other exceptions (health, safety, parental)
- Must meet "intents and purposes" of program
- Not required to ID particular children or provide only extra services

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Components of SWP

One year planning period

1. Needs assessment
2. Schoolwide reform strategies that:
 - a. Increase the amount & quality of learning time (extended year, before- and after-school)
 - b. Address needs of all, but particularly low-achieving

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Components of SWP (cont.)

3. Instruction by "highly qualified" teachers
4. Professional development
5. Strategies to attract high quality teachers
6. Parental involvement
7. Transition from pre-school
8. Include teachers in assessment decisions
9. Timely, effective additional assistance
10. Coordination and integration

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Components of an SWP

- **OIG also monitoring (and expects SEAs to monitor) to ensure SW plan contains:**
 - Description of how school implement components
 - Description of how school will use resources to implement
 - List of SEA and LEA programs and other federal programs that will be consolidated
 - Description of how school will provide individual academic assessments results in language parent can understand, including interpretations of results

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Title I Resources

- Title I, Part A Statute
 - <http://www.ed.gov/policy/elsec/leg/esea02/index.html>
- General Education Provisions Act
 - http://straylight.law.cornell.edu/uscode/html/uscode20/usc_sup_01_20_10_31.html
- Title I, Part A Regulations
 - <http://www.ed.gov/legislation/FedRegister/finrule/2002-4/120202a.html>

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Title I Resources (cont.)

- Education Department General Administrative Regulations
 - <http://www.ed.gov/policy/fund/reg/edgarReg/edgar.html>
- OMB Circulars
 - <http://www.whitehouse.gov/omb/circulars/>
- Non-Regulatory Guidance
 - <http://www.ed.gov/programs/titleiparta/legislation.html>

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**Allocating Title I,
Part A Funds**

LEA Set-Asides
Ranking and Serving

LEA Reservations of Title I Funds

- 20% Choice transportation & SES
- 5% Teacher & paraprofessional qualifications
- 1% Parental involvement
- 10% Professional development (if LEA ID'd)

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LEA Reservations (cont.)

- No % specified
 - Administration (public & private)
 - Private school students
 - Homeless
 - To serve students in non-Title I schools
 - Neglected & delinquent
 - To serve students in N&D institutions or day facilities
 - Incentives to teachers in ID'd schools (< 5%)
 - Professional development
 - "Other authorized activities"

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If No % Specified

- "Necessary and reasonable" amount
 - Example: Administration
 - General Accountability Office found national average is around 10%
 - Example: Homeless
 - Shelter counts
 - Match McKinney Vento subgrant

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Calculating % Set Asides

- Generally, take off of the entire LEA grant
- Transferability:
 - Include transferred amounts
- Carryover
 - Does not include carryover
 - Apply % only in first year available

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Calculating % Set Aside (cont.)

Example:

- Title I, Part A = \$500,000
- Transferred \$30,000 from Title V
- Carried over \$50,000 from prior year

Apply %s to \$530,000

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Set Aside for Choice Transportation and SES



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Public School Choice Overview

- Required beginning the first year of school improvement (2 years of not meeting AYP)
- All students enrolled in the school must be offered choice
- LEA must offer at least one choice
 - No exception for lack of capacity

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SES Overview

- Required beginning the second year of school improvement (3 years of not meeting AYP)
- Eligible (low-income) enrolled students receive tutoring or other extra educational services from a parent-selected and SEA-approved provider

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Amount of Set Aside

- An amount equal to 20% of LEA allocation – unless a lesser amount is needed
 - To pay for choice transportation
 - To satisfy all requests for SES services
 - Both

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Use of Funds

- If no SES, then:
 - 20% on choice
- If no choice, then:
 - 20% on SES
- If both, then:
 - Minimum of 5% for choice
 - Minimum of 5% for SES
 - 10% on either

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General Points

- 20% cannot include:
 - Administration for choice or SES
 - SES transportation
- 20% limits LEA's financial obligation
 - Choice – prioritize low achieving students from low income families, but choice must be offered to all
 - SES – prioritize lowest achieving students

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Sources of Funds

- Must use “an amount equal to 20%”
- May use:
 - Title I, Part A funds
 - School Improvement funds (§ 1003)
 - Title V, Part A funds
 - Funds transferred to Title I from other eligible programs
 - State, local, or private funds

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Guidance Letter: August 18, 2004

- Existing policy to transport all students to schools outside neighborhood using non-federal funds
 - Cannot use Title I to pay
 - May count towards 20%

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August 18 Letter (cont.)

Count cost if student:

1. Has a "home" or "neighborhood" school (to which student would have been assigned) that receives Title I and has been ID'd
2. Elected to enroll in non-ID'd school after July 1, 2002, and after home school ID'd
3. Using district transportation

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August 18 Letter (cont.)

- Attribute to 20% the proportion of students meeting criteria
 - Example: If 10% of LEA's students who receive transportation meet the criteria, count 10% of transportation budget towards set aside
- USDE advises to "maintain clear records"

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SES in Year 1?

- May offer, but:
 - Ensure all offered choice and maximum (20%) towards transportation before SES
- Must meet Title I requirements to use Title I funds
 - To count towards 20%, must meet SES requirement

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Making Reservation From Title I

1. Off the top of LEA allocation, or
2. From individual school allocation
 - If school in corrective action cannot reduce allocation by more than 15%



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If Full 20% Is Not Needed?

- Reallocate to Title I
 - If took school allocations, then reallocate to those schools
- Subject to equitable participation of private school students

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Before Reallocating Funds

- LEA must consider whether it has:
 - Appropriately notified all eligible parents of availability
 - Adequately publicized the options to parents in understandable formats and multiple forums
 - Offer parents a reasonable time to investigate options and submit requests

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Set Aside for Parental Involvement



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Parental Involvement Overview

- Annual meeting
- Involvement in planning, review and improvement of Title I programs
- Provide parents of timely information about Title I programs

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Parental Involvement (cont.)

- Provide assistance to parents in understanding Title I
- Help parents to improve child's achievement
- Educate school staff on value of parental involvement
- Coordinate with other programs, parent resource centers

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Parental Notifications

- Annual LEA report cards
- Parents right to know of teacher qualifications
- Highly qualified teacher status
- Achievement levels on state academic assessments
- School improvement status
- Supplemental educational services as a result of school improvement status
- Schoolwide program authority
- Right to opt-out of recruiter access to student information

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Parental Involvement Policies

- LEA parental involvement policy
- School parental involvement policy
- School/Parent compact


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Parental Involvement

- 1% of LEA's Title I allocation
- 95% of 1% to schools
- LEA may keep anything over 1% for LEA-level parental involvement
- Private school portion based on entire amount

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Set Aside for HQT and Paraprofessional



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Professional Qualifications Overview

- Teachers:
 - Full state certification;
 - At least a bachelor's degree; and
 - Subject matter competency.
- Paraprofessionals
 - At least 2 years of higher education;
 - Associate's degree or higher; or
 - Subject matter competency.

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Teacher and Paraprofessional Qualifications

- Use funds to ensure teachers and paraprofessionals meet federal qualifications
 - Section 1119
- Amount of set aside
 - FY 02-03: Between 5-10%
 - FY 04 and beyond: At least 5%, no cap
 - Unless a lesser amount is needed

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Use of Title I Funds?

- All teachers of core academic subjects must be “highly qualified”
- Can Title I funds be used for non-Title I teachers?


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Guidance Letter: January 15, 2003

- May use Title I funds if:
 1. First use set aside for all “Title I teachers”
 - In TAS, paid with Title I
 - In SWP, all
 2. Remaining funds are spent on teachers of core academic subjects in targeted assistance schools
- May not use for teachers in non-Title I schools

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Set Aside for LEAs in Improvement for Professional Development



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Professional Development Overview

- Academic subjects, classroom management, effective instructional practices
 - Focus on HQT
 - Aligned to state standards
- High quality, sustained, intensive, and classroom-focused
 - Not short-term conferences

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Guidance Letter: October 12, 2004

- Must use funds for teachers throughout the district
- LEA should examine the needs of all schools, not just those failing to make AYP


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Carryover

- ED's Position:
 - Title I Regulations do not allow district to spend a lesser amount if the full amount is not needed
 - Cannot "reallocate" carryover funds for other purposes

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Impact on Allocation for Private School Students



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Set Asides to Serve Private Schools

- LEAs must provide equitable services with set aside funds
 - Parental Involvement
 - Professional Development
 - Districtwide activities and/or programs for elementary and secondary public school students

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No Private School Set Aside

- 20% for choice transportation and supplemental services



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Off the Top for Teachers and Families

- If LEA reserves funds for parental involvement or professional development
 - Proportional amount goes to nonpublic
 - 34 CFR § 200.65(a)

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Example

- LEA reserves 1% of \$500,000 allocation (\$5,000) for parental involvement
- Of all low-income families residing in participating public attendance areas in LEA, 5% are private
- 5% of \$5,000 use for families of private school students

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Off the Top for Districtwide Instruction

- If LEA reserves for “districtwide instructional programs for public elementary and secondary”
 - Proportional amount goes to nonpublic
 - 34 CFR § 200.64(a)(2)(i)(A)

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Example

- LEA reserves \$500,000 for districtwide reading initiative
- Of all low-income students residing in participating public attendance areas in LEA, 5% are private
- 5% of \$500,000 to private allocation
 - Does not need to be for reading

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Applies to:

- Summer school
- Preschool
 - Only if state law defines “elementary” to include preschool

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Ranking & Serving



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Guidance

- Section 1113
 - <http://www.ed.gov/policy/elsec/leg/esea02/pg2.html#sec1113>
- 34 CFR § 200.77-78
 - <http://www.ed.gov/legislation/FedRegister/finrule/2003-4/120903a.html>
- Non-Regulatory Guidance
 - <http://www.ed.gov/programs/titleiparta/wdag.doc>

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Eligible School Attendance Area

- LEA may only use Title I, Part A funds in “eligible school attendance areas”
- Eligible area = school attendance area in which the percentage of children from low-income families is at least as high as the percentage of children from low-income families in the LEA

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Eligible Area (cont.)

- Residency Model
- Enrollment Model



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Rank . . .

- LEA must rank all school attendance areas according to their percentage of poverty
 - Schools for special needs students
 - Magnet schools, etc.
- Rank based on the percentage, not number, of low-income children
 - Percentage can be rounded to nearest whole number

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Poverty Measures

1. Census data
2. Free and reduced lunch
3. TANF
4. Medicaid eligibility
5. Composite of above

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... And Serve

- Must serve areas above 75% poverty
 - Strictly based on poverty
 - No regard for grade-span
- 75% poverty or lower
 - May continue serving based on initial ranking
 - May rank by grade-span

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Exceptions

- Must serve strictly in order of rank, except:
 - Not required to rank if enrollment less than 1,000 students
 - May "skip" school if:
 1. Meets comparability;
 2. Receiving supplemental state/local funds used in Title I-like program; and
 3. Supplemental state/local funds meet or exceed amount would receive under TI

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**Skipping Schools:
Supplemental Funds**

- Supplemental state or local funds:
 - Does not include federal funding sources
 - Must be supplemental – meaning not part of the general funding process
 - E.g., separate appropriation
 - E.g., separate line item in budget
 - E.g., restricted use

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**Skipping Schools:
Title I-Like**

- In a school with at least 40% poverty:
 - Promotes schoolwide reform and upgrade education of entire school
 - Designed to meet the academic needs of all students, particular those failing or most at risk of failing
 - Uses the state's assessment system to review effectiveness

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**Skipping Schools:
Title I-Like (cont.)**

- In a school with less than 40% poverty
 - Serves only students failing or most at risk of failing
 - Provides extra services to participating students
 - Uses the state's assessment system to review effectiveness

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Exceptions (cont.)

- 35% Rule – LEA may designate school in which at least 35% of children are from low-income families
- Grandfather – LEA may continue to designate and serve school for one year after it ceases to be eligible

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School Allocations

- After set-asides
- Allocate to schools based on total number of low-income students residing in the area (including non-public)
- Discretion on amount of per-pupil allocation
 - Higher PPA must be in higher-ranked schools

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125% Rule


- If an LEA serves any school with less than 35% poverty, then the PPA for all schools must be at least 125% of LEA's PPA under Title I allocation

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Title I Fiscal Rules

Maintenance of Effort
Comparability
Supplement Not Supplant

Maintenance of Effort



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Calculation

LEA may receive funds only if SEA finds:

- The combined fiscal effort per student, or
- The aggregate expenditures of the LEA from state and local funds from the preceding year

Is not less than 90% for the second preceding year

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Expenditures

- **Free public education**, includes:
 - Administration
 - Instruction
 - Attendance and health services
 - Pupil transportation services
 - Plant maintenance and operation
 - Fixed charges and
 - Net expenditures to cover deficits for food services and student body activities

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Expenditures

- Does not include:
 - Community services
 - Capital outlay
 - Debt service
 - Supplementary expenses as a result of a presidentially-declared disaster
 - Any expenditures made from funds provided by the federal government

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Failure to Maintain Effort

- If LEA fails MOE, SEA must reduce the amount of allocation in the exact proportion by which LEA fails to maintain effort below 90%
- Example:
 - Year 1 - LEA spent \$1 million
 - Year 2 - LEA should spend \$900,000
 - Instead, LEA spent \$850,000
 - \$50,000 is 5.6% of the \$900,000 it should have spent
 - Year 3 - SEA must reduce the LEA's allocation by 5.6%

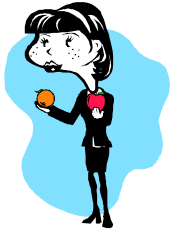
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Waiver

- Secretary of Education may waive MOE if "equitable"
 - Exceptional or uncontrollable circumstances
 - Precipitous decline in the financial resources of the LEA

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Comparability



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General Rule- §1120A(c)

- An LEA may receive Title I Part A funds only if it uses state and local funds to provide services in Title I schools that, taken as a whole, are at least comparable to the services provided in non-Title I schools
 - If all are Title I schools, all must be “substantially comparable”

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Timing Issues

- Guidance: Must be **annual** determination
 - YET, LEAs must maintain records that are updated at least “biennially” (1120A(c)(3)(B))
 - Review for current year and make adjustments for current year

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Written Assurances

- LEA must file with SEA written assurances of policies for equivalence:
 - LEA-wide salary schedule
 - Teachers, administrators, and other staff
 - Curriculum materials and instructional supplies
- Must keep records to document implemented and "equivalence achieved"

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May also meet through. . .

- Student/instructional staff ratios;
- Student/instructional staff salary ratios;
- Expenditures per pupil; or
- A resource allocation plan based on student characteristics such as poverty, LEP, disability, etc. (i.e., by formula)

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Basis for Evaluation


- grade-span by grade-span
- or
- school by school



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Exclusions:

- Need not include unpredictable changes in students enrollment or personnel assignments that occur after the start of a school year



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LEA may exclude state and local funds spent for:

- Language instruction for LEP students
- Excess costs of providing services to students with disabilities
- Supplemental programs that meet the intent and purposes of Title I
- Staff salary differentials for years of employment

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Who is “instructional staff”?

- Consistent between Title I and non-Title I
- Teachers (art, music, phys ed), guidance counselors, speech therapists, librarians, social workers, psychologists
- Paraprofessionals – up to SEA/ LEA
 - Only if providing instructional support
 - ED urges NO!

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Schoolwide Issues

- Because consolidation, problem identifying those paid with state/local

1. If no consolidation, use same basis
2. Calculate % of budget from federal, and delete that % of staff from consideration
3. Use different measure (per pupil expenditure)

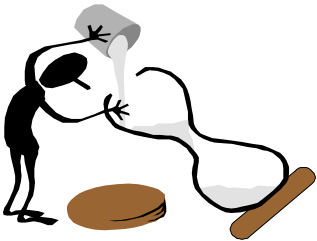
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Charter School Issues

- If school within LEA
- Use different measure (per pupil expenditure)

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Supplement Not Supplant



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General Rule

- Cannot use federal funds to pay for services, staff, programs, or materials that would otherwise be paid with state or local funds

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Presumptions

- Presume supplanting in 3 situations:
 1. Used federal funds to provide services the SEA or LEA is required to make available under other federal, state or local laws
 2. Used federal funds to provide services the SEA or LEA provided with state or local funds in the prior year
 - Some programs (IDEA, Title V) will presume if used other federal funds in the prior year

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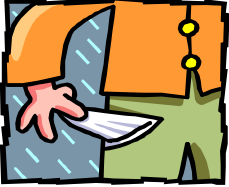
Presumptions (cont.)

3. Used Title I, Part A or Migrant Education Program (MEP) funds to provide the same services to Title I or MEP students that the LEA or SEA provides with state or local funds to nonparticipating students

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Rebutting the Presumption

- Presumption may be rebutted:
 - If SEA or LEA demonstrates it would not have provided the services with state or local funds if the federal funds were not available



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Rebutting the Presumption (cont.)

- SEA or LEA may use federal funds for state mandated activities only if state and local funds are not available
 - Title V, Part A Guidance: <http://www.ed.gov/programs/innovative/titlevguidance2002.pdf>
 - Title II, Part A Guidance: <http://www.ed.gov/programs/teacherqual/guidance.pdf>
 - Letter to OK: <http://www.ed.gov/policy/elsec/guid/secletter/030306.html>

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Rebutting the Presumption (cont.)

- To rebut presumption show:
 - Fiscal and programmatic documentation to confirm that, in the absence of federal funds, would have eliminated staff/services in question
 - State or local legislative action
 - Budget histories and information

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Exclusion

- Special Rule for Title I (§ 1120A)
 - Exclude any **supplemental** state or local funds spent in any school for a program meeting the **intents and purposes** of Title I, Part A

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Equitable Services

Consultation
 Allocations
 Eligibility for services
 Third party contracts

Law and Resources

- Statute
 - Section 1120
 - Section 5142
 - Section 9501-06
- Title I Regulations
- Non-Regulatory Guidance
 - Title I: October 17, 2003
 - Title IX: August 2005

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Programs with equitable participation requirements

- Title I, Part A
- Reading First
- Even Start Family Literacy
- Title II, Part A
- Mathematics and Science Partnerships
- Enhancing Education Through Technology
- English Language Acquisition, Language Enhancement, and Academic Achievement
- Safe and Drug-Free Schools and Communities
- 21st Century Community Learning Centers
- Innovative Programs
- Gifted and Talented Students

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General Rule

- LEA must provide equitable services and benefits to eligible private school students, teachers, other educational personnel, and parents

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Equitable Services & Benefits

- LEA spends an equal amount of funds to serve similar public and private school students
- LEA provides services and benefits that are equitable in comparison to the services and benefits provided to public school students
- LEA addresses the specific needs and educational programs on public and private school students on a comparable basis
- LEA provides, in the aggregate, approximately the same amount of services
- LEA provides equal opportunities to participate
- LEA provides services that meet private school's specific needs

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Funding Formula

- Most Programs (not Title I, Part A)
 - Expenditures for private schools must be equal to the expenditures for public schools, taking into account the number and educational needs of the children to be served
 - Relative enrollments
 - Can include other factors, e.g., poverty
 - Administration off the top
 - Cannot use program funds to pay for administrative cost of third-party provider

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General Rule -Title I

- LEA must provide eligible private school students with special educational services or other Title I benefits
- Parents and teachers of private school students shall participate, on equitable basis, in parental involvement and professional development.

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Consultation



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**Consultation:
“Timely and Meaningful”**

- “Timely”
 - *Before* decisions made
- “Meaningful”
 - Not unilateral offer without opportunity for discussion
- LEA has final decision

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Consultation must include:

- How children’s needs identified;
- What services offered;
- How and when LEA will make decisions;
- How, where and by whom services provided;
- How services assessed, and how assessment used;
- Size and scope of services
- Proportion of funds used;
- Method or source of poverty data;
- Services provided to teachers and families

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**Consultation:
Third party providers**

- Thorough consideration of private school officials’ views

- If LEA says no, LEA must provide written analysis of why officials’ opinion rejected.

- Written record for appeal

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**Consultation:
Written Affirmation**

- LEAs must obtain written affirmation from private school officials stating timely and meaningful consultation occurred.
 - Signed by officials from each school with participating children, or representative
- Send to SEA and maintain in LEA's files
- Example in Guidance

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**Consultation: Written Affirmation:
Timing**

- Sign: when planning and design of next school year's program completed
- On-going: consult throughout implementation and assessment

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Consultation: Give application?

Guidance:

- LEA must provide copy of Title I application, if private school officials request

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Consultation: Extent of attempts?

- Annual contact private school officials
- Invite to meeting – explanation and questions
- Not adequate to merely send letter explaining intent of Title I


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Documenting Consultation

- Retain documentation that shows:
 - Informed private school officials of available federal programs
 - Engaged in timely and meaningful consultation
 - Identified private schools' needs
 - Allocated sufficient funds for private schools
 - Provided equitable services and benefits
 - Evaluated programs and services for effectiveness
 - Adequately addressed problems & complaints

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Deriving the Allocation



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**Equitability:
Deriving Allocation**

General Formula:

- Based on number of:
 1. Private school students
 2. From low-income families
 3. Who reside in Title I-participating public school attendance areas

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**Calculating Allocation for
Instruction:**

1. Rank public school areas: highest to lowest
2. Identify participating areas
3. Calculate PPA for each area
4. Calculate allocation amount for each area
 - must including nonpublic low-income #
5. Reserve nonpublic amount
 - $PPA \times \#$ of nonpublic low-income in each area

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Calculating Allocation: "Off the Top"

- LEA takes "off the top" reservations
 - Administration for public and private
 - Capital expenses
 - Admin from third-party providers (guidance)
 - 20% choice-supplemental services
 - 5% "highly qualified" teachers & paras
 - 1% parental involvement
 - Discretionary:
 - Professional development
 - Summer school
 - preschool

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NEW:
Reservation for districtwide instruction

- If LEA reserves for “districtwide instructional programs for public elementary and secondary”
- Then proportional amount goes to nonpublic
- 34 CFR sect 200.64(a)(2)(i)(A)

121

- LEA must conduct parental involvement and professional development for families and teachers of participating nonpublic students:
 - in conjunction w/ LEA or
 - independently

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Poverty Data

5 options:

1. Data from same source
2. Survey, with extrapolation
3. Comparable data from different source
4. Proportionality
5. Correlated measure

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Proportionality

- Proportionality
 - Applying low-income % of each public school attendance area to number of private school children who reside in that area
- Correlated measure
 - Determining the proportional relationship betw/ two sources and applying that ratio to known source or private school students.

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Poverty Data: Guidance

- Preferred method: Same source (FRPL)
 - BUT – Legis and regs say equally available
- May use >1 method
 - Use comparable income levels
 - No duplication

125

Collect Annually or Biennially

- Purpose: to reduce burden
- Subject to consultation
- Not necessary to have uniform procedure for all private schools

126

Distributing the Funds

Two options:

- 1) Pooling: pool the funds to use for students with greatest educational need anywhere in LEA; or
- 2) School-by-School: funds follow child to private school for educationally needy child in that school

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Who gets served??



128

Eligibility for Services

Who is eligible for services?

- 1) Reside in participating public school attendance area; AND
- 2) Meet sect 1115 criteria
 - educationally needy
 - status eligibility: homeless, Head Start, ERF, etc.

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Selection criteria

- Determined by LEA, in consultation
- Multiple, educationally-related objective
 - Achievement tests, teacher referrals, grades

130

Poverty is NOT a criterion

of low-income ? # eligible for service

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Service Delivery

- Directly, through private company, or another LEA
- May be on-site at private school, with safeguards
- Neutral, secular and non-ideological
- LEA controls
- Benefit of students, not private school

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Provision of Services

- Directly by LEA, or through private company, or another LEA
- Responsibility of LEA where student resides
- LEA controls finances
- Benefit of students, not private school

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Examples

- Instruction provided by LEA employees or third-party contractors
- Extended-day services
- Family literacy
- Counseling
- Computer-assisted instruction
- Home tutoring
- Taken home-computers

134

Timing of Services

Guidance:

- Must begin at same time as public program
- If not, LEA should provide additional services during the remainder of the year and carry over any unspent funds

135

Agostini: Safeguards

- Services may be on-site at private school, with safeguards
- Guidance: need not mirror NYC program
- Guidance: need not remove religious objects from room
- Neutral, secular and non-ideological

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Sect 1119 Staff Qualifications

- Do NOT apply to:
 - private school teachers or paraprofessionals
 - third party contractor teachers or paras
- DOES apply to:
 - LEA teachers teaching private school students
 - LEA paraprofessionals

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Professional Development

- For *private school* teachers of participants
- Not for LEA teachers of participants
- Consult over appropriate services
- Private school officials cannot arrange, then submit invoice to LEA

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Accountability

- Must assess participating private school students
 - Need not be state assessment
 - Consultation
- Compare against relevant adequate progress measure
- No school improvement consequences (choice, supplemental services, etc.)

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How to handle carryover?

- If equitable services provided, then carryover reverts to regular Title I pot
- If equitable services NOT provided, then earmark for private school services during carryover year, PLUS entire new allocation.

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Heightened Fiscal Scrutiny on Third Party Contracts

**Heightened Scrutiny
of Third Party**

Emerging Issue

USDE State Monitoring:


- SEA must require LEA to ensure third party is in compliance
- Provider give “technical descriptions . . . in detail sufficient to enable the LEA to determine” requirements met

Invoicing

- LEAs must exercise proper oversight over invoices
- Invoice expenditures in 2 categories:
 - Instructional activities and administrative costs
- Within each category, provide detail sufficient to determine compliance
 - Name and salary of each teacher, instructional materials purchased, supervisor’s salary, office expenses, travel costs, capital expense type costs, and “fee”

Contracting Issues

- All costs must be necessary
- All costs must be reasonable:
 - Fair market value
 - Arms length bargaining
 - Act with prudence under the circumstances



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Role of Cost/Price (cont.)

- Must perform a cost or price analysis in connection with every procurement action, including contract modifications
 - Cost analysis generally means evaluating the separate cost elements that make up the total price (including profit)
 - Price analysis generally means evaluating the total price

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Role of Cost/Price (cont.)

- Method and degree of cost or price analysis depends on the particular facts and circumstances
- Must make independent estimate before receiving bids or proposals
- Goal of analysis is to determine reasonableness

147

Vendor Selection Process (cont.)

- Method of procurement:
 - Small purchase procedures
 - Competitive sealed bids
 - Competitive proposals
 - Noncompetitive proposals

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Vendor Selection Process (cont.)

- Noncompetitive proposals appropriate only when:
 - The good or services is available only from a single source (sole source)
 - There is a public emergency
 - The awarding agency authorizes
 - After soliciting a number of sources, competition is deemed inadequate

149

Vendor Selection Process (cont.)

- As a practical matter, noncompetitive contract raises "red flags"
 - Ensure persuasive and adequate documentation to facilitate audit



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Vendor Selection Process (cont.)

- Can only contract with responsible contractors possessing the ability to perform successfully:
 - Contractor integrity
 - Compliance with public policy
 - Record of past performance
 - Financial and technical resources

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Vendor Selection Process (cont.)

- Cannot contract with vendor who has been suspended or debarred
- Must verify if contract is \$25,000 or more
 - <http://www.epls.gov/>



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Contract Administration

- All contracts supported with federal funds must contain certain required provisions:
 - Remedies for breach, sanctions, penalties
 - Termination for cause and convenience
 - Compliance with federal statutes and executive orders
 - Reporting requirements
 - Patent rights
 - Copyrights
 - Access by federal agency, Comptroller General of US to records of contractor
 - Retention of records for 3 years after final payment

153

Contract Administration (cont.)

- Must maintain a contract administration system that ensures contractors perform in accordance with the terms, conditions, and specifications of the contract



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Contract Administration (cont.)

- As a practical matter:
 - Must have written contracts (purchase order ok)
 - Contract should include clearly defined deliverables
 - Description of services to be performed or goods to be delivered
 - Description of dates when services will be performed or goods delivered
 - Description of locations where services will be performed or goods delivered
 - Description of number of students/teachers/etc. to be served (if applicable)

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Contract Administration (cont.)

- As a practical matter (cont.)
 - Must have written invoice
 - Description of services performed or goods delivered
 - Description of dates services were performed or goods delivered
 - Description of location services were performed or goods delivered
 - Description of students/teachers/etc. served (if applicable)
 - Invoice should be reviewed & approved before payment
 - Segregation of duties
 - Documented approvals

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Third Party Contractor Responsibilities

- Subgrant (e.g., pass-through funds from state administered program)
 - Allowable activities based on applicable statute, local plan, state rules
 - Management rules:
 - EDGAR part 76
 - EDGAR part 80
 - OMB Circular A-87
 - State law/policies and procedures

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Nature of Funding (cont.)

- Contract
 - Allowable activities based on terms and conditions of contract
 - Management rules:
 - Terms of the contract
 - State contract law

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Subgrant vs. Contract

- Sugrantee
 - Determines who is eligible to participate in a federal program
 - Has its performance measured against whether the objectives of the federal program are met
 - Is responsible for programmatic decision making
 - Is responsible for complying with federal program requirements
 - Uses the federal funds to carry out a program as compared to providing goods or services for a program

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Subgrant vs. Contract (cont.)

- Contractor
 - Provides the goods and services within normal business operations
 - Provides similar goods or services to many different purchasers
 - Operates in a competitive environment
 - Provides goods or services that are ancillary to the operation of the federal program
 - Is not subject to compliance requirements of the federal program

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Title to equipment purchased by third party providers

- Sect 1120(d): Public Control of Funds
- The control of Title I funds and title to materials, equipment, and property purchased with such funds, shall be in a public agency.
- The public agency shall administer Title I funds, materials, equipment, and property

161

Inventory Management
34 CFR 80.32

- Different rules for equipment and supplies
- Equipment
 - Federal Definition of Equipment
 - Tangible personal property
 - Useful life of more than one year
 - Acquisition cost of \$5,000 or more
 - State may use another definition as long as it includes all property described above
- Supplies
 - Everything else

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Equipment

- Must have adequate controls in place to account for:
 - Location of equipment
 - Custody of equipment
 - Security of equipment

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Equipment (cont.)

- Property records
 - Description, serial number or other ID, title info, acquisition date, cost, percent of federal participation, location, use and condition, and ultimate disposition
- Physical inventory
 - At least every two years
- Control system to prevent loss, damage, theft
 - All incident must be investigated

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Equipment (cont.)

- When property no longer needed, must follow disposition rules:
 - Transfer to another federal program
 - Over \$5,000 – pay federal share
 - Under \$5,000 – no accountability


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Supplies

- Must maintain effective control and accountability
- Must adequately safeguard all such property
- Must assure that it is used solely for authorized purposes

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Putting Contract and Equipment Rules Into Context



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Making Sense of Grant Management

- Federal cost principles
- Internal controls



168

Cost Principles: Basic Guidelines

- All Costs Must Be:
 - Necessary
 - Reasonable
 - Allocable
 - Legal under state and local law

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Basic Guidelines (cont.)

- In addition, all costs must:
 - Conform with federal law & grant terms
 - Consistently treated
 - In accordance with GAAP
 - Not included as match
 - Net of applicable credits
 - Adequately documented

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Basic Guidelines (cont.)

- Necessary and Reasonable
 - Must be necessary for the performance or administration of the grant
 - Must follow sound business practices:
 - Arms length bargaining (hint: procurement processes)
 - Follow federal, state and local laws
 - Follow terms of the grant award
 - Fair market prices
 - Act with prudence under the circumstances
 - No significant deviation from established prices

171

Basic Guidelines (cont.)

- Practical aspects of “necessary”
 - Do I really need this?
 - Surplus property/existing resources
 - Lease vs. purchase
 - Is this the minimum amount I need to spend to meet my need?

172

Basic Guidelines (cont.)

- Practical aspects of “reasonable”
 - Is the expense targeted to valid programmatic/administrative considerations?
 - Do I have the capacity to use what I am purchasing?
 - Did I pay a fair rate? Can I prove it?
 - If I were asked to defend this purchase, would I be comfortable?

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Basic Guidelines (cont.)

- Allocable
 - Can only charge in proportion to the value received by the program
 - Example: LEA purchases a computer to use 50% in the Title IV program and 50% in a state program – can only charge half the cost to Title IV

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Basic Guidelines (cont.)

- Practical aspects of “allocable”
 - Can I prove the program benefited?
 - E.g., time distribution records
 - Can I prove other programs are not benefiting?
 - Ensuring only authorized use
 - Incidental benefit

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Basic Guidelines (cont.)

- Legal under state and local law
 - If cannot do under state law, cannot pay with federal funds
- Conform with federal law & *grant terms*
 - Example: Match Requirements
- Consistently treated
 - Must follow uniform policies that apply equally to federal and non-federal activities
 - Cannot assign cost as direct cost if indirect under state programs

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Basic Guidelines (cont.)

- In accordance with GAAP
- Not included as match
- Net of applicable credits
 - Examples: purchase discounts, rebates or allowances, recoveries or indemnities on losses, insurance refunds or rebates, adjustments of overpayments

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Basic Guidelines (cont.)

- Adequately documented
 - Amount of funds under grant
 - How the funds are used
 - Total cost of the project
 - Share of costs provided by other sources
 - Records that show compliance
 - Records that show performance
 - Other records to facilitate an effective audit

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Internal Controls

- State and local agencies must use fiscal control and fund accounting procedures that will ensure the proper disbursement of, and accounting for, federal funds

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Internal Controls (cont.)

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communications
- Monitoring



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