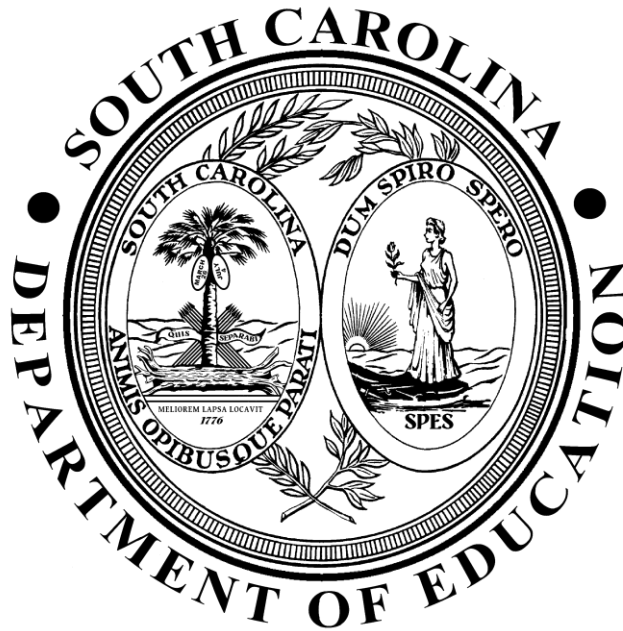


STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

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Every Student Succeeds Act of 2015 Title I Supplement, Not Supplant

Every Student Succeeds Act (ESEA) Programs

2018

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Every Student Succeeds Act of 2015 Title I Supplement, Not Supplant

Background

The federal Elementary and Secondary Education Act of 1965 (ESEA) is reauthorized generally every five to seven years. The latest reauthorization of ESEA is the Every Student Succeeds Act of 2015 (ESSA). ESSA replaces the previous reauthorization, which was the No Child Left Behind Act of 2001 (NCLB).

Supplement, Not Supplant (SNS) is a major provision for ESEA. The concept is that Title I funds must supplement local and state funds in the education programs provided by a Local Education Agency (LEA). Title I funds may not be used to replace local and state dollars (supplanting) in providing educational programs. Prior to ESSA, there were three “presumptions of supplanting” tests to determine if supplanting may have occurred.

1. “An LEA used Title I funds to provide services that the LEA was required to make available under Federal, State, or local law.
2. An LEA used Title I funds to provide services that the LEA provided with non-Federal funds in the prior year(s).
3. An LEA used Title I funds to provide services for children participating in a Title I program that the LEA provided with non-Federal funds to children not participating in Title I.”

SEAs and LEAs needed to respond to these presumptions if a question of supplanting arose.

Every Student Succeeds Act

ESSA has provided a new way to view Title I SNS for LEAs. The SNS rule is still in force, but compliance will be viewed differently. For compliance, an LEA will demonstrate that the method it used to allocate local and state funds to each school ensures that Title I served schools receive their fair share of local and state funding. The South Carolina Department of Education (SCDE) will begin monitoring for SNS beginning with the 2018-19 school year.

(As a note, the new Title I SNS does not apply to other parts of ESSA. For Titles II-V, the three “presumptions of supplanting” tests remain.)

“ESSA SEC. 1118 - FISCAL REQUIREMENTS.

(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.”

Requirements

From the 2018 Compliance Supplement

“The ESSA amended the Title I, Part A supplement not supplant requirement (Title I, Part A, Section 1118(b)(2) (20 USC 6321(b)(2))). To demonstrate compliance, an LEA must have a methodology to allocate State and local funds to each Title I school that ensures that the school receives all of the State and local funds it would otherwise receive if it were not receiving Title I funds.”

The funding methodology in ESSA, Section 1118 gives guidance to LEAs as to the manner in which an LEA distributes State and local funding to all schools. In the absence of federal funds, a school would be required to receive sufficient State and local funding to meet the defined minimum educational program as referenced in statute and regulation. The methodology would be revenue “neutral” concerning Title I funding. Title I funding must not be used to replace State and local funding at any school. The ESSA SNS for schools becomes a funding test.

While specific funding methodologies are not mandated by legislation, an LEA must demonstrate annually that its method of distributing State and local funds to schools meets the requirements of ESSA, Section 1118. Once the methodology demonstrates that Title I schools have received their

“fair share” of State and local funds, items or activities paid for with Title I funds at the school level are considered supplemental. Title I activities and expenditures at the school level must still be reviewed and must meet the requirements of Title I “necessary and reasonable” and “allowability” as found in the Uniform Grant Guidance.

Title I funded activities at the LEA set aside level would still need to meet the requirements of the three “presumptions of supplanting” tests. LEAs may rebut numbers 2 and 3 under certain circumstances. Those circumstances would need to be discussed with the SCDE Title I Program Office.

SCDE will review methodologies submitted by LEAs, and SNS will become a part of Title I monitoring.

Other Considerations

Maintenance of Effort (MOE) and Comparability are required fiscal provisions in Title I and remain so in addition to the SNS methodology.

LEAs with one school per grade span or LEAs with less than 1,000 students will be exempt from the SNS methodology requirement, but must meet all other state and federal program requirements.

In certain circumstances, the “exclusion rule” may be applied to SNS determinations.

“ESSA SEC. 1118 - FISCAL REQUIREMENTS. (Full text)

(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.

(5) TIMELINE.—A local educational agency—

(A) shall meet the compliance requirement under paragraph (2) not later than 2 years after the date of enactment of the Every Student Succeeds Act; and

(B) may demonstrate compliance with the requirement under paragraph (1) before the end of such 2-year period using the method such local educational agency used on the day before the date of enactment of the Every Student Succeeds Act.”

SNS Methodologies

ESSA requires that LEAs must demonstrate that their methodologies comply with Section 1118 of ESSA describing a neutral methodology of distributing State and local funds to schools in the LEA.

SCDE is not requiring the use of a set template or format to describe the LEA’s methodology, but some example descriptions are provided on pages 5 and 6 of this document. The methodology will explain how an LEA equitably allocates its State and local funds to the schools within the LEA. The methodology includes the funding and resources that benefits the instructional programs and instructional support programs and other activities that may affect the allocation of funds to a school for instructional purposes.

- The methodology should be in a language understandable to the public.
- The methodology should indicate a description of how and upon what basis staff are allocated to schools. The methodology may include the LEA staffing formula or other methods of equitably distributing staff to schools. A description of allocating staff over and above the defined minimum program requirements should be included if a school houses special programs. Examples might include Magnet, STEM, Arts Infused, and alternative schools.
- A per pupil or weighted per pupil formula for the distribution of funds for instructional supplies, materials, equipment and other resources should be a part of the methodology.
- An LEA would need to review its methodology to ensure it meets the required Defined Minimum Program for Elementary, Middle, and High Schools (§43-231, §43-232, §43-234 and §43-205 on Administrative and Personnel Qualifications, and Workloads.) The state flexibility proviso may affect class sizes.
- The methodology should provide information that each school (Title I and non-Title I) is provided resources in an equitable manner. Title I district level activities will be reviewed with the lens of the three “presumptions of supplanting” tests.

Methodology Examples

Note: LEAs may use these methods or develop their own templates. The funding amounts below are for example only.

Methodology examples based upon student enrollment and/or student categories for the school year

Personnel Allocations – Elementary School Staffing Formula – State and Local Funds

Principal	1.0 Assistant Principal per 400 students	1.0 Secretary per 400 students
1.0 School counselor per 400 students	1.0 Media staff per 500 students	1.0 Nurse per 500 students
0.5 Music teacher per 500 students	0.5 Art teacher per 500 students	0.5 PE teacher for 500 students
Grade K-3 teacher 1 to 25 student ratio	Grade 4-5 teachers 1 to 28 student ratio	Special education teacher based upon student needs
1.0 Instructional Coach per school		

Additional staff for additional educational programs from state and local funds – STEM, etc.

1.0 Reading Coach		

Additional staff from state special or federal funding.

2.0 Title I funded teachers		

Elementary Per Pupil - Instructional programs, supplies, activities technology, etc. – State and Local Funds

Allocation by Category	Enrollment	Per Pupil	Total
All students	100	\$100.00	\$10,000.00
Poverty	50	\$25.00	\$1,250.00
English Learners (EL)	10	\$25.00	\$250.00
Students with disabilities	20	\$25.00	\$500.00
Total			\$12,000.00

Per Pupil Funding by Category and Grade Span, State and Local Funds

Category	Elementary Schools	Middle Schools	High Schools
Instructional materials	\$30.00	\$30.00	\$30.00
Instructional equipment and instructional technology (varies per refresh)	\$1,000.00	\$1,000.00	\$1,000.00
Media books and materials	\$20.00	\$25.00	\$30.00
Guidance supplies per counselor	\$200.00	\$300.00	\$400.00
Science materials per school	\$500.00	\$1,000.00	\$2,000.00
Special Education supplies per class	\$250.00	\$300.00	\$300.00
Supplies per new class	\$700.00	\$700.00	\$300.00