



COLORADO

Department of Education

Supplement, Not Supplant Demonstration Under Title I, Part A

Office of ESEA Programs
Office of School Finance

Webinar Agenda

- Background
- Changes under the Every Student Succeeds Act
- Methodology and Examples
- Demonstration Process
- Frequently Asked Questions
- Q&A

Reminder: Today's webinar applies to the requirements under Title I, Part A only. The supplement, not supplant tests under other Title programs have not changed.

For additional information related to other programs, contact your [ESEA Regional Contact](#).



Background

Under the No Child Left Behind Act of 2001 (NCLB), the supplement, not supplant (SNS) requirement was met by ensuring individual Title I costs did not fall within the presumptions of supplanting test.

Title I, Part A Budget Focus: This process assessed whether a particular Title I cost was supplemental and focused on the use of the Title I funds rather than the use of State and local (non-federal) funds.

Changes under ESSA

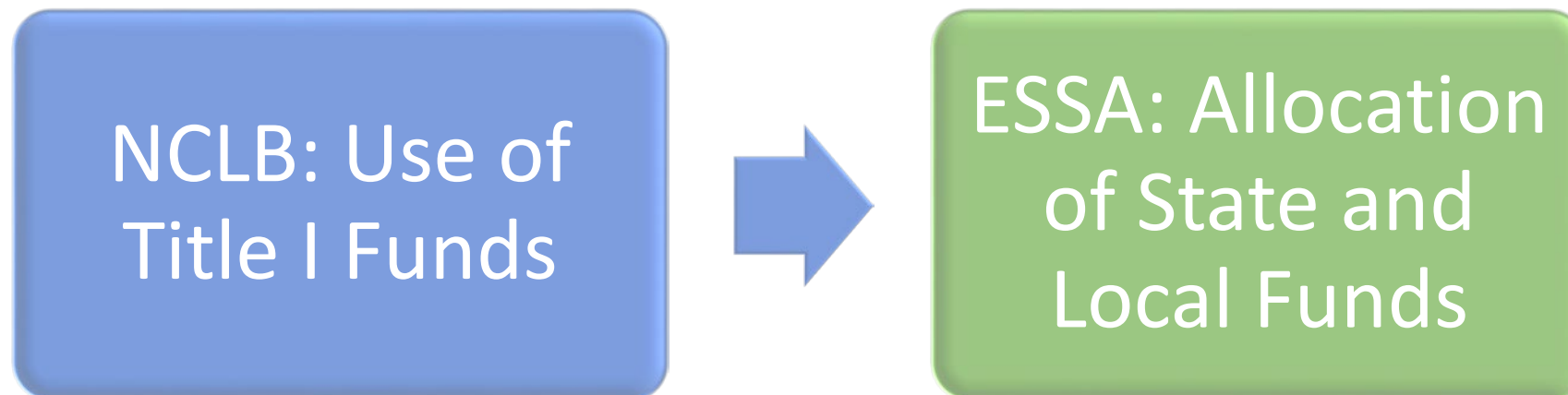
Under the Every Student Succeeds Act (ESSA) the test for SNS shifts the review of Title I, Part A expenses and forgoes the presumptions test

State and local fund focus: The SNS test under the ESSA focuses on and requires demonstration of the LEA's methodology used to allocate State and local (non-Federal) funds to each school receiving Title I assistance to ensure that it is receiving the same amount it would have regardless of whether the school received Title I assistance.

Changes under ESSA, cont.

In other words, the updated SNS test reviews the manner in which LEAs allocate State and local funds to schools to ensure Title I schools receive all of the funds they would have received had they not participated in Title I.

Shift from a **Title I** focus to a **State and local** focus.



Budget document suggestion

- The district's budget methodology to allocate State and local funds to each Title I school ensures each such school receives all the state and local funds it would otherwise receive if it were not a Title I school.

The term “methodology” refers to the manner in which State and local (non-Federal) funds are allocated to schools.

CDE has recognized the following methodologies that LEAs may select from during the demonstration process:

- Distribution of State and local (non-Federal) resources based on the characteristics of the students;
- Distribution of State and local (non-Federal) resources based on staffing and supplies;
- Distribution of State and local (non-Federal) resources based on a combined approach, or,
- Other, as adopted by the LEA.

CDE does not require that the LEA 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 and is implemented consistently among all schools in the LEA.

Methodology Example: Based on Characteristics of the Students

Example 1: Distribution of State and Local (non-Federal) Resources Based on the 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)

Methodology Example: Based on Characteristics of the Students, cont.

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
Additional allocation/student from a low-income family	200 x \$250	\$50,000
Additional allocation/English learner	100 x \$500	\$50,000
Additional allocation/student with a disability	50 x \$1,500	\$75,000
Additional allocation/preschool student	20 x \$8,500	\$170,000
		\$3,495,000

Example 2: Distribution of State and Local (non-Federal) Resources Based on Staffing and Supplies

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)

Methodology Example: Based on Characteristics of the Students, cont.

In a school of 450 students, the school would be expected to receive \$2,051,250 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
21 teachers	21 x \$65,000	\$1,365,000
Instructional materials and supplies	450 x \$825	\$371,250
		\$2,051,250

Example 3: Distribution of State and Local (non-Federal) Resources Based on a Combined Approach

This form of equitable distribution includes characteristics of the two previous examples, distribution of State and local (non-Federal) resources based on the characteristics of the students and the staffing and supplies needs of the schools.

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)

Methodology Example: Based on Combined Approach

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
Additional allocation/student from a low-income family	200 x \$250	\$50,000
Additional allocation/English learner	100 x \$500	\$50,000
Additional allocation/student with a disability	50 x \$1,500	\$75,000
		\$3,640,000

Methodology Example: Other, as Adopted by the LEA

Example 4: Other, as Adopted by the LEA

This form of equitable distribution does not necessarily fit within the parameters provided in the other three examples; however, the LEA assures that this methodology is neutral in regard to the Title I, Part A status of each school.

Methodology Example: Other, as Adopted by the LEA - Considerations

Considerations for Small and/or Rural LEAs

- LEAs with a single school code will not be required to submit a description of their methodology for allocating State/local funds
- CDE will support small and/or rural LEAs through the demonstration process if a methodology has not been previously formalized or does not fall within the options previously outlined

Aurora Public Schools

Variables	
Base Staffing	
Elementary School	\$58,307 per 25.20 students
Middle School	\$58,307 per 20.65 students
High School	\$58,307 per 21.60 students
Free Lunch Factor	\$554 per free lunch count
Small Elementary School Factor	Additional amount given for small schools with enrollment under 450 students
Further allocations given for ELA staffing and certain administration and support positions	

Methodology Example: Colorado Example, (APS) cont.

Aurora Public Schools

Variables Used In Calculating Additional Funding Budget Allocations		
Base		
Elementary School		\$80
Middle School		\$81
High School		\$95
SPED		
Elementary School		\$16
Middle School		\$19
High School		\$22
Staff Development		\$2
Copier Service		
Elementary School		\$12
Middle School		\$13
High School		\$11
Copier Service		
Elementary School		\$7.50
Middle School		\$24
High School		\$33

Adams 12 Five Star Schools

- Assumptions and Budgeting Practices. School budgets were prepared using the following considerations:
 - Staffing to the needs of the expected classroom sizes based on the forecasted enrollment projections.
 - Allocations given for special programming such as IB, Stem, and Expanded Day schools.
 - Additional funding for small schools (less than 471 students), and K-8 schools.
 - General operating expenses including classroom supplies, professional development, printing, transportation, maintenance, and IT.
 - Included in other expenses, for schools eligible for Title I, is the offset of Title I dollars allocated to the school.
 - In Fiscal Year 2016-17, grade level relief allocations were given in the spring of 2016. In FY Fiscal Year 2017-18, grade level relief will be allocated in the fall of 2017, based on actual enrollment.
 - Salaries and benefits in Fiscal Year 2016-17 were budgeted on actual salary by position. Salaries and benefits are budgeted in Fiscal Year 2017-18 based on average salary and benefit by position.

Demonstration Process – Frequency

The LEA is required to provide the demonstration requirements to CDE **one time** for the duration of the Title I, Part A program under the ESSA, unless the LEA adopts or implements a revised methodology for allocating State and local (non-Federal) resources.

In other words, the LEA must only demonstrate its methodology for allocating State and local (non-Federal) resources once, unless and until Congress reauthorizes the Elementary and Secondary Education Act, so long as no **substantive changes** are made to the LEA's methodology.



Demonstration Process - Substantive

A substantive change may occur when an LEA shifts from one type of methodology to another. Minor changes to the value attached to a variable within the methodology are likely not considered substantive.

- For example, if the LEA previously implemented a methodology based on the characteristics of the students and shifts to a methodology based on the staffing and supply needs, a substantive change to the LEA's methodology has occurred and the LEA would need to submit the demonstration requirements to CDE for review.
- However, if the LEA is implementing a methodology based on the characteristics of the students and schools serving EL students were previously allocated an additional \$500/student and will now be allocated \$525/student, a substantive change has not occurred.

CDE is responsible for verifying that each LEA receiving Title I, Part A funds is in compliance with the SNS demonstration requirements under the ESSA.

To ensure all LEAs in Colorado meet these requirements, each LEA is required to submit the following:

- a) An assurance stating the LEA is in compliance with the provisions of section 1118(b) of the ESSA;
- b) An indication of the type of methodology the LEA has adopted and is implementing in regard to the allocation of State and local (non-Federal) funds to all schools; and,
- c) A narrative description of the methodology or a reference to the LEA's Financial Transparency document in which the methodology is described.

Demonstration Process - Assurance

- ❑ The LEA assures that it is in compliance with the supplement, not supplant provisions within section 1118(b) of, and referenced throughout, the Every Student Succeeds Act.

Demonstration Process – Methodology Type

- The LEA assures that it has adopted and implemented the following methodology to allocate State and local (non-Federal) funds to all schools in the LEA, regardless of Title I status (select only one):
 - Distribution of State and local (non-Federal) resources based on the characteristics of the students
 - Distribution of State and local (non-Federal) resources based on staffing and supplies
 - Distribution of State and local (non-Federal) resources based on a combination of the characteristics of the students and staffing and supplies
 - Other, as adopted and implemented by the LEA

Demonstration Process – Methodology Description

- ❑ The LEA has provided a narrative description of either the:
 - LEA’s methodology or a reference to the LEA’s Financial Transparency document in which the methodology is described; or,
 - Plan to come into compliance with the provisions within section 1118(b) no later than September 30, 2018.

Note: The LEA may provide the narrative description, as selected, in the text box provided or may attach an addendum.

Demonstration Process, cont.

Upon adoption or implementation of a revised methodology, including any substantive changes to the methodology, it is incumbent upon the LEA to provide an updated demonstration of compliance.

In subsequent years after the initial demonstration, LEAs will be required to submit an assurance in the Consolidated Application for ESEA Funds indicating that no substantive changes have occurred.



Demonstration Process – Single School Code

LEAs that have a single school code (i.e. Elementary, Middle and High School levels all have the same school code) are required to submit an assurance, but need not provide additional demonstration requirements.

LEAs must submit demonstration requirements by May 30, 2018

- LEAs that are unable to meet the demonstration requirements must alternatively submit a plan by May 30, 2018 detailing how the LEA intends to come into compliance no later than September 30, 2018
- LEAs may submit the materials required for demonstration any time between now and May 30, 2018.
- Upon submitting the required materials, CDE will verify the information provided to ensure the LEA is in compliance with the ESSA requirements.

Timeline Scenarios

Scenario	Timing Considerations
LEA can demonstrate compliance with requirements	Submits by May 30 ; receives substantial approval upon submission of Consolidated Application
LEA is not currently in compliance but will have a plan (including a response to section (c) in the demonstration) to come into compliance by September 30 in place by May 30	Submits by May 30 ; receives substantial approval upon submission of Consolidated Application
LEA is not currently in compliance and cannot provide a response to section (c) in the demonstration requirements by May 30, but the LEA can provide a description of how the LEA intends to come into compliance by September 30	Submits by May 30; resubmits additional details by June 30 ; receives substantial approval upon submission of Consolidated Application; will not receive final approval until CDE is able to verify demonstration requirements are met
LEA does not submit any information by May 30	LEA will not receive substantial approval until information is provided; will not receive final approval until CDE is able to verify demonstration requirements are met once information is provided



Frequently Asked Questions

Q: Can we use our comparability submission to meet the SNS requirements?

A: No, while comparability and supplement, not supplant requirements both examine how the LEA distributes State and local funds and/or resources to schools, they are separate tests and are intended to measure different aspects of the supplemental nature of Title I, Part A funds.

Frequently Asked Questions

Q: Our district only has one school, do I have to submit anything?

A: Yes. All districts must submit the assurance that they are in compliance with the provisions under section 1118(b). However, LEAs that have only one school code do not need to provide any additional information regarding the methodology.

Guidance and Resources

- <http://www.cde.state.co.us/fedprograms/supplementnotsupplant-0>

Questions regarding the demonstration requirements, process, or timeline may be directed to:

- [Colleen Brooks](#)
Office of ESEA Programs
303.866.3897

Questions regarding the description of methodology, budget process, or Financial Transparency documents may be directed to:

- [Aaron Oberg](#)
Office of School Finance
303.866.6654