

Funding Transferability

(Title VI, Part A– Subpart 2)

Purposes

- To allow states and local educational agencies the flexibility to target federal funds to federal programs that most effectively meet the unique needs of localities; and
- To transfer federal funds to certain activities authorized under Title I.

Allowable Funding Transfers by School Districts

Schools, except those identified for improvement or corrective action under Title I, may transfer not more than 50% of their funds allocated under the following provisions, to one of more of the following provisions:

- Section 2121 – Recruiting and Training Teachers and Principals
- Section 2412(a)(2)(A) – Enhancing Education Through Technology*
- Section 4112(b)(1) – Safe and Drug-Free Schools and Communities
- Section 5112(a) – Parental Choice and Innovative Programs

Funds from any of these provisions may be transferred to Title I Part A.

Title I Restrictions

Schools identified for improvement may transfer not more than 30% of its allocated funds under these same provisions:

- To its allocation for school improvement
- To any other allocation if such funds are used only for improvement activities

Funds may not be transferred from Title I Part A to any of these programs.

Notification to the States

Each LEA that makes a transfer must:

- Notify the State of such transfer no later than 30 days prior to transferring funds
- Modify and submit their application to the State to account for the transfer of applicable funds no later than 30 days after the date of such transfer.

A local transfer does not require the permission of the State.

Rules and Requirements

Funds transferred are subject to the rules and requirements of the programs to which they are transferred.

Private Schools

Consultations must take place with private schools if funds being transferred provide for the participation of private school students, teachers, or other educational personnel.