**New Title I Part A Supplement, Not Supplant Test under the Every Student Succeeds Act**

**Overview**

The Every Students Succeeds Act (ESSA) changed the way compliance with the supplement, not supplant (SNS) requirement is determined specific to the Title I Part A program. This change shifts the Title I Part A program away from the traditional SNS presumptions tests and focuses instead on the amount of State and local funds a school receives. The new Title I Part A SNS compliance test requires a local educational agency (LEA) to demonstrate that it allocates State and local funds to schools in a manner that is neutral in regards to each school’s Title I participation status.[[1]](#footnote-1)

**Timeline for Implementation**

The US Department of Education (US ED) has indicated that LEAs are expected to have a methodology in place when allocating State and local funds to schools for the 2018-2019 school year to ensure Title I Part A SNS compliance.

**State and Local Fund Distribution Methodology**

The LEA must demonstrate that the methodology used to allocate State and local funds to each school receiving Title I assistance ensures that such school receives all of the State and local funds it would otherwise receive if it were not receiving Title I assistance. The term “methodology” refers to the manner in which LEAs distribute state and local funds to schools.

There are multiple ways an LEA might distribute State and local funds to its schools to satisfy the requirement that Title I funds be supplemental. The LEA is not required to implement a specific methodology to allocate State and local funds to its schools, as long as the methodology selected and implemented is neutral in regard to the Title I status of the schools.

The LEA may vary its methodology because of factors such as grade-span (elementary, middle, high), school size, student needs (ELL, newly arrived), provided these factors are not based on Title I status. The LEA must ensure its methodology distributes sufficient State and local funds to provide the basic education program in all its schools.

**Methodology Examples**

The US ED released guidance for Title I schoolwide programs on July 30, 2015 that included SNS examples for Title I schoolwide programs under the old No Child Left Behind Act (NCLB). The new ESSA test for Title I schools is very similar to the old schoolwide SNS standard, but now applies to all Title I schools. This guidance provided two examples of distribution methods an LEA might use to distribute State and local funds to its schools to ensure Title I funds are supplemental. A third example is provided combining these two examples.

The following examples are provided to assist LEAs in developing a description of the LEA’s methodology for allocating State and local funds to schools.

**Example 1**

**Distribution of State and local resources based on characteristics of the students**

This form of equitable distribution is generally referred to as a “weighted per pupil” funding formula.

Assume:

* Allocation/student ($7,000)
* Additional allocation/student from a low-income family ($250)
* Additional allocation/English Learner ($500)
* Additional allocation/student with a disability ($1,500)
* Additional allocation/preschool student ($8,500)

In a school of 450 students, including 200 students from low-income families, 100 English Learners, 50 students with disabilities, and 20 preschool students, the school would be expected to receive $3,495,000 in non-Federal resources based on the following calculation:

|  |  |  |
| --- | --- | --- |
| **Category** | **Calculation** | **Amount** |
| Allocation/student  | 450 x $7,000  | $3,150,000  |
| Allocation/student from a low-income family  | 200 x $250  | $50,000  |
| Allocation/English learner  | 100 x $500  | $50,000  |
| Allocation/student with a disability  | 50 x $1,500  | $75,000  |
| Allocation/preschool student  | 20 x $8,500  | $170,000  |
| **Total School Allocation** |  | **$3,495,000** |

**Example 2**

**Distribution of State and local resources based on staffing and supplies.**

This form of equitable distribution is generally referred to as a “resource” based formula.

Assume:

* 1 teacher per 22 students ($65,000/teacher)
* 1 principal/school ($120,000)
* 1 librarian/school ($65,000)
* 2 guidance counselors/school ($65,000/guidance counselor)
* $825/student for instructional materials and supplies (including technology)

In a school of 450 students, the school would be expected to receive $2,051,250 in State and local resources based on the following calculation:

|  |  |  |
| --- | --- | --- |
| **Category** | **Calculation** | **Amount** |
| 1 principal  | 1 x $120,000  | $120,000  |
| 1 librarian  | 1 x $65,000  | $65,000  |
| 2 guidance counselors  | 2 x $65,000  | $130,000  |
| 21 teachers  | 21 x $65,000  | $1,365,000  |
| Instructional materials and supplies  | 450 x $825  | $371,250  |
| **Total School Allocation** |  | **$2,051,250** |

**Example 3**

**Distribution of State and Local Resources Based on a Combined Approach**

This form of equitable distribution includes characteristics from both the “weighted per pupil” funding formula and the “resource” based formula in the previous examples.

Assume:

* 1 principal/school ($120,000)
* 1 librarian/school ($65,000)
* 2 guidance counselors/school ($65,000/guidance counselor)
* Allocation/student ($7,000)
* Additional allocation/student from a low-income family ($250)
* Additional allocation/English learner ($500)
* Additional allocation/student with a disability ($1,500)

In a school of 450 students, including 200 students from low-income families, 100 English learners, and 50 students with disabilities, the school would be expected to receive $3,640,000 in non-Federal resources based on the following calculation:

|  |  |  |
| --- | --- | --- |
| **Category** | **Calculation** | **Amount** |
| 1 principal  | 1 x $120,000  | $120,000  |
| 1 librarian  | 1 x $65,000  | $65,000  |
| 2 guidance counselors  | 2 x $65,000  | $130,000  |
| Allocation/student  | 450 x $7,000  | $3,150,000  |
| Allocation/student from a low-income family  | 200 x $250  | $50,000  |
| Allocation/English learner  | 100 x $500  | $50,000  |
| Allocation/student with a disability  | 50 x $1,500  | $75,000  |
| **Total School Allocation** |  | **$3,640,000**  |

The purpose of these examples is to provide options the LEA can use to develop its methodology. The LEA’s methodology does not necessarily need to fit within the parameters described in the three examples provided. The LEA may adopt its own methodology to distribute State and local funds/resources to its schools as long as the methodology is neutral in regard to the Title I, Part A status of each school.

**Compliance Demonstration**

The South Dakota Department of Education will use the Consolidated Application process to ensure an LEA’s compliance with the Title I Part A SNS requirement.

All LEAs will be required to agree to an assurance stating that the LEA is in compliance with the SNS provisions of Section 1118(b) of the ESSA.

LEAs that have multiple schools in one or more grade spans (elementary, middle or high) will also be required to provide an indication of the type of methodology the LEA has adopted for the allocation of State and local funds to all schools, or provide a narrative description of the methodology. The Consolidated Application will list the following options:

* Distribution based on per pupil amounts or weighted per pupil amounts.
* Distribution based on staffing and supplies.
* Distribution on a combination of per pupil amounts and staffing and supplies.
* Other – Please describe.

**Compliance Monitoring**

LEAs chosen for a fiscal monitoring review will be expected to provide a written description of the LEA’s methodology for distributing State and local funds/resources to its schools, and to provide supporting documentation demonstrating the LEA followed its methodology.

**ESSA, Section 1118 (b)** (*Title I Part A Program Specific*)

‘‘(b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NONFEDERAL FUNDS.—

‘‘(1) IN GENERAL.—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.

‘‘(2) COMPLIANCE.—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.

‘‘(3) SPECIAL RULE.—No local educational agency shall be required to—

‘‘(A) identify that an individual cost or service supported under this part is supplemental; or

‘‘(B) provide services under this part through a particular instructional method or in a particular instructional setting in order to demonstrate such agency’s compliance with paragraph (1).

‘‘(4) PROHIBITION.—Nothing in this section shall be construed to authorize or permit the Secretary to prescribe the specific methodology a local educational agency uses to allocate State and local funds to each school receiving assistance under this part.

Drafted Options for Title I A Supplement Not Supplant Tab on GMS

Does the LEA have only one school per grade span (k-5, 6-8, 9-12)?

**If Yes –**

The LEA hereby assures the South Dakota Department of Education that:

1. The LEA distributes its State and local funds to provide a basic education program in all its schools; and
2. The LEA can demonstrate that the methodology used to allocate State and local funds to each school receiving assistance under Title I Part A, ensures that such school receives all of the State and local funds the school would otherwise receive if it were not receiving Title I Part A assistance. ESSA Section 1118(b) (2)

**If No -**

The LEA hereby assures the South Dakota Department of Education that:

1. The LEA distributes its State and local funds to provide a basic education program in all its schools.
2. The LEA can demonstrate that the methodology used to allocate State and local funds to each school receiving assistance under Title I Part A, ensures that such school receives all of the State and local funds the school would otherwise receive if it were not receiving Title I Part A assistance. ESSA Section 1118(b) (2)
3. Choose the methodology the best describes the one the LEA has adopted and implemented to allocate State and local funds/resources to schools.
	* Distribution based on per pupil amounts or weighted per pupil amounts.
	* Distribution based on staffing and supplies
	* Distribution on a combination of per pupil amounts and staffing and supplies
	* Other – Please describe
1. ESSA, Section 1118 (b)(2) [↑](#footnote-ref-1)