

Title I Program Fiscal Issues

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Title I Fiscal Requirements

- Supplement, Not Supplant
- Comparability
- Maintenance of Effort
- Carryover
- Allowable Costs
- Time & Effort Documentation

Title I Fiscal Requirements Cont.

- School Eligibility
- District Reservations and Sub Allocation process to schools
- Private School Services

Supplement Not Supplant

- Cannot use federal funds to pay for services, staff, programs, or materials that would otherwise be paid with state or local funds
- Designed to ensure federal funds pay for something “extra”

Supplanting Presumptions

- Presume supplanting in 3 situations:
 1. Used federal funds to provide services the district is required to make available under other federal, state or local laws

Presumptions (cont.)

2. Used federal funds to provide services the district provided with state or local funds in the prior year

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

Supplanting Title I Schoolwide Programs

- Presumptions do not necessarily apply to schoolwide programs; however,
- The district must provide the school with the same amount of state and local funds as it would have received had it not receive Title I funds

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

Rebutting the Presumption

- To rebut presumption show:
 - Fiscal and programmatic documentation to confirm that, in the absence of federal funds, would have eliminated staff/services in question
 - School Board action
 - Budget histories and information
 - Planning documents

Comparability – Title I

- Ensures that services provided with state and local funds in Title I schools are comparable to those provided in non-Title I Schools
- In LEAs with all Title I schools – ensures that services are substantially comparable between all schools
- Annual Requirement for affected LEAs

Comparability Reports

- Compare schools with similar grade spans
- Required if more than one school per grade span
- Excludes schools with less than 100 students enrolled
- State supplies forms & guidance to affected LEAs.

Maintenance of Effort ESEA

- Requires that state and local funding remains relatively constant from year to year. (generally at least 90%)
- Different from IDEA (100%)
- State must reduce a district's allocations in proportion to the % they failed to meet the MOE threshold.

Carryover Period

- Federal Education formula funds are generally available for an initial grant period plus an additional one year carryover period.
- Title I Part A program is subject to a statutory carryover limit
 - Title I Part A 15%

Title I Part A Program Carryovers

- Title I Part A Carryover limit is 15%
 - Applied to annual allocation amount
 - May be eligible for a waiver from State once in a 3 year period
 - If allocation is less than \$50,000 the district is exempt from carryover limit

Determining Allowable Costs for Title I Programs

- Analyze costs to determine if they are allowable
- Develop a formal process to ensure costs are allowable
- Follow Procurement Guidelines listed under 200.320 “Methods of Procurement”

Allowable Costs Questions

- Consistent with federal cost principles?
 - 2 CFR PART 200 UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPALS, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS (EDGAR)
- Allowable under the grant program?
- Consistent with the approved application?
- Consistent with program specific fiscal rules?
- Consistent with the needs of the program?

Basic Cost Guidelines

- All Costs Must Be:
 - Necessary
 - Reasonable
 - Allocable
 - Authorized or not prohibited under state and local law

Necessary

- Must be necessary for the performance or administration of the grant
- Questioning “necessary”
 - Do we really need this?
 - Do we already have existing resources sufficient for this purpose?

Reasonable Costs

- Must follow sound business practices:
 - Arms length bargaining
 - Follow the Methods of Procurement 200.320
 - Follow federal, state and local laws
 - Follow terms of the grant award
- Market prices for comparable goods or services
- No significant deviation from established practices of the grantee

Questions - Reasonable

- Is the expense targeted to a legitimate program activity?
- Do we have the capacity to use what we are purchasing?
- Can we prove that we paid a fair rate?
- Would I be comfortable defending this purchase?

Allocable

- Can only charge in proportion to the value received by the program
- Can I prove the program benefited?
- Can I prove other programs are not the primarily beneficiary?
 - Ensure only authorized use
 - Incidental benefit is okay

Time and Effort

- Time and Effort reporting is required under the Uniform Grant Guidance previously OMB Circular A-87.
- Any employee paid with federal dollars is required to fill out a time and effort documentation certifying their time spent on a particular federal program.

Time and Effort Reporting

- Single Cost Objective Employees
 - Semi Annual Certifications
- Multiple Cost Objective Employees
 - Personnel Activity Reports

***The difference between single and multiple cost objectives is determined by what the employee works, not by how they are funded.**

What is a Cost Objective?

- A particular set of work activities for which cost data is accumulated.
 - For purposes of time & effort reporting: Define cost objectives according to the set of work activities allowable under the terms and conditions of each funding source.

Semi Annual Certifications

- Employees who solely work on one cost objective are required to complete Semi Annual Certifications.
- Semi Annual Certifications are done twice a year, typically at semester time.
- Must be signed after the fact by the employee or a supervisor that has first hand knowledge of the employees work.
- Must total 100%

Semi Annual Certifications

Semi Annual Certifications need to identify the following:

- Name of the Organization
- Employees Name
- The Single Cost Objective Worked
- Reporting Period
- Employee's Position
- Grade Span or Attendance Center
- Distribution of Time
- After the fact certification statement
- Signature

SEMI ANNUAL CERTIFICATION

Name of Organization: ____ "Presidents School District #99-9" ____

Employee's Name: _____

Time Period ⁽¹⁾: _____

Comment [D1]: Needs to reflect correct name of document.

Comment [D2]: Needs to reflect the School District whether as letterhead or on this line.

Comment [D3]: Needs to reflect beginning and ending time frame

Cost Objective	<i>Distribution of Time</i>
Special Education Teacher K-8	100%
Total	100%

Comment [D4]: Needs to reflect what type of program services.

Comment [D5]: Needs to reflect the capacity (teacher, para, coordinator duties) functioning in.

Comment [D6]: Needs to reflect the grade span for which the services are provided.

I certify that to the best of my knowledge that this is an after-the-fact determination of my actual activities for this time period.

Comment [D7]: Needs to contain the certification statement.

Employee's Signature: _____ Date: _____

Comment [D8]: Needs to be signed and dated after-the-fact.

Supervisor's Signature ⁽²⁾: _____ Date: _____

⁽¹⁾Employees working on a **single cost objective** are required to prepare **semi-annual** (every six months or semester) reports.

⁽²⁾ Supervisory official having first hand knowledge of the activity performed by employee.

Personnel Activity Report (PAR)

- Employees who work on multiple cost objectives are required to fill out Personnel Activity Report
- PAR are filled out monthly
- Must be signed after the fact by the employee and supervisor that has first hand knowledge of the employees work.
- Can be completed as an hourly form or based on percentage.
- Must total 100%

Personnel Activity Reports

Personnel Activity Reports need to include the following:

- Name of the Organization
- Employees Name
- Reporting Period
- 100% of the Activities Worked and the position of employee
- Grade Span or Attendance Center
- Distribution of Time
- After the fact certification statement
- Signature

PERSONNEL ACTIVITY REPORT

Name of Organization: ___“Presidents School District #99-9”___

Employee's Name: _____

Time Period ⁽¹⁾: _____



Cost Objectives	Distribution of Time
Special Ed Teacher K-8	40%
CEIS Teacher 9-12	50%
Special Ed Coordinator	10%
Total	100%

I certify that to the best of my knowledge that this is an after-the-fact determination of my actual activities for this time period.

Employee's Signature: _____ Date: _____

Supervisor's Signature ⁽²⁾: _____ Date: _____

⁽¹⁾Reports must be prepared at least **monthly** for employees working on **multiple cost objectives** and must coincide with one or more pay periods.

⁽²⁾Supervisory official having first hand knowledge of the activity performed by employee.

Comment [D1]: Needs to reflect correct name of document.

Comment [D2]: Needs to reflect the School District whether as letterhead or on this line.

Comment [D3]: Needs to reflect beginning and ending time frame.

Comment [D4]: Must account for the total activity for which each employee is compensated.

Comment [D5]: Needs to reflect what type of program services.

Comment [D6]: Needs to reflect the capacity (teacher, para, coordinator duties) functioning in.

Comment [D7]: Needs to reflect the grade span for which the services are provided.

Comment [D8]: Needs to contain the certification statement.

Comment [D9]: Needs to be signed and dated after-the-fact.

PERSONNEL ACTIVITY REPORT

Name of Organization: ___“Presidents School District #99-9”___

Employee's Name: _____

Time Period ⁽¹⁾: _____

Cost Objectives	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		Total
Special Ed Para K-8																	
Total																	
	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	Total
Special Ed Para K-8																	
Total																	
Notes:																	

I certify that to the best of my knowledge that this is an after-the-fact determination of my actual activities for this time period.

Employee's Signature: _____ Date: _____

Supervisor's Signature ⁽²⁾: _____ Date: _____

⁽¹⁾Reports must be prepared at least **monthly** for employees working on **multiple cost objectives** and must coincide with one or more pay periods.

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Comment [D8]: Needs to be signed and dated after-the-fact.

Time and Effort

- A copy of time and effort should be given to the business office at least quarterly to be reconciled.
- Quarterly comparisons should be done so if the difference is more than 10% of what is budgeted then the payroll charges can be adjusted.

Title I Schoolwide Programs

- Upgrade the entire educational program of the school
 - Develop a comprehensive plan based on data from comprehensive needs assessment
 - Title I funds must be used to address specific educational needs of the school and articulated in the plan.

Title I Schoolwide

- Cannot use funds for non educational activities
 - building maintenance and repair
 - custodial services
 - etc.

Other Basic Guidelines

- Legal under state and local law
 - If not legal under state law, cannot pay with federal funds
- Conform with federal law & grant terms

Title I Part A School Eligibility

- District must identify Title I eligible schools
 - Not all eligible schools need to be served
- Select participating Title I schools
- Sub allocate Title I funds to participating Title I schools

School Poverty Measure

- The District must select a poverty measure
 - Free or reduced-price lunch (recommended)
 - Direct Certification
 - SNAP & TANF

School Eligibility, Selection & Sub Allocation Depends on District Size

- Small Districts
 - Less than 1000 students enrolled, or
 - Only one school per grade span
- Large Districts
 - 1000 or more students enrolled and more than one school per grade span

Small Districts

- Exempt from Title I eligibility and selection rules
- Do not have to rank schools attendance areas in order of poverty
- No set allocation procedure in law

Small District School Title I Eligibility

- All schools are Title I eligible.
- District has the discretion to select Title I schools and sub allocation amounts
- Before serving an additional school, the district should determine if the available remaining funds are sufficient to run a viable program at the additional school.

Small District Distribution

- Must show amount of Title I funds sub allocated to each participating school
- If applicable, must sub allocate an equitable amount to provide Title I services for resident private school students

Small Districts Low-Income Private Student Amounts by School Area

- Calculate the per low-income student amount per school
 - Amount allocated to school DIVIDED BY the total number of low-income students including those resident students attending private schools
 - Example: \$100,000 for Elementary School divided by 100 public and private school low income students = \$1000 per low-income student

Large Districts are Subject to Title I Eligibility & Suballocation Rules

- 1000 or more students enrolled and more than one school per grade span.
- Must follow eligibility rules and allocation procedures set out in the Title I law

Large Districts Must Use the Poverty Measure to:

- Rank schools by the percentage (not the number) of low income children counted
- Identify Eligible schools
- Select and allocate funds to participating public and private schools.

Large District Determine Participating Schools

- Must serve all schools above 75% poverty
 - including middle and high schools.

Rank All Schools Based on Percentage of Poverty

- Rank all public schools from highest to lowest levels of poverty
- Example
 - Elementary A 80% Must Serve
 - Middle School 76% Must Serve
 - Elementary B 70%
 - High School 60%

After All Schools Above 75% are Served

- Continue with the district wide ranking, or
- Rank schools within grade span groupings
 - Elementary
 - Middle
 - High

Select Eligible Title I Schools

- Determine Eligibility 3 Methods
 - Schools at or above the district wide poverty average, or
 - Schools at or above their grade span group poverty average, or
 - Schools with 35% or greater poverty
- Must pick only one and apply consistently across district.

Eligible Schools

- Must designate as eligible in rank order from higher to lower poverty within either the selected district-wide or grade span group
 - Cannot serve a lower poverty school ahead of a higher poverty school within the selected grouping

Grandfather Clause

- A School may continue to be served for one year after losing eligibility
- After one year must regain eligibility or cannot be served

District Distribution

- Reserve funds from the district allocation for District-wide Title I activities.
 - Reasonable amounts keeping school level needs in mind
 - Cannot reserve entire allocation for district level
- Distribute the remaining allocation to participating Title I school attendance areas

District-Wide Reservations

- Administrative & Indirect Costs
- District Level Professional Development
- 1 % District level for parental involvement if District's Title I allocation \$500,000 or more
- Homeless

District Reservations Continued

- District Level Title I Pre-school
 - District level must be targeted
- District Level Title I Summer school
 - District level must be targeted
- Non-Instructional costs for Private school students
- Other – contact SD DOE before using.

Allocation of Funds to Schools

- Allocate to eligible schools in rank order of poverty, from highest to lowest
- A higher poverty school must receive at least as much or more per poverty student than a lower poverty school.

Amount per Poverty Student if All Schools Served are Above 35% Poverty

- Per-poverty child amounts for each school may be determined by the District
 - May be the same at all participating schools, or
 - May vary between schools as long as a school with higher poverty rates receive at least as much or more per-poverty child than a school with lower poverty.

Example - LEA Serving Only Schools at or Above 35% Poverty

- LEA Poverty Average is 40%
 - School A 45% poverty
 - \$800 per poverty student times 50 = \$40,000
 - School B 43% poverty
 - \$800 per poverty student times 60 = \$48,000
 - School C 41% poverty
 - \$500 per poverty student times 40 = \$20,000

Large District Serving any School Below 35% Poverty

- The LEA must determine the minimum per poverty child amount:
 - Determine the average per poverty child amount – Total LEA allocation divided by total number of LEA poverty children.
 - Adjust this amount by multiplying by **125%**.
- The LEA must calculate this per poverty child amount **before** it reserves any district level funds.

Example if Serving Schools Below 35% Poverty

- LEA Allocation - \$100,000
- Total LEA Poverty Students – 100
- Per Poverty Child amount - \$1000
($\$100,000/100 = \1000)
- 125% of \$1000 equals \$1250
- \$1250 is the minimum per poverty child amount for all schools served.
- Last school service may receive less than 125% amount if sufficient to run a program

Private School Participation

- Must offer equitable participation to private school students residing in the participating school's attendance area

Private School Title I Eligibility

- Student must reside in a participating public school attendance area
- Equitable amount must be calculated based on same poverty measure or comparable
- The resident LEA is responsible for its resident students even if they attend a private school located in another LEA (Title I program only)

Private School Services

- Must be provided by the District, or
- Independent 3rd party contractor
 - May be another LEA
- Must be targeted assistance, not schoolwide
- Do not give funds directly to a private school

Private School Equitable Funding

- Example
 - \$100,000 allocated to Adams Elementary School Attendance area
 - \$1000 per low-income student
 - 85 low income students attend Adams \$85,000
 - 15 low income resident students in Adams attendance area attend private school
 - \$15,000 in Title I services must be offered to private school students & their teachers

Accounting for Title I Funds

- Districts must budget and track the expenditure of Title I funds down to the
 - School building level
 - District-wide activity level
 - Private school level
 - Any required set asides (focus or priority schools)
- Make sure District business office is aware of these fund tracking requirements.

Focus and Priority School Level Required Set Asides

- Focus & Priority Schools
 - 10% of each school's sub-allocation must be used for intervention strategies
 - School's Allocation, NOT the district's
 - Needs to be tracked at the school's budget level