

# Show Me the Money: Understanding Title Allocations

**ESSA Academy 2025**

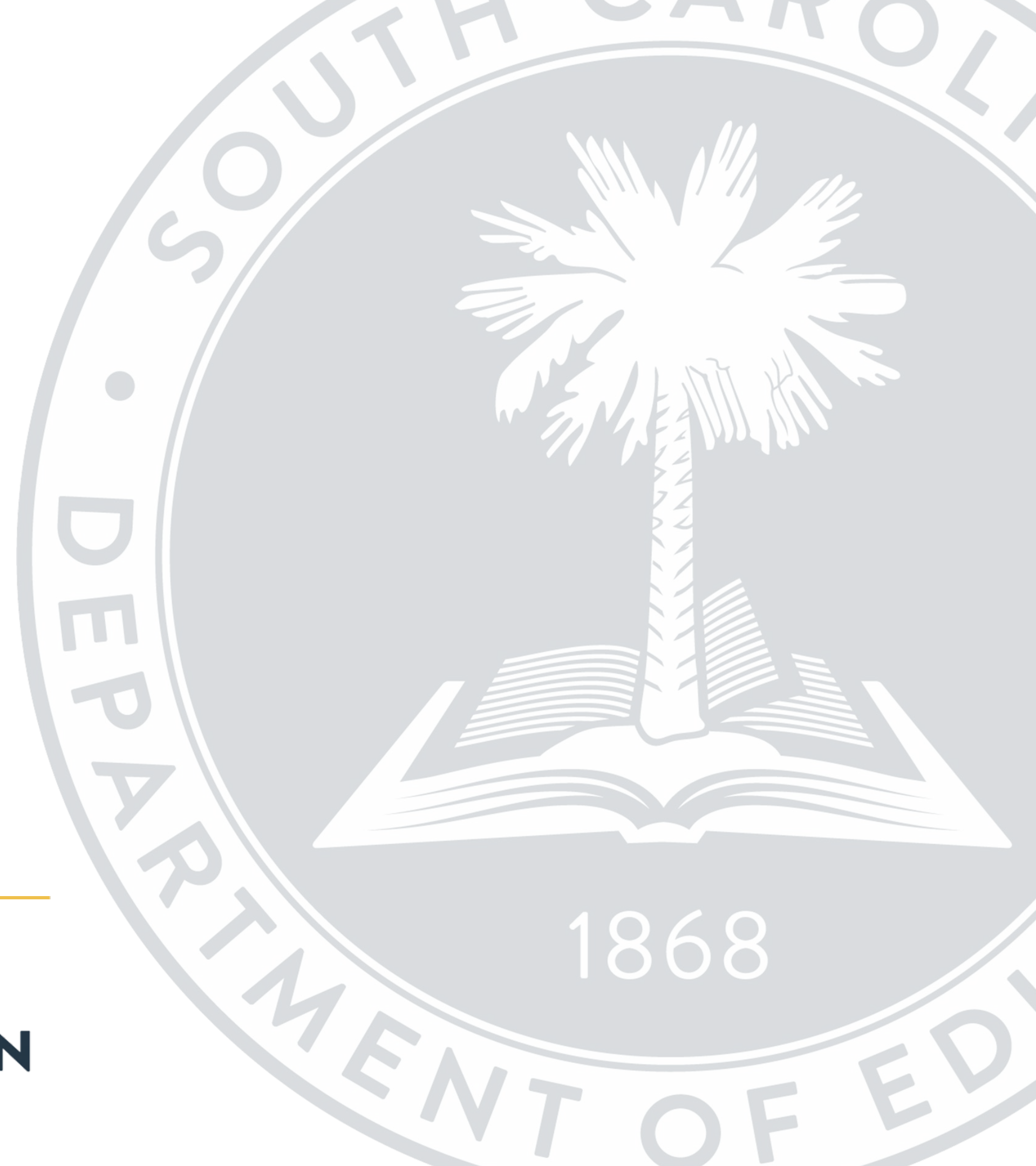
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**March 24, 2025**

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**SOUTH CAROLINA  
DEPARTMENT OF EDUCATION**



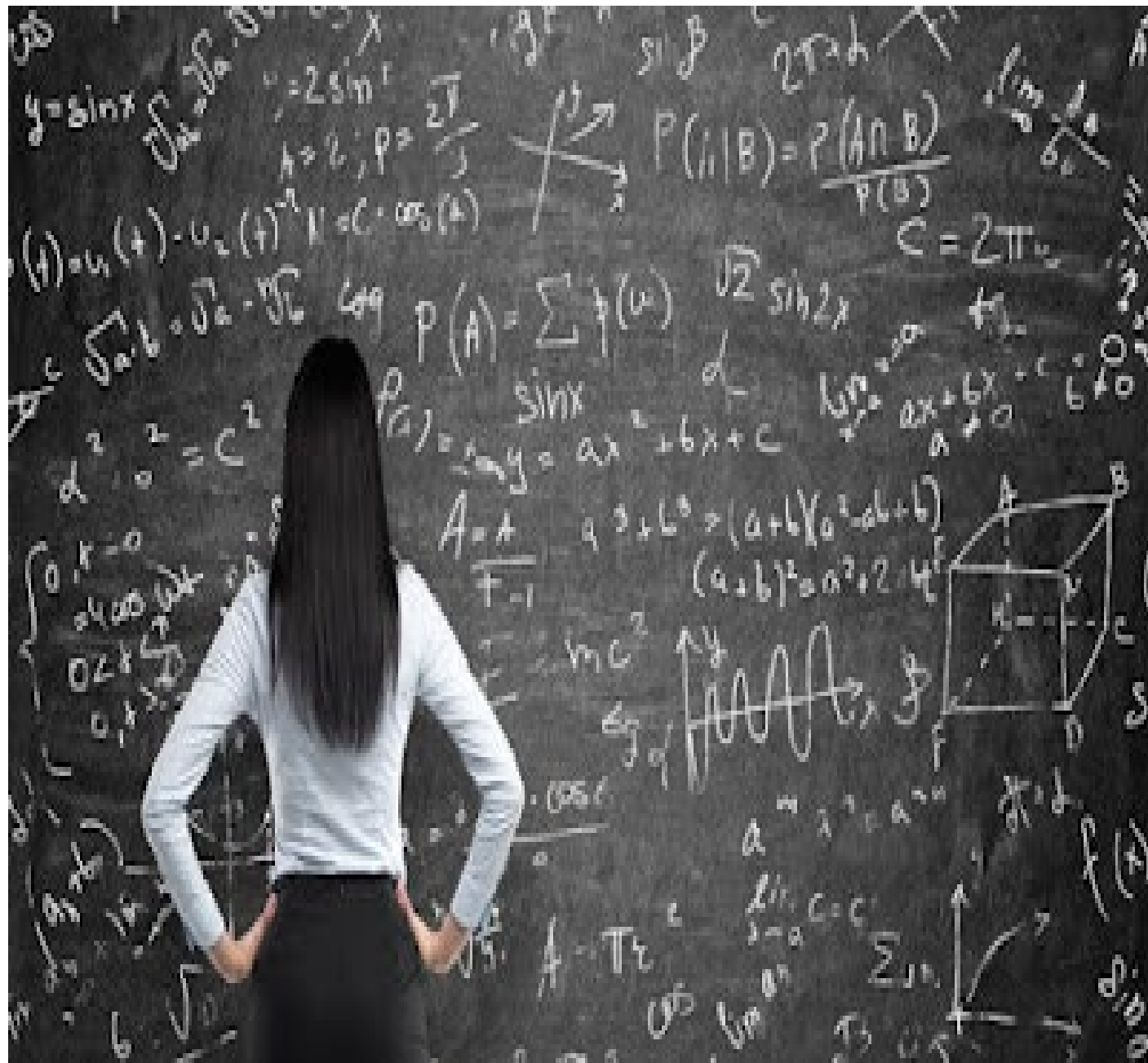
# Look Back: FY 2025 Allocations

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- A look back: Federal fiscal year (FY) 2025 (school year 2024-2025) allocations
- FY 2025 allocations for programs administered by SSA (Titles I-A, I-B, I-D, II-A, and IV-B, and Education for Homeless Children and Youth (EHCY)) and other State-administered ESEA programs are final
- Revisions issued to FY 2025 Title I-A allocations in September 2024
- The Department does not expect there to be any additional revisions to FY 2025 allocations during the school year 2024-2025



# Common Questions



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**Can a district determine its allocations if it knows its poverty and enrollment data?**

No, determining a district's allocation is more complex and uses a formula with several components.

**District A has a similar demographic to our district. Why is their allocation more than ours?**

Allocations are determined using a formula.

District A may have received an eligibility that your district did not qualify to receive.



# Look Forward: FY 2026 Allocations

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- No final FY 2025 appropriation yet that will set FY 2026 (school year 2025-2026) funding levels for programs
- After funding levels are set, preliminary FY 2026 allocations will be provided as soon as possible.
- December 2024: Census released 2023 LEA poverty estimates for FY 2026 Title I-A and Title II-A allocations and the 90-day challenge period began
- Census challenge period ended March 17, 2025

# Data Used to Determine: Preliminary FY 2026 Allocations for Title I-A

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- The Department will use State per-pupil expenditure (SPPE) data reported by States for school year 2023-2024 and the same October 2024 non-Census formula counts used for FY 2026 allocation.
- The school year 2022-2023 SPPE data replace the school year 2021-2022 SPPE data that The Department used to calculate FY 2026 allocations
- FY 2026 preliminary Title I-A allocations will differ from FY 2025 Title I-A allocations due to the availability of the new Census and SPPE data



# Data Used to Determine: Preliminary FY 2026 Allocations for Title I-B and Title I-D

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- Title I-B: Ages 5 to 17 State population data from the Census Bureau
- Title I-D, Subpart 1:
  - State agency counts submitted by SEAs
  - Same SPPE data used in Title I-A allocations
- Title I-D, Subpart 2 (funds come from SEA's Title I-A grant award):
  - October counts of children in locally operated institutions for delinquent children submitted by SEAs
  - Other data used in Title I-A allocations (e.g., SPPE data and prior year's Subpart 2 allocation (for hold harmless))

# Data Used to Determine: Preliminary FY 2026 Allocations for Title II-A, Title IV-B, and EHCY

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- Title II-A:
  - Ages 5 to 17 State population data from the Census Bureau used in Title I-A allocations
  - Same ages 5 to 17 State poverty data from the Census Bureau used in Title I-A allocations
- Title IV-B: Previous FY's Title I-A SEA allocations without the application of the hold harmless provisions in ESEA section 1122
- EHCY: Current FY's Title I-A SEA allocations without the application of the hold harmless provisions in ESEA section 1122

*Note: ESEA section 1122(c)(3) prohibits the Department from considering the Title I-A hold harmless provisions in ESEA section 1122 in calculating State or local allocations for any other program administered by the Department, including Title IV-B and EHCY. This provision applies only to the Department, not to SEAs.*



# Estimating Minimum FY 2026 Title I-A Allocations for LEAs: Step 1 Gathering Data

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- For the next few slides, provide examples of how a State or LEA may estimate the minimum FY 2026 Title I-A Allocation for LEAs
- USDE recommends that a State or LEA performing these estimates use the following sources of data:
  1. Most recent 2023 Census poverty data that were released in December 2024;
  2. State-submitted non-Census formula counts from October 2023, which includes:
    - children living in institutions for neglected children as reported by each State to the Department
    - children ages 5 through 17 years in families above poverty receiving Temporary Assistance for Needy Families (TANF) and in foster homes as reported by the Department of Health and Human Services
  3. State-determined Title I allocations under each formula in the prior year (i.e., FY 2025).





# Estimating Minimum FY 2026 Title I-A Allocations for LEAs: Step 2 Formula Counts and Percentages

LEA	Census poverty	Neglected	Foster	TANF above poverty	Total number of formula children (Census poverty + State- submitted non-Census formula counts)	Census: total number of children (ages 5 to 17)	Percentage of formula children
LEA 1	750	0	50	0	800	2,000	40.00%
LEA 2	650	50	100	0	800	3,200	25.00%
LEA 3	290	0	10	0	300	2,500	12.00%
LEA 4	9	0	5	0	14	200	7.00%
LEA 5	9	0	0	0	9	100	9.00%

# Estimating Minimum FY 2026 Title I-A Allocations for LEAs: Step 3 Review of Eligibility Provisions

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- **Basic Grant eligibility:** an LEA must have at least 10 formula children and the number of those children must exceed two percent of the LEA's total population of children ages 5 through 17.
- **Concentration Grant eligibility:** an LEA must meet the Basic Grants eligibility criteria and the number of children counted for Basic Grant formula purposes must exceed 6,500 children or 15 percent of the ages 5 through 17 population.
- **Targeted Grant or EFIG Eligibility:** the number of formula children in an LEA counted for Basic Grant formula purposes must be at least 10 and equal or exceed five percent of the LEA's total population of children ages 5 through 17.

# Estimating Minimum FY 2026 Title I-A Allocations for LEAs: Step 3 Eligibility Under Each Formula

LEA	Total number of formula children	Percentage of formula children	Eligible for Basic Grants?	Eligible for Conc. Grants?	Eligible for Targeted or EFIG Grants?
LEA 1	800	40.00%	Yes	Yes	Yes
LEA 2	800	25.00%	Yes	Yes	Yes
LEA 3	300	12.00%	Yes	No	Yes
LEA 4	14	7.00%	Yes	No	Yes
LEA 5	9	9.00%	No	No	No

# Estimating Minimum FY 2026 Title I-A Allocations for LEAs:

## Step 4 Review of Hold Harmless Provisions

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- Each eligible LEA is entitled to the following percentages of its prior year allocation amount depending on what percent its number of formula children is of its total number of children ages 5 through 17:
  - 95% for LEAs with a formula child rate that is equal to or greater than 30%;
  - 90% for LEAs with a formula child rate that is equal to or greater than 15% but less than 30%; and
  - 85% for LEAs with a formula child rate that is less than 15%.
- If an LEA is **not** eligible under the Basic, Targeted, or Education Finance Incentive Grant (EFIG) formulas, these hold-harmless provisions **do not apply**.
- If an LEA is not eligible to receive a Concentration Grant in the current year but was eligible at least once in the four immediate prior years, the above hold harmless provisions would also apply to the LEA's Concentration Grant provision.

# Estimating Minimum FY 2026 Title I-A Allocations for LEAs:

## Step 4 Hold Harmless Under Each Formula

LEA	Percentage of formula children	Most recent fiscal year meeting Conc. grant eligibility criteria	Hold Harmless % for Grants	Hold Harmless % for Conc. Grants	Hold Harmless % for Targeted or EFIG Grants?
LEA 1	40.00%	2024	95%	95%	95%
LEA 2	25.00%	2024	90%	90%	90%
LEA 3	12.00%	2024	85%	85%	85%
LEA 4	7.00%	2020	85%	Not Eligible	85%
LEA 5	9.00%	2017	Not Eligible	Not Eligible	Not Eligible



# Estimating Minimum FY 2026 Title I-A Allocations for LEAs: Step 5 Allocations Under Each Formula

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- At this stage, a State or LEA may use the hold harmless estimates from the prior slide to estimate the **minimum** allocations that the LEA may receive for budget or planning purposes
- To further refine the estimate, a State or LEA may find it helpful to estimate the total amount of funds the LEA would contribute to the ESEA section 1003 school improvement reservation and ESEA section 1004 State administrative reservation.



# Estimating Minimum FY 2026 Title I-A Allocations for LEAs: Step 5 Allocations Under Each Formula

LEA	FY 2025 State-Determined Basic Grant	FY 2025 State-Determined Conc. Grants	FY 2025 State-Determined Targeted Grants	FY 2025 State-Determined EFIG	Estimated Minimum FY 2026 Basic Grant	Estimated Minimum FY 2026 Conc. Grant	Estimated Minimum FY 2026 Targeted Grant	Estimated Minimum FY 2026 EFIG
LEA 1	\$550,000	\$150,000	\$500,000	\$600,000	\$522,500	\$142,500	\$475,000	\$570,000
LEA 2	\$550,000	\$150,000	\$300,000	\$300,000	\$495,000	\$135,000	\$270,000	\$270,000
LEA 3	\$250,000	\$100,000	\$100,000	\$100,000	\$212,500	\$85,000	\$85,000	\$85,000
LEA 4	\$100,000	\$50,000	\$100,000	\$100,000	\$85,000	\$0	\$85,000	\$85,000
LEA 5	\$50,000	\$0	\$50,000	\$50,000	\$0	\$0	\$0	\$0



# Step 6: Determining Funding for State N&D Sites and Charter Districts

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## **N&D:**

- The districts provide facility count to the SCDE.
- Title I, Part A allocations are used to determine funding for N&D.
- The Neglected & Delinquent counts, along with Total Formula Counts, are used to determine a per-pupil amount.
- The per pupil amount is then used to formulate the final allocation for the N&D sites

## **Charter Districts:**

- Preliminary allocations are determined using the previous year's 135<sup>th</sup>-day student count.
- At final allocations, charter districts provide the state with their 135<sup>th</sup>-day student count, including the overall student count as well as the pupils in poverty student count.



# State Set-Asides

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- **Title I, II, and IV** State Administration is capped at **1%** of the total State Allocation.
- **School Improvement** is capped at **7%**.
  - However, the full 7% reservation may be affected by the Hold Harmless provision or an overall allocation decrease.
- **Title II** School Leader Preparation Academies & Other State Activities are capped at **2%**.
- **Title V** State Administration is capped at **3%**.





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