



**COLORADO**  
Department of Education

# Title I Allocation Process & Funding and Fiscal Changes under ESSA

**Office of Grants Fiscal Management**

October 6, 2016

# Agenda

- Title I-A Allocation Process NCLB/ESSA
- Funding and Fiscal changes under ESSA

# Title I-A Allocation Process



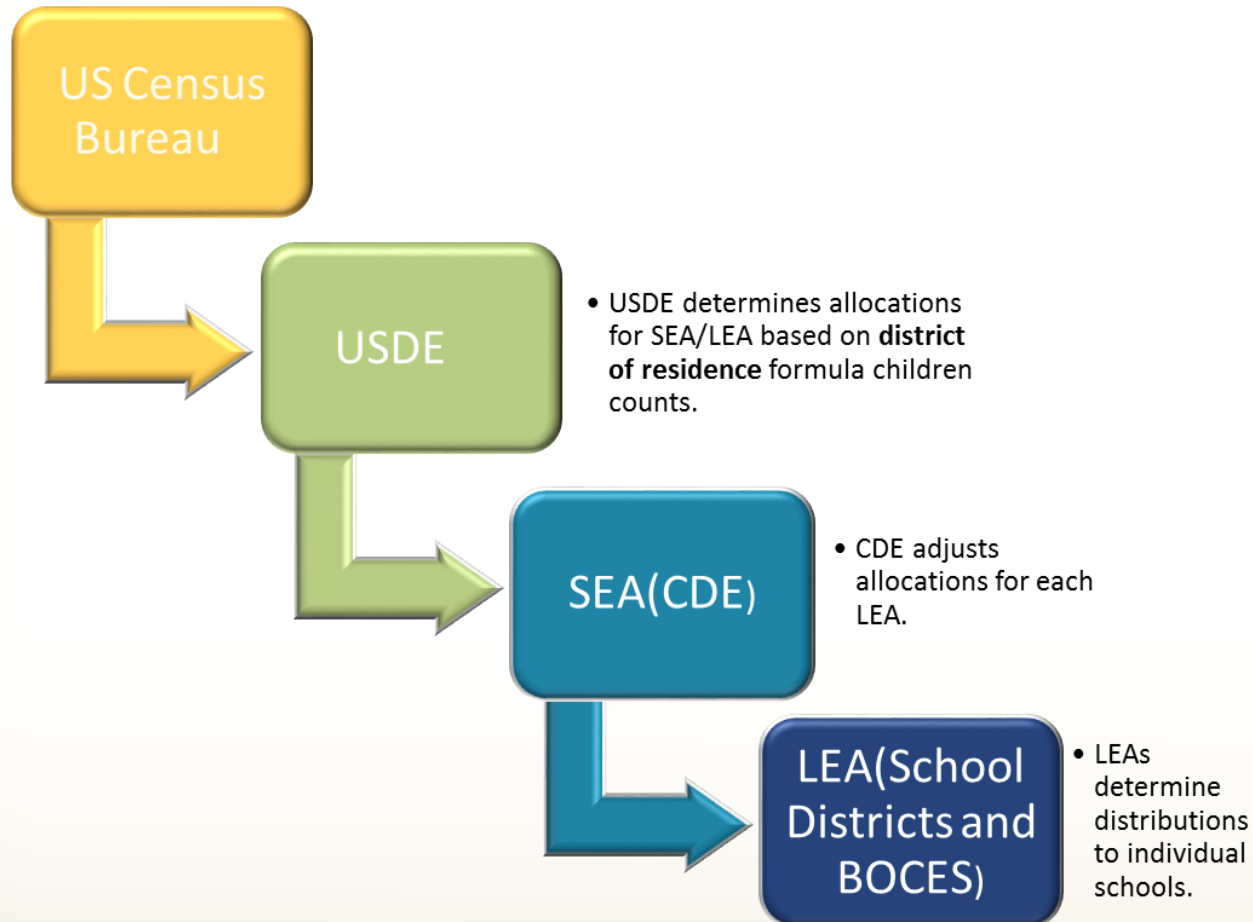
# Acronyms & Definitions

- ESSA – Every Student Succeeds Act
- NCLB – No Child Left Behind
- CSDB – Colorado School for the Deaf and Blind
- CSI – Charter School Institute
- EFIG – Education Finance Incentive Grant
- Formula children – 5-17 year olds from low-income families that are determined through the U.S. Bureau Census and are the basis for allocations
- LEA – Local Education Agency
- SEA – State Education Agency
- Special LEA – LEA that is not listed by the Census Bureau
- USDE – United States Department of Education

# Title I, Part A

- Federal Program that provides financial assistance to local education agencies and schools with high numbers or high percentages of children from low-income families to help ensure that all children meet challenging state academic standards.
- Allocated through four statutory formulas that are based primarily on population, census poverty estimates, and the cost of education in each state.

# How are Allocations Made to States and School Districts?



# How USDE Allocates Title I To CDE

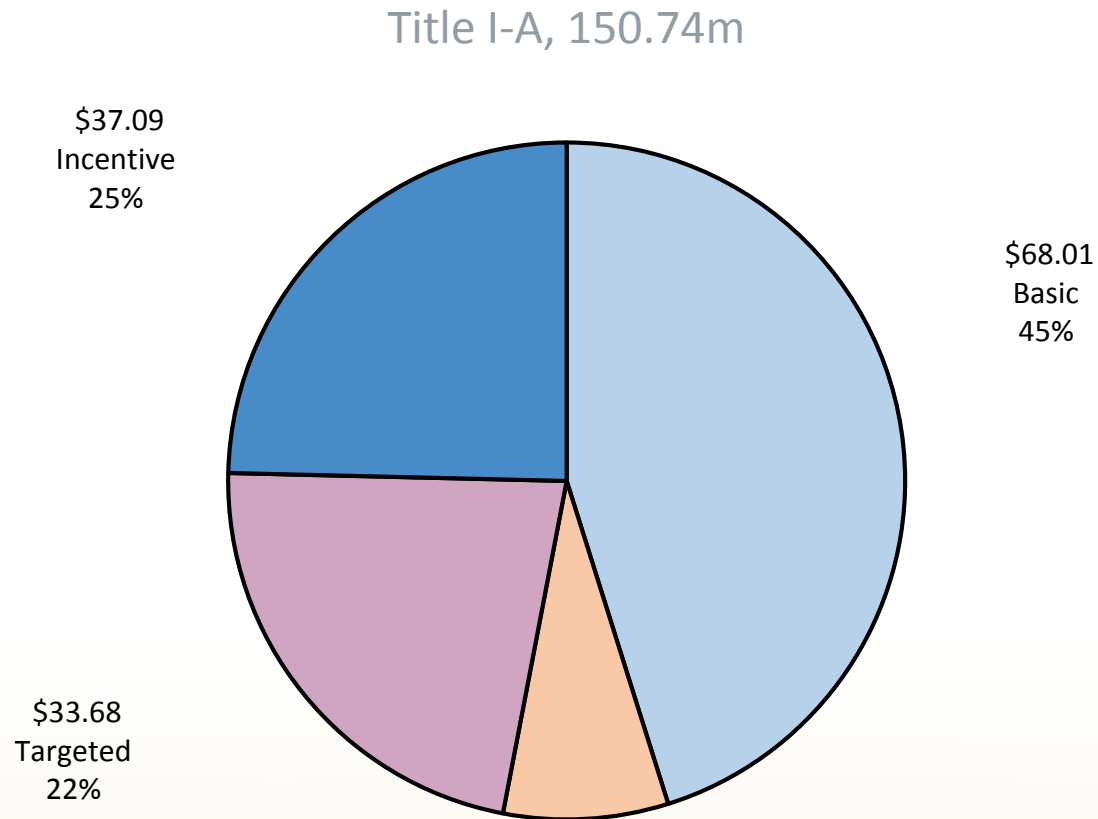
- Allocated through four statutory formulas, each with their own criteria, that are based primarily on population, census poverty estimates, and the cost of education in each state
  - Basic, Concentration, Targeted and Education Finance Incentive Grant (EFIG)
  - Each have individual criteria for eligibility
- Allocated based on US Census Bureau poverty estimates
  - 2014 data used for 2017 allocations – data is 3 years in arrears
- USDE applies the first Hold-Harmless Provision
- USDE sends allocation figures by individual LEAs to CDE

# Title I, Part A Components

Basic	Must have at least 10 formula children, <b>and</b>	formula children must exceed 2% of the LEA's total 5-17 population
Concentrated	Number of formula children must exceed 6,500, <b>or</b>	15% of the LEA's total 5-17 population
Targeted	Must have at least 10 formula children, <b>and</b>	equal or exceed 5% of the LEA's total 5-17 population
Education Finance Incentive Grant	Allocation based on the level of effort that states contribute to education expenditures measured by relative wealth and per capita income	



# Title I, Part A Components for FY16-17



\*In Millions

# How USDE Allocates Funds to CDE

- **USDE sends source documentation to CDE on individual LEAs that include:**
  - Populations
    - Total Formula children count which includes the total of:
      - Poverty count from census data (3 years in arrears)
      - Neglected
      - Foster Care
      - Temporary Assistance to Needy families (TANF)
    - Total population ages 5-17
    - Formula children as a percentage of the total 5-17 population
  - Allocations
    - Current year allocations broken out by each of the 4 components of Title I for each LEA
    - Current year Total Allocation for each LEA
    - Previous year allocations broken out by each of the 4 components of Title I for each LEA
    - Previous year Total Allocation for each LEA

# How CDE Allocates Title I to LEAs

- **Allocations from USDE are adjusted in CDEs allocation formula for:**
  - State administrative costs
  - Special LEAs
    - CSDB and CSI
  - Multi District Online Pilot
  - Required set asides
    - Delinquent and School Improvement
  - Hold Harmless provisions
- **CDE sends updated allocation figures to individual LEAs**

# State Administration

- **“SEC. 1004. STATE ADMINISTRATION.**

“(a) IN GENERAL.—Except as provided in subsection (b), to carry out administrative duties assigned under parts A, C, and

D of this title, each State may reserve the greater of—

“(1) 1 percent of the amounts received under such parts;

or

“(2) \$400,000 (\$50,000 in the case of each outlying area).

“(b) EXCEPTION.—If the sum of the amounts appropriated for parts A, C, and D of this title is equal to or greater than

\$14,000,000,000, then the reservation described in subsection (a)(1)

shall not exceed 1 percent of the amount the State would receive,

if \$14,000,000,000 were allocated among the States for parts A,

C, and D of this title.

- **All entities (including States, Guam, Virgin Islands and others) receiving Title I grant funding use their proportional share of the \$14B as a *base* to calculate their 1% administration set aside.**
- **States proportional share of the \$14B is proportionally shared by Title I-A, Title I-C and Title I-D.**

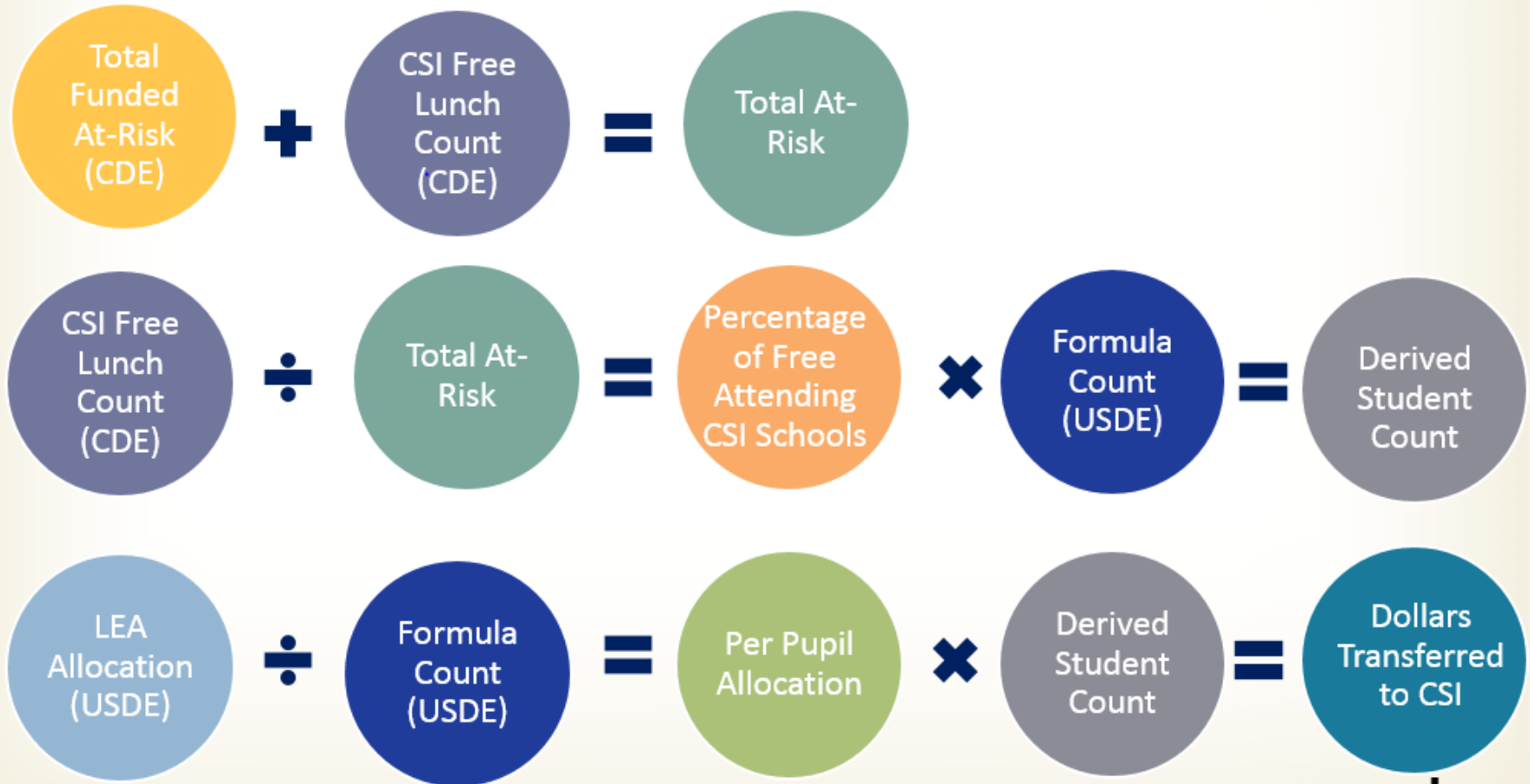
# State Administration

	TITLE I, PART D, SUBPART 1			
	TITLE I, PART A TOTAL LEA GRANTS	TITLE I, PART C MIGRANT EDUCATION	STATE NEGLECTED & DELINQUENT PROGRAM	TOTAL TITLE I, PARTS A, C, & D
UNITED STATES TOTAL	\$13,614,948,266	\$341,644,129	\$43,407,605	\$14,000,000,000
STATES ONLY	\$13,475,203,064	\$331,644,129	\$42,322,415	\$13,849,169,608
ALABAMA	\$213,795,661	\$1,853,416	\$606,622	\$216,255,699
ALASKA	\$38,846,049	\$6,268,841	\$295,168	\$45,410,058
ARIZONA	\$303,582,601	\$5,915,251	\$1,666,111	\$311,163,963
ARKANSAS	\$145,219,629	\$4,744,364	\$457,646	\$150,421,639
CALIFORNIA	\$1,597,533,015	\$116,980,010	\$1,118,613	\$1,715,631,638
COLORADO	\$137,902,041	\$6,332,795	\$372,178	\$144,607,014
CONNECTICUT	\$110,262,577	\$0	\$964,675	\$111,227,252
DELAWARE	\$43,924,953	\$262,707	\$369,812	\$44,557,472
DISTRICT OF COLUMBIA	\$42,253,088	\$0	\$160,576	\$42,413,664
FLORIDA	\$732,493,544	\$20,452,773	\$1,422,481	\$754,368,798
GEORGIA	\$478,468,374	\$7,099,933	\$1,415,152	\$486,983,459
HAWAII	\$45,868,059	\$722,323	\$380,394	\$46,970,776
IDAHO	\$52,954,467	\$3,211,173	\$487,407	\$56,653,047
ILLINOIS	\$618,915,738	\$1,715,641	\$579,049	\$621,210,428
INDIANA	\$238,908,371	\$4,943,415	\$493,853	\$244,345,639

# Special LEAs

- **A special LEA is one that is not listed by the Census Bureau**
  - CSI and CSDB are considered a special LEA
- **The USDE provides guidance that states must adhere to in order to allocate funds to special LEAs**
- **Manual adjustments are made to determine this funding**
  - District of residence, at-risk count, formula children
- **Iterations of allocations depend on district of residence and the CSI schools within geographic boundaries**

# Illustration of Process that Reallocates Funding to Special LEAs



# Multi-District Online Pilot

- **Allocations are adjusted for the State Board Approved Multi-District Online Pilot Program according to the following criteria:**
  - Must be a multi-district online school
  - Must not have CSI as its authorizer
  - Must have, at minimum, 10 free lunch students from outside the LEA's boundaries
  - Must have a significantly higher free lunch percentage compared to the LEA's percentage
  - Must be currently served using FY 13-14 Title IA funds
  - Must be participating in the United States Department of Agriculture school meal program
- **Uses the same process as Special LEAs**



# Required Set-Asides

- **Title I-A Allocations to districts are adjusted for state-level required set-asides:**
  - Title I-D Delinquent
  - School Improvement

# Title I-D Delinquent

- Educational programs for neglected, delinquent and at-risk youth
- Delinquent State allocation is sent to USDE and allocated to delinquent facilities based on prior year student counts

# Title I-A School Improvement Set-Aside NCLB

- Grants for intensive and sustained support to schools designated as in need of improvement
- School Improvement
  - Set-Aside for School Improvement is 4% of the State Allocation
    - Will be 7% for ESSA
- Distributed based on a competitive grant process

# How Hold-Harmless Effects Set-Asides

- LEAs with an increase in funding over the previous year contribute to set-asides
- However, LEA Allocations cannot fall below the hold-harmless threshold
- State may reduce 4% School Improvement Set-Aside if necessary to maintain appropriate hold-harmless percentages
  - State may not reduce the 7% for year one of ESSA

# Title I, Part A

## Hold-Harmless Provision

- Statute guarantees that the LEA receive at least 85, 90, or 95 percent of the amount it was allocated in the preceding year.
- Basic, Targeted, and Education Finance Incentive Grant
  - If the district is no longer eligible for funding under these Title I, Part A components, hold-harmless provisions do not apply.
  - The percentage guarantee varies according to the percentage of formula children in each LEA.
- Concentration Grant
  - Guaranteed four consecutive year hold-harmless provision.
  - No annual eligibility requirements during the hold-harmless period.

# How LEAs Allocate Title I-A to Schools

- LEAs choose a poverty method to use in ranking their schools
- LEAs assign funds to schools in Rank Order by poverty percentage
  - LEAs choose how much funding to provide to schools
- LEAs budget these funds for school level programs
  - Schoolwide
  - Targeted Assistance

# How LEAs Allocate to Schools

- **LEAs choose a poverty measure to use in ranking their schools**
  - Free and Reduced Meal
  - Free and Reduced Meal & Community Eligibility Provision (CEP)
  - Free Lunch
  - Temporary Assistance to Needy Families (TANF)
  - Medicaid
  - US Census Data

# How LEAs Allocate to Schools

- **LEAs assign funds to schools in Rank Order by poverty percentage using one of the following methods:**
  - Percentage District Wide
  - 35% Rule District Wide
  - Grade Span Grouping + District Wide Percentage
  - Grade Span Grouping + Group Wide Percentage
  - Grade Span Grouping + 35% Rule
  - LEAs with enrollment less than 1000
  - One School Per Grade Span



# LEA Methods of Serving Schools

- **LEA may operate a Title I School utilizing one of two models:**
  - **Schoolwide Program**
    - School must have at least 40% poverty
    - All students benefit. No distinction between eligible and ineligible students
    - School may budget by blending funds from Title I-A with Federal or Local funding sources
    - School must have a Schoolwide Plan
  - **Targeted Assistance Program**
    - No poverty threshold
    - Services are provided only to eligible students who are low-achieving or at risk of low achievement

# Every Student Succeeds Act

## Overview of Funding and Fiscal Changes



# Title I-A

## Improving Basic Programs Operated by State and Local Educational Agencies

- The State set-aside for Title I School Improvement has increased from 4% to 7%
- School Improvement grants may now be awarded on either a competitive or formula basis.
- States may also now award 3% of Title I funds to “geographically diverse LEAs” for a Direct Student Services Grant.
- Many Title I-A Set Aside requirements, such as SES, have been removed.
  - Optional 5% set-aside for choice transportation
  - Required set-aside for parental activities remains for allocations over \$500,000.
- Title I rank order now allows districts to lower the poverty threshold to 50% for High Schools, instead of the 75% requirement for all schools.
- In a Title I secondary school with a schoolwide program, funds may now be used for concurrent enrollment programs.

# Title I-A School Improvement Set-Aside ESSA

**7 % Must be set aside to support schools identified for ESEA School Improvement.**

- **Eligibility for access to set aside**

- Lowest 5% of Title I schools in the state
- High Schools with grad rate less than 67%
- Schools with underperforming Subgroups

- **Estimated ~ \$10,500,000**

- **95% of set-aside must go to LEAs with identified schools**

- **SEA must**

- Prioritize LEAs with large numbers of identified schools
- Take into account the geographic diversity of the LEAs in the state

- **Decision Points**

- Award funds by formula?
- Award funds competitively (as under NCLB)?
- Hybrid (formula and competitive)?
- Should SEA retain a portion of the 7% to provide direct services to LEAs with identified schools?



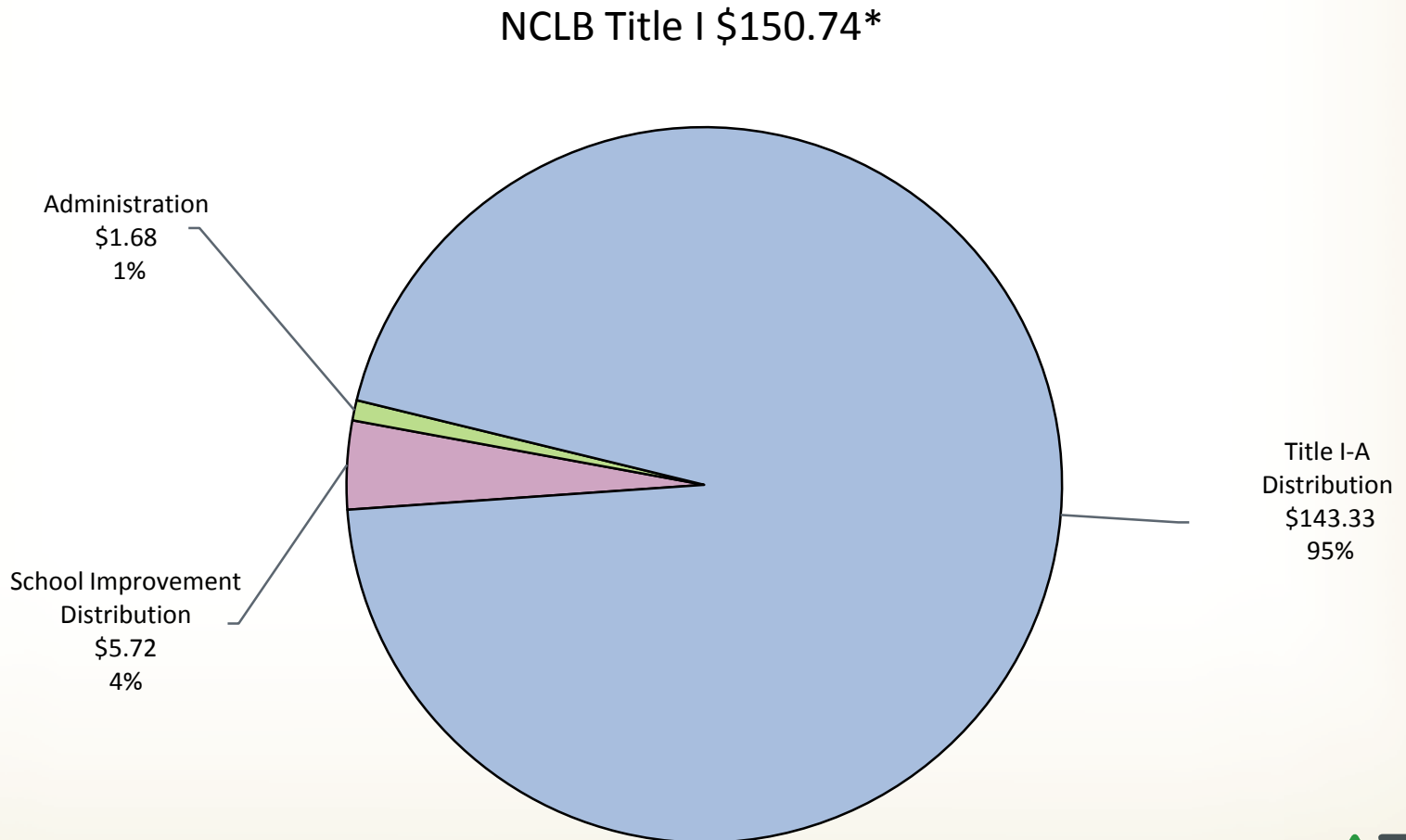
# Title I-A School Improvement Direct Services

SEAs may withhold an additional 3% for Direct Services to students.

- Estimated ~ \$4,500,000
- 99% must be distributed to LEAs with low performing schools
  - HS student supports such as
    - GED
    - Concurrent enrollment
    - Credit recovery
  - After school tutoring
  - Title I School Choice options
- **Decision Point**
  - Should CDE retain an additional 3% of Title I-A funds for LEAs to provide direct services to students in low performing schools?



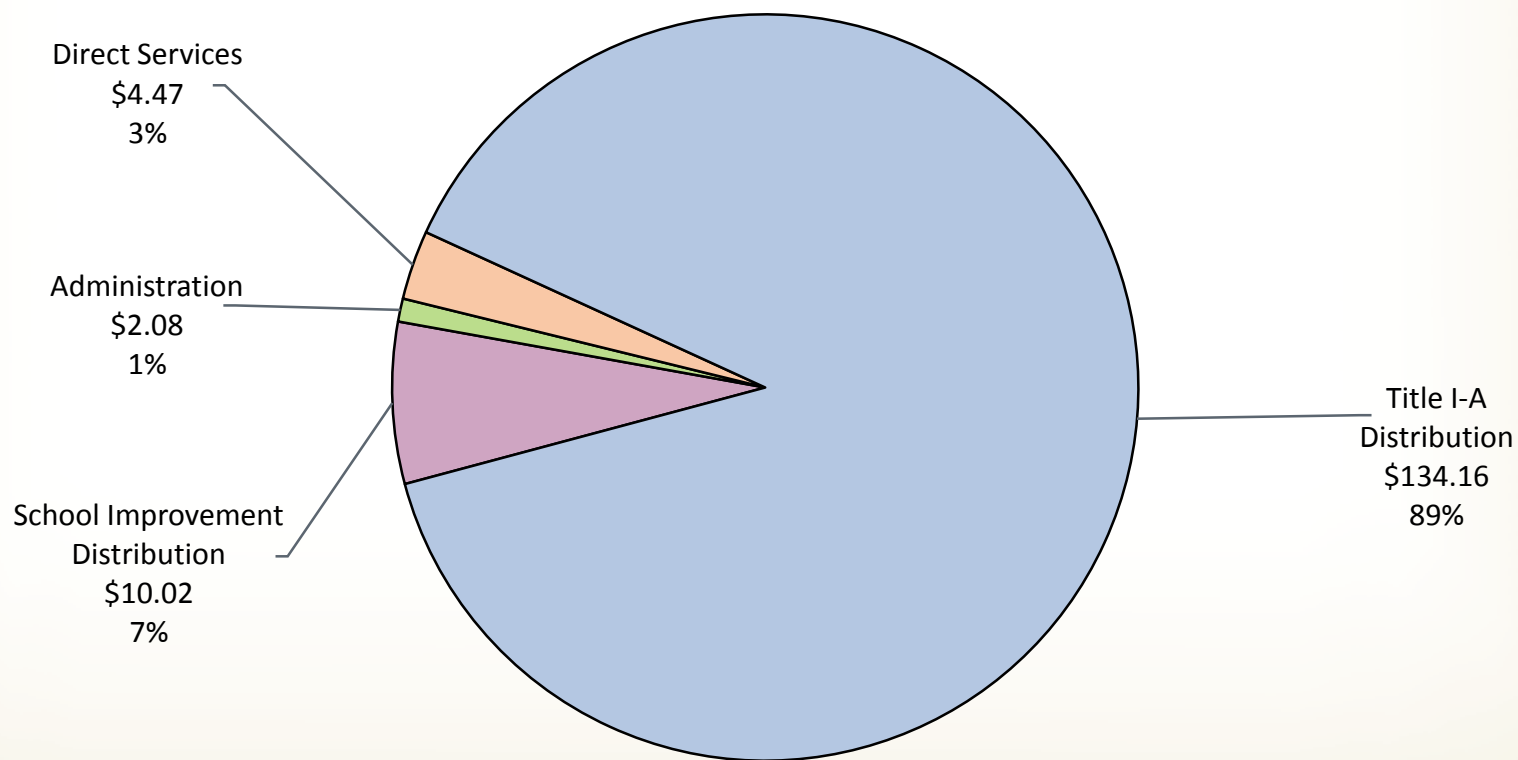
# NCLB Title I-A FY16-17



# ESSA Title I-A FY17-18

## Illustration Only

ESSA Title I \$150.74\*



\*Using 16-17 Allocations  
In millions

# Title I-B

## State Assessment Grants

- Two **NEW** grant programs for States to develop new assessment systems
  - Grants for State Assessment and Related Activities
    - Developing new assessments and report cards
    - States receiving this grant may subgrant to LEA's
  - Innovative Assessment and Accountability Demonstration Authority
    - Awarded to 7 states on a competitive basis



# Title I-C

## Education of Migratory Children

- Funding allocated based on the current migratory children count.
  - Previously based on a fixed student count from 2002
- Colorado is anticipating a 10% reduction of the total award in FY2017-18.
- Requires migratory programs and projects to provide for outreach activities for migratory children and their families.
- Improved definition for migratory agricultural worker, migratory child, migratory fisher and qualifying move which will provide clear guidance on allowable expenditures

# Title I-D

## Prevention and Intervention Programs for Children and Youth Who are Neglected, Delinquent or At-Risk

- Included in this section is a requirement that States must establish provisions for, or timely re-enrollment of, youth placed in the juvenile justice system, including opportunities to participate in credit-bearing coursework.

# Title I-E

## Flexibility for Equitable Per-Pupil Funding

- **This is a NEW Competitive program which allows consolidation of funds for LEAs into a system based on weighted per-pupil allocations for low-income and otherwise disadvantaged students.**
  - LEA applies directly to USDE for flexibility
  - Agreements last for a period of 3 years
  - Not more than 50 LEAs nationwide; this can be expanded in 2020
  - Allows consolidation of Title I, Title II, Title III, Title IV-A, Title V-B
  - Administrative costs limited by the amounts specified in each program
  - Annual report to the Secretary regarding progress

# Title II-A

## Supporting Effective Instruction

### ■ NEW Allocation Formula

#### ■ CDE to LEA Allocations

- 20% of funds allocated based on total 5-17 year old population
- 80% of funds based on formula student percentage

#### ■ USDE to CDE Allocations

- 4 year phase in of new formula
  - FY 2017-18 – 35% - 65%
  - FY 2018-19– 30% - 70%
  - FY 2019-20– 25% - 75%
  - FY 2020-21– 20% - 80%

# Title II-A

NCLB		ESSA
Eisenhower	\$3,706,445	80% formula student population
Class Size Reduction	\$17,803,446	20% total 5-17 year old population
Additional Allocation above \$21,509,911		
80% formula student population		
20% total 5-17 year old population		

# Title II-B

## National Activities

- Several **NEW** competitive grant programs:
  - Teacher and School Leader Incentive Fund
  - Comprehensive Literacy State Development
  - Subgrants to Eligible Entities in Support of Birth through Kindergarten Entry Literacy
  - Subgrants to Eligible Entities in Support of Kindergarten through Grade 12 Literacy
  - Innovative Approaches to Literacy
  - Presidential and Congressional Academies for American History and Civics
  - Supporting Effective Educator Development
  - School Leader Recruitment and Support
  - Technical Assistance and National Evaluation
  - STEM Master Teacher Corps

# Title III

## Language Instruction for English Learners and Immigrant Students

- Restriction of 2% administrative costs remains
- Activities by Agencies Experiencing Substantial Increases in Immigrant Children and Youth (Formerly SAI) are still required
- Supplement not supplant provision still remains
- Reporting is now required every 2 years
- **NEW** National Professional Development Project
  - 5 year competitive grant program
  - Awarded to IHE's or Private institutions, in consortia with SEAs or LEAs

# Title IV-A

## Student Support and Academic Enrichment Grants

- **NEW** Formula Grant
- Proportional to Title I-A
- No allocation may be less than \$10,000, subject to ratable reduction
- LEAs may form a consortium
- 2% direct administrative costs
- Needs assessment shall be conducted every 3 years, however LEAs with an allocation less than \$30,000 do not need to conduct a needs assessment
- Use of funds
  - Partnership with Institutions of Higher Education
  - Well-rounded education
  - Effective use of technology
  - Evaluation of effectiveness
  - 20% on Activities to Support Well-Rounded Educational Opportunities
  - 20% on Activities to Support Safe and Healthy Students
- **Supplement not Supplant non-Federal funds**



# Title IV-B

## 21<sup>st</sup> Century Community Learning Centers

- Competitive grant, formerly part of Title V
- Grants will be awarded for a period of 3-5 years
- Minimum award amount is \$50,000
- Match is allowed, but not required
- Local activities have a direct connection to Workforce Centers

# Title IV-C

## Expanding Opportunity through Quality Charter Schools

- Formerly part of Title V
- This is a 3 year competitive grant that is awarded to new or expanding charter schools.

# Title IV-E

## Family Engagement in Education Programs

- This is a **NEW** grant
- It creates Statewide Family Engagement Centers which provide training to SEAs and LEAs on effective parent and family engagement
- Not less than 65% of funds to serve LEAs, schools and Community based organizations that serve high concentrations of disadvantaged students
- Not less than 30% of funds to establish or expand technical assistance for evidence-based parent education programs

# Title IV-F

## National Activities

- Several **NEW** national competitive grant programs available
  - Grants for Education Innovation and Research
  - Community Support for School Success
  - National Activities for School Safety
  - Awards for Academic Enrichment
  - Assistance for Arts Education
  - Ready to Learn Programming
  - Supporting High-Ability Learners and Learning

# Title V

## State Innovation and Local Flexibility

- Formerly Title VI-B
- Includes REAP-flex, and the Rural Education Initiative

# Title VI

## Indian, Native Hawaiian, And Alaska Native Education

- Formerly Title VII
- Provides grants to LEAs and Indian Tribes; this grant is administered at the Federal level, CDE does not subgrant.

# Title VII

## Impact Aid

- Formerly Title VIII
- This program provides funding to districts that have been impacted by Federal land use, it is administered at the Federal level, CDE does not subgrant.

# Title IX-A

## Homeless Children and Youth

- This is a 3 year competitive grant program
- There is an additional assurance required regarding MOE
- Very little change in services to be offered and activities allowed under the new legislation



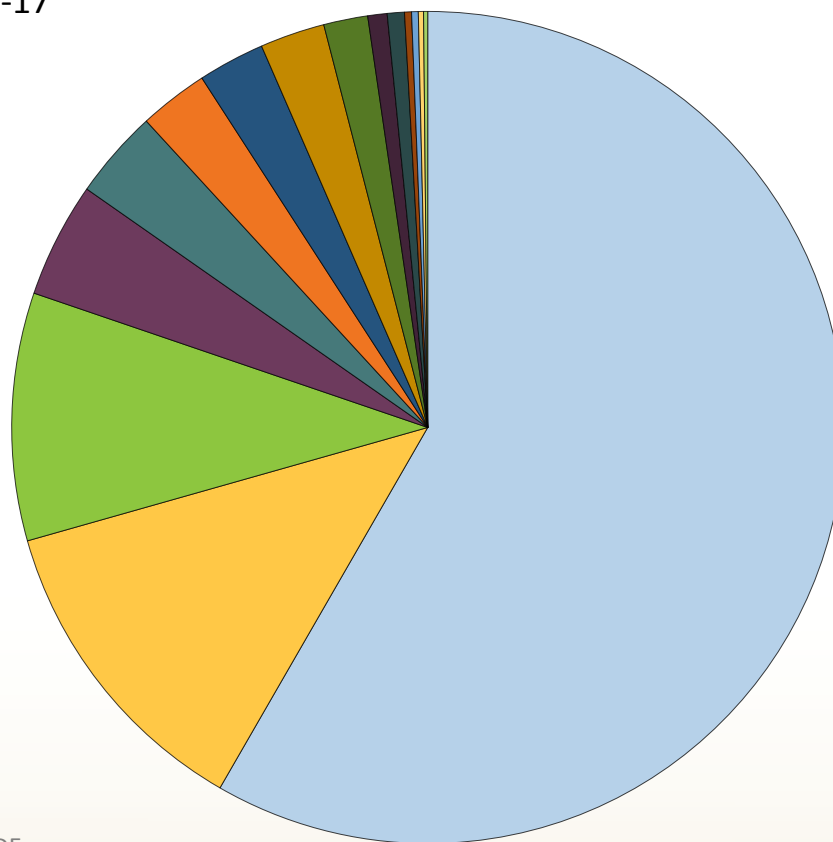
# Title IX-B

## Miscellaneous; Other Laws

- **There will be a study on the Title I Formula, not later than 18 months from the passing of ESSA, which could lead to future changes in the formula.**
- **Preschool Development Grants, formerly authorized under ARRA, are now a part of ESSA.**
  - This is a competitive Grant
  - Assists states to develop a plan for coordination of preschool programs
  - Requires a 30% match
  - 1 year grant that can be renewed for up to 3 years
  - Allows for planning and transition of existing awards

# NCLB Grants FY16-17

NCLB Allocation 2016-17  
\$258.46\*



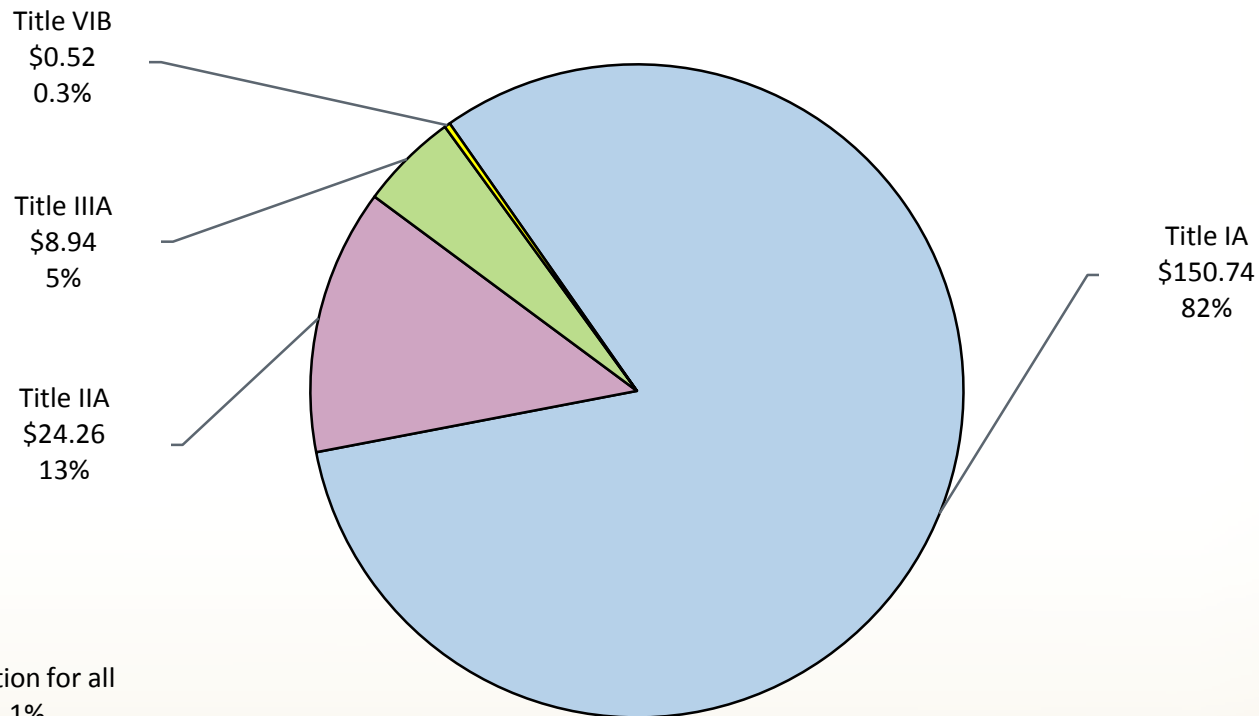
- Title I \$150.74 58%
- Impact Aid\*\* \$31.75 12%
- Title II \$24.88 10%
- 21st Century \$11.58 4%
- Title III \$8.95 3%
- Migrant \$6.96 3%
- Charter School \$6.70 3%
- State Assessments \$6.51 3%
- Tiered Intervention 1003g \$4.43 2%
- Title VI\*\* \$1.94 1%
- Math and Science \$1.72 0.67%
- Homeless \$0.70 0.3%
- Indian Education\*\* \$0.67 0.3%
- Title VIB \$0.52 0.2%
- Neglected and Delinquent \$0.41 0.2%

\* In millions

\*\* Not administered by CDE

# NCLB Formula Grants FY16-17

NCLB Formula Grants FY16-17  
\$184.47\*

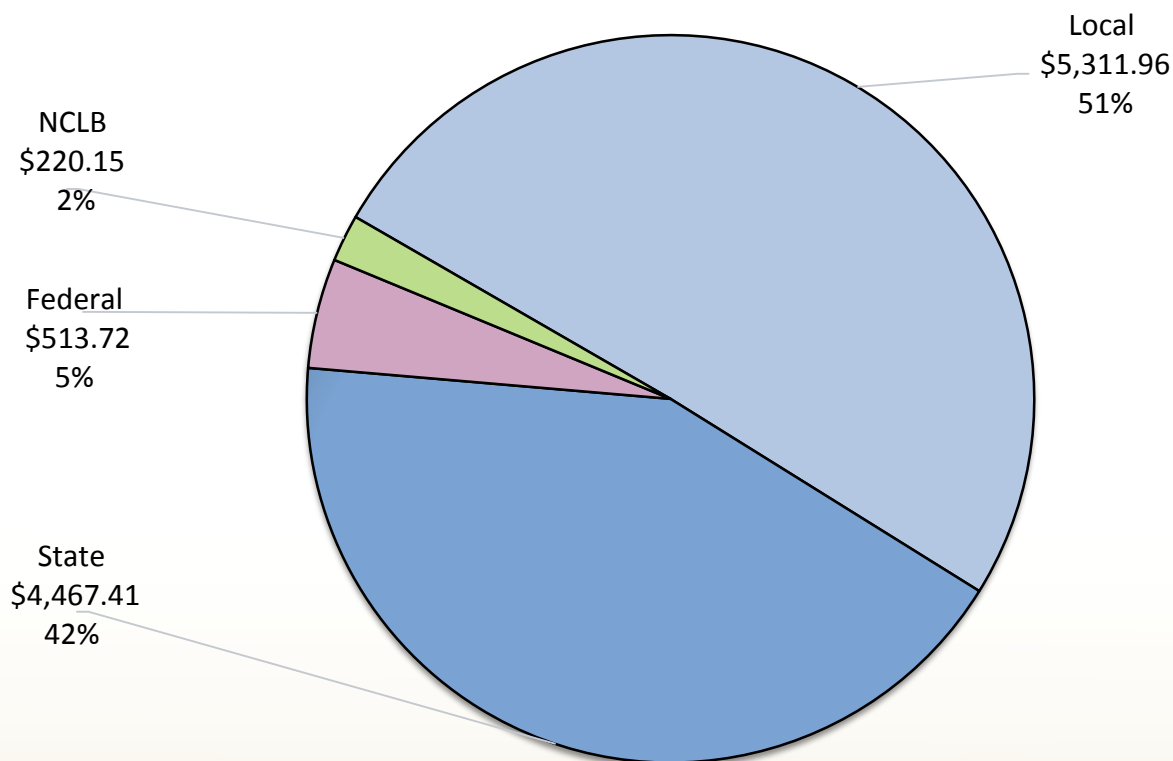


Total administration for all  
programs: \$2.18, 1%

\* In millions

# Colorado Education Funding

## State Education Funding (Revenue) FY2014-15



\*In Millions