



Title I-A: Improving Basic Programs



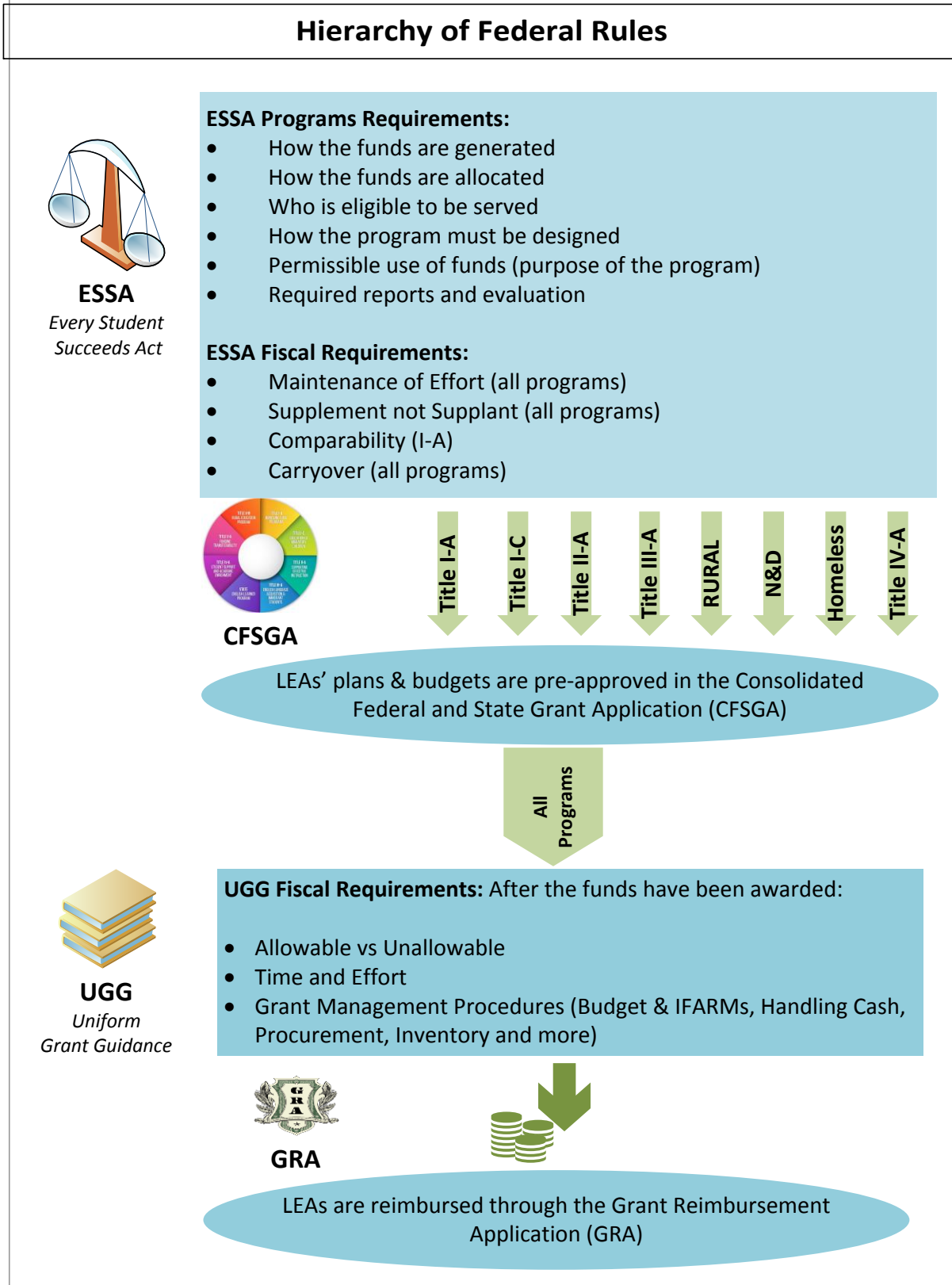
**Use of Funds - including
Supplement not Supplant**

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Hierarchy of Federal Rules



Purpose of the Document

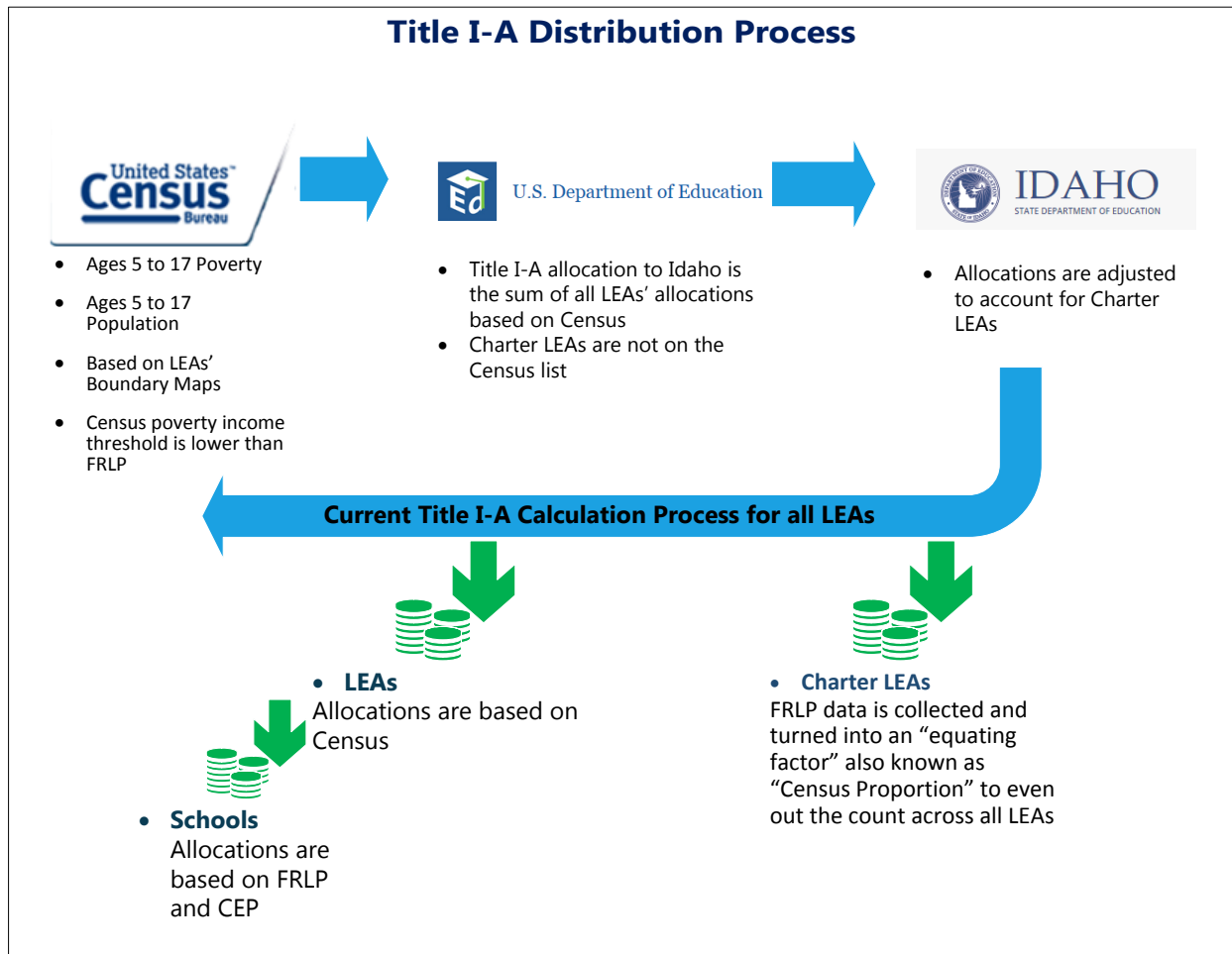
This document provides general guidance on how local educational agencies (LEAs) may spend Title I-A funds under the Every Student Succeeds Act (ESSA). ESSA was signed into law on December 10, 2015. ESSA went into effect on July 1, 2017.

Purpose of Title I-A

The purpose of Title I-A is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps.

Title I-A provides supplemental funding to help low-income schools improve the academic achievement of educationally disadvantaged students.

Distribution of Funds



Supplement not Supplant

Title I-A has a supplement not supplant (SNS) requirement. In general terms, this means that Title I-A funds must add to (supplement) and not replace (supplant) state and local funds.

Supplement not Supplant under No Child Left Behind (NCLB)

Under NCLB, supplement not supplant was typically tested by analyzing an individual Title I-A cost's compliance with three presumptions of supplanting:

- 1) An activity required by federal, state, or local law
- 2) An activity that was paid for with state or local funds in the prior year.

- 3) The same services for Title I students that state and local funds support for non-Title I students.

Supplement not Supplant Under ESSA

Under ESSA, compliance with SNS will no longer be tested through individual Title I-A costs, so these three presumptions no longer apply.

Instead, LEAs must demonstrate that **the methodology** they use to allocate state and local funds to schools provides each Title I-A school with all of the state and local money it would receive if it did not participate in the Title I-A program.

Supplement not Supplant for Title I-A: *New Under ESSA*

Targeted Assistance	
Supplanting under NCLB	Supplanting under ESSA
<ol style="list-style-type: none"> 1. An activity required by state, or local law. 2. An activity that was paid for with state or local funds in the prior year. 3. The same services for Title I-A students that state and local funds support for non-Title I-A students. 	<p>Each Title I school does not receive all of the State and Local funds it would otherwise receive if it was not receiving Title I-A funds (ESSA 1118 (b)(2)).</p> <p>▶ Note: Only the Title I-A students may receive benefits from these funds. Example: All students are participating in an activity (field trip, etc.). The activity can be paid with both general and Title I-A funds. The split must be proportional, based on the number of identified Title I-A students.</p>

Schoolwide	
Supplanting under NCLB	Supplanting under ESSA
<ol style="list-style-type: none"> 1. Each Title I school does not receive all of the State and Local funds it would otherwise receive if it was not receiving Title I-A funds. 	<p>Each Title I school does not receive all of the State and Local funds it would otherwise receive if it was not receiving Title I-A funds (ESSA 1118 (b)(2)).</p>

Examples under ESSA

- Paying for a supplemental program for eligible students in a Title I-A school with Title I-A funds, AND in a non-Title I-A school with local funds was supplanting under NCLB. This example is considered supplemental under ESSA.
- Paying for an activity required by a state or local law was supplanting under NCLB. This example is considered supplemental under ESSA.

▶ Note: In a targeted assistance program, only the Title I students may receive benefits from Title I-A funds.

How is the compliance determined?

1. LEA **methodology** is used to allocate State and Local Funds to schools. The method must be neutral regarding a school's Title I-A status.
2. Use of Title I-A funds is based on the priorities determined in the Comprehensive Needs Assessment and/or program evaluation, and aligned to the Title I-A CFSGA plan.
3. Expenses are Reasonable, Necessary & Allocable.

▶ Note: No LEA is required to identify that an individual cost or service is supplemental.

Note: Supplement not Supplant rule has not changed for all other Federal programs under ESSA. (Title I-C, II-A, III-A, IV-A, V-B & IX-A)

Updated 8/25/2017

Supplement not Supplant Methodology

LEAs must describe the methodology used to ensure that Federal funds are supplemental. The LEA must describe how the distribution of state and local funds to each school is determined. In other words, an LEA may not reduce its allocation

of state and local funds to a Title I-A school because the school receives Title I-A money. The State Department of Education (SDE) cannot prescribe a particular methodology (process, method, logic, etc.). However, several Idaho LEAs shared their methodology with the SDE.

Methodology Example #1

1. The basic allocation is based on total enrollment counts for each school, as if the state and local funds are the only monies that school is receiving. Each school is given additional allocations for other needs (technology, supplies, etc.). See the table below. As a result, all schools are treated the same whether or not these schools are Title I-A served. Please note: The schools are grouped by grade span (Elementary & Secondary) in this example. Each span may have a different per student amount, but schools in each group are treated equally.

Additionally, the LEA may consider the prior year's state and local actual per student expenditures or a total (aggregate) amount. This approach is also known as Maintenance of Effort. In other words, the LEA's upcoming school year budget should not be less than the prior year's actual expenditures.

EXAMPLE		Basic Allocation	Professional Development	Technology & Supplies	Total
Local Educational Agency Total Amount of State and Local funds \$192,469		<i>Per Student- Elem.</i> \$42.00	<i>Per Student- all schools</i> \$5.00	<i>Per Student- all schools</i> \$8.00	
		<i>Per Student- Sec.</i> \$45.00	<i>Plus addtl. amt. per bldg.</i> \$500.00	<i>Plus addtl. amt. per bldg.</i> \$400.00	
School	School Enrollment	<i>per student X total enrollment</i>	<i>per student X total enrollment plus \$500 per building</i>	<i>per student X total enrollment plus \$400 per building</i>	
A ELEMENTARY	360	15,120	2,300	3,280	20,700
B ELEMENTARY	500	21,000	3,000	4,400	28,400
C ELEMENTARY	255	10,710	1,775	2,440	14,925
D JUNIOR HIGH	701	31,545	4,005	6,008	41,558
E JUNIOR HIGH	790	35,550	4,450	6,720	46,720
G HIGH SCHOOL	677	30,465	3,885	5,816	40,166
TOTAL	3,283	144,390	19,415	28,664	192,469

Methodology Example #2

Another example is based on distribution of state and local funds which includes extra consideration for subgroups of students.

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 receives \$349,500 in state and local funds based on the following calculations:

ABC School			
Category Allocation	School Enrollment	Allocation per student	Total Calculation
All Students	450	\$700	\$315,000
Additional funding for subgroups of students			
Students from low income families	200	\$25	\$5,000
English Learners	100	\$50	\$5,000
Student with disabilities	50	\$150	\$7,500
Preschool students	20	\$850	\$17,000
Total allocation for school			\$349,500

Each school in an LEA will follow the same model.

Title I-A Program Types

Two program models:

- Targeted Assistance School (TAS)
- Schoolwide Program (SWP)

Targeted Assistance Schools Program

A targeted assistance school program is available to any Title I-A eligible school. A school is Title I-A eligible if its low income rate is 35% or equal to or greater than the Local Education Agency (LEA) low income average.

Identifying Title I-A Students

Students identified as failing, or most at risk of failing, to meet state standards are eligible to receive Title I-A services. Targeted assistance schools must determine which students will be served by identifying the students with the greatest need for assistance based on multiple educational objective criteria. Some student

groups are automatically eligible:

- Students who participated in Head Start, or certain ESSA-funded preschool programs or literacy programs for young children, within the past two years (including Title I supported preschool)
- Migrant students
- Neglected and delinquent students
- Homeless children

Spending Options in a Targeted Assistance Program

Targeted Assistance Program	
<i>What</i>	<i>How</i>
Help participating children meet the challenging state academic standards.	Provide programs, activities, and academic courses to provide a well-rounded education. Review the progress of eligible children on an ongoing basis, and revise the TAS program, if necessary.
Help provide an accelerated, high-quality curriculum and services.	This includes intervention through extended learning time for eligible students.
Use methods and instructional strategies to strengthen the academic program of the school through activities.	May include expanded learning time and a schoolwide tiered model to prevent and address behavior problems, and early intervening services.
Minimize the removal of children from the regular classroom during regular school hours for Title I instruction.	Expanded learning time for eligible students, including before- and after school programs, and summer programs and opportunities.
Coordinate with similar activities and services carried out under IDEA and other programs.	Example-assisting students in early literacy and language acquisitions skills through services provided by audiologists and speech language pathologists.
Coordinate with other programs (local, state & federal) to support the regular education program.	May include services to assist preschool children in the transition from early childhood education programs, Head Start programs, adult education programs, career and technical education programs. This coordination may also include Title I-A staff.

Provide professional development for Title I-A staff.	This includes: teachers, principals, other school leaders, paraprofessionals, and other school personnel who work with eligible children in the Title I-A program or in the regular classroom.
Implement strategies to increase parent and family engagement of eligible children.	Program requirements include: Parent & Family LEA & school policies, Title I-A annual meetings, school-parent compact, parent notifications and training, etc. for families of participating students.

Schoolwide Program

A Schoolwide model, available to any Title I-A eligible school with at least 40% low income. Under ESSA, a Title I-A eligible school with an income level below 40% may submit a waiver request to the SDE Title I-A Coordinator.

Schoolwide Program	
<i>What</i>	<i>How</i>
Provide opportunities for all children, including subgroups of students to meet the challenging State academic standards.	Schools operating a Schoolwide model can use Title I funds to upgrade their entire educational program for all students.
Address the needs of all children in the school, but particularly the needs of those at risk of not meeting the challenging State academic standards.	Activities may include: Counseling, school-based mental health programs, specialized instructional support services, mentoring services, etc.
Use methods and instructional strategies that strengthen the academic program in the school through activities.	This may include programs, activities, and courses necessary to provide a well-rounded education.
Evidence-based strategies to accelerate the acquisition of content knowledge.	This includes English learners.
Devices and software for students to access digital learning materials and collaborate with peers, and related training for educators.	This may include accessible devices and software needed by students with disabilities.

Preparation for & awareness of opportunities for post-secondary education and the workforce.	This may include: Career and Technical Education programs, Advanced Placement, International, Baccalaureate, Dual or concurrent, enrollment coursework, early college high schools, etc.
Implementation of a schoolwide tiered model to prevent and address problem behavior.	This may include: School climate interventions (e.g., anti-bullying strategies, positive behavior interventions and supports).
Coordinate with similar activities and services carried out under IDEA and other programs.	Example-assisting students in early literacy and language acquisitions skills through services provided by audiologists and speech language pathologists.
Professional development and other resources and activities for teachers, paraprofessionals, and other school personnel to improve instruction and use of data from academic instruction.	This may include: Equipment, materials, and training needed to compile and analyze student achievement data to monitor progress, alert the school to struggling students, and drive decision making. Also, Instructional coaches may be used to provide high-quality, school-based professional development.
Recruit and retain effective teachers, particularly in high need subjects.	Note: In a schoolwide program all teachers are considered Title I-A teachers. Up to 5% for incentives & rewards to attract/retain qualified & effective teachers who serve in Title I schools identified for comprehensive and targeted support and improvement.
Assistance for preschool children, in the transition from early childhood education programs to local elementary school programs.	This may include high-quality preschool or full-day kindergarten and services.
Implement strategies to increase parent and family engagement of eligible children.	Program requirements include: Parent & Family LEA & school policies, Title I-A annual meetings, school-parent compact, parent notifications and training, etc.

Required Set Asides

Before distributing Title I-A allocations to schools, the LEA must reserve funds “of the top” of the LEA’s allocation for numerous purposes. The amount LEAs take off the top is known as a “set aside”.

LEAs must reserve some Title I funds for the following required activities:

- Services for homeless children, which can include funding for the homeless liaison and transportation required under the McKinney Vento Homeless Education Act. LEAs must reserve “such funds as are necessary,” based on an assessment of homeless children’s needs; ESSA does not specify an amount.
- Services for children in local institutions for neglected children, and if appropriate, services for children in local institutions for delinquent children, and neglected or delinquent children in community day programs. LEAs must reserve “such funds as are necessary;” ESSA does not specify an amount.
- Parent and family engagement (required if the LEA receives \$500,000 or more of Title I funds). LEAs must reserve at least one percent, ninety percent of which must be distributed to schools.
- Equitable services for eligible private school students. LEAs must reserve a proportional amount based on the number of eligible private school students in the LEA.

Required Set Asides	
Homeless Education	Based on Need; however the minimum set-aside must be at least ¼ of 1% of the allocation.
Neglected/Delinquent	Based on the formula.
Family & Community Engagement	Allocation ≥ \$500,000 requires 1% Set-Asides. 90% of that amount must go to schools. Optional set aside-if allocation is less than \$500,000.
Equitable Services for Private Schools	Title I-A Proportionate Share based on the number of eligible private school students in the LEA.

Optional Set Asides

LEAs may also reserve funds for the following discretionary activities:

- Transportation for students in CSI schools if the LEA offers these students the option to transfer to another school. LEAs may reserve up to five percent.

- Financial incentives and rewards to teachers in CSI or TSI schools for the purpose of attracting and retaining qualified and effective teachers. LEAs may reserve up to five percent.
- Early childhood education programs for eligible children. LEAs have discretion over how much, if any, to reserve; ESSA does not specify an amount.
- The additional costs needed to transport children in foster care to their school of origin consistent with Section 1112(c)(5). LEAs have discretion over how much, if any, to reserve; ESSA does not specify an amount.
- Administering the Title I-A program. LEAs may reserve up to 10% of allocation to cover administrative costs. Additional information will be required if the total administration set-aside, including seniority pay differentials, exceeds 10% of the total allocation.
- LEA managed initiatives in Title I schools. Examples include: Extended learning time (before- and after-school programs, summer school, after-school tutoring, advanced coursework; supplemental instructional materials for low-achieving students, including students with disabilities and English learners.

Optional Set Asides	
Transportation for students in Comprehensive School Improvement	LEAs may reserve up to five percent (if the LEA offers students the option for students to transfer to another school).
Teacher Incentives	Up to 5% may be used to provide incentives & rewards to teachers to work in Title I schools identified for improvement.
Early Childhood Programs	LEAs have discretion over how much, if any, to reserve.
Transportation for Children in Foster Care	LEAs have discretion over how much, if any, to reserve.
Administrative Costs	Up to 10% of allocation is allowed to administer the grant.
LEA Managed Incentives	Contracting with an outside provider

Cost Principles

Once the plan and budget have been established and approved, LEAs start implementing the program and charging expenditures to the program funds. The federal rules require all federal funds to be spent in accordance with **Uniform Grant Guidance (UGG)**.

First, all costs charged to federal grants must be necessary and reasonable considering the amount of money being spent and the needs of the program.

Necessary, Reasonable, and Allocable

Necessary

“Necessary” means it is vital or required in order to meet the objectives of the grant or for the grant to be successful.

Reasonable

- Necessary to carry out objectives
- Reasonable in cost- comparable to current fair market value

Reasonable costs are defined as those costs that are consistent with prudent business practice and comparable to current market value. Necessary costs are those costs that are essential to accomplish the objectives of the grant project. All items requested must be allowable expenditures under the authorizing program statutes, regulations, and rules. For this program, this means that funds must first be allowable under Title I- A statute.

Allocable

Allocability = Proportionality

Assignable or chargeable to the grant in accordance with relative benefits received by the grant during the grant period.

Must demonstrate how a particular cost benefits the specific population being served in the grant (ex: homeless students).

For example: If cost benefits one grant program, the entire cost can be charged to that single grant program.

If cost benefits more than one grant program, then the cost must be allocated among the grant programs (i.e., split-funded) in accordance with the relative benefits received by each program.

Allowable Costs

- To be allowable to be charged to a grant, costs must meet the following criteria:
- Be reasonable for the performance of the grant and be allocable under the applicable cost principles.
- Conform to limitations or exclusions set forth in applicable cost principles or the grant agreement as to types or amount of costs.
- Be consistent with policies and procedures that apply uniformly to federally or state-funded activities and activities funded from other sources.
- Be accorded consistent treatment among all grant programs, regardless of funding source.
- Be determined in accordance with Generally Accepted Accounting Principles (GAAP).
- Not be included as a cost or used to meet cost-sharing or matching requirements of any other federally or state-funded program in the current or a prior period.
- Not be used for lease-purchases (i.e., debt service) if for discretionary grants.

Examples

Field Trips

If specified in the grant program, educational field trips are allowable under certain circumstances if allowed in the grant program. These field trips should provide hands-on activities that encourage students to experiment and ask

questions. The field trip must also appear as a part of the teacher's lesson plans, which should include activities that prepare students for the trip and follow-up activities that allow students to summarize, apply, and evaluate what they learned from the trip.

Costs for the field trip must be reasonable. For audit purposes, the school must maintain documentation of the field trip and must provide clear evidence of how the expense ties back to an instructional objective.

Examples of appropriate educational field trips

- Curricular academic activities focused on math, science, and technology, such as service learning, internships, UIL competitions (robotics, math), or science and technology fairs
- Trips to a river, archaeological site, or nature preserve that might include contracting with local science centers, museums, zoos, and horticultural centers for visits and programs
- Trips to the local library to increase access to high-interest reading materials
- Visits to colleges and universities to encourage interest in the pursuit of higher education

Parent & Family Engagement Activities

Parent Involvement Expenditures

At least 1% of Title I, Part A funds must be designated for parent involvement, if the LEA receives \$500,000 or more. Of the funds, 90% must be allocated to participating schools for such activities. Parents of children receiving Title I- A services must be involved in the decisions about how these funds are allotted for parental involvement activities. Therefore, Parent and Family Engagement activities, and procedures provided with Title I- A funds are planned and implemented with meaningful consultation with families of participating children.

ESSA specifies that Title I-A funds must be spent on at least one of the following activities:

- Supporting schools and nonprofit organizations in providing professional development for LEA and school personnel regarding parent and family engagement strategies, which may be provided jointly to teachers,

principals, other school leaders, specialized instructional support personnel, paraprofessionals, early childhood educators, and parents and family members.

- Supporting programs that reach parents and family members at home, in the community, and at school.
- Disseminating information on best practices focused on parent and family engagement, especially best practices for increasing the engagement of economically disadvantaged parents and family members.
- Collaborating, or providing subgrants to schools to enable such schools to collaborate, with community-based or other organizations or employers with a record of success in improving and increasing parent and family engagement.
- Engaging in any other activities and strategies that the LEA determines are appropriate and consistent with such agency's parent and family engagement policy.

Funding may also be used for additional parent and family engagement activities, but funds must be spent on at least one of these activities listed in the statute.

Refreshments are allowed for family engagement activities, if they are necessary to encourage attendance by parents and family members.

Allowable Activities for Students Identified as Homeless

Serving students under McKinney-Vento Act is an integral part of Title I, Part A. Identified homeless students (further references as identified students) who attend any school served by an LEA, regardless of whether the school receives Title I funds, are eligible for Title I services. These services may include providing educationally related support services to identified students in shelters and other locations where they may live.

Title I-A funds may provide a wide variety of services under homeless education program. In addition to providing services to assist identified students in meeting the State's challenging academic achievement standards, Title I-A funds may be used to provide services that may not ordinarily be provided to other Title I students. For example, to help such students effectively take advantage of

educational opportunities, an LEA may use Title I, Part A funds to provide, where appropriate, items or services including, but not limited to:

- Items of clothing, particularly if necessary to meet a school's dress or uniform requirement
- Clothing and shoes necessary to participate in physical education classes
- Student fees that are necessary to participate in the general education program
- Personal school supplies such as backpacks and notebooks
- Birth certificates necessary to enroll in school
- Immunizations
- Food
- Medical and dental services
- Eyeglasses and hearing aids
- Counseling services to address anxiety related to homelessness that is impeding learning
- Outreach services to students living in shelters, motels, and other temporary residences
- Extended learning time (before and after school, Saturday classes, summer school) to compensate for lack of quiet time for homework in shelters or other overcrowded living conditions
- Tutoring services, especially in shelters or other locations where homeless students live
- Parental involvement specifically oriented to reaching out to parents of homeless students
- Fees for AP and IB testing
- Fees for SAT/ACT testing
- GED testing for school-age students

Food and Beverages for Conferences and Meetings

Food and Beverage Costs - Expenditures on food must be reasonable in cost, necessary to accomplish program objectives, and an integral part of the instructional program. If the SDE determines that LEAs or schools expended grant funds on food costs that are not reasonable or necessary to meet the intent and

objectives of the grant, SDE reserves the right to restrict the LEA from expending any funds on food costs or to disallow expenditures on food costs.

Unless otherwise specified by the SDE, a limited amount of funds may be expended on meals for participant meetings or training events. The use of grant funds for this purpose is specifically limited to light working lunches for participants when the working lunch is noted on an agenda, is clearly described, and is mandatory. The purpose of a working lunch should be to shorten the overall meeting or training time and to facilitate accomplishing the objectives of the meeting or training and the overall program.

Specifically, grant funds may be expended for the following costs provided that the grantee maintains adequate and sufficient documentation that the costs were necessary and reasonable to further the intent and objectives of the grant.

The following definitions/clarifications apply:

Light Lunch during an All-Day Meeting or Training Session: Light lunch for participants who are cloistered in an all-day (at least six-hour) meeting or training session. You must document that it was impractical for participants to obtain lunch on their own (for example, because of an isolated location or distance to eateries) and that their attendance at the meeting or training session was essential to accomplishing the objectives of the grant. You must maintain an agenda that clearly identifies the topics discussed during the meeting or training session and the time allocated to each topic, including the lunch period. Only a nominal amount of grant funds may be used per participant.

Working Lunch during an All-Day Meeting or Training Session: Light meals during a “working lunch”. A working lunch is defined as an activity in which staff or participants are engaged in exercises or activities during the normal meal time. You must maintain an agenda that shows that no other opportunity for a meal was provided and that clearly identifies the exercise or activity in which the participants were engaged. You should also retain a representative sample of the work product, if any, that was generated as a result of the working session. Only a nominal amount of grant funds may be used per staff or participant. No other food costs, including beverages and other refreshments, breaks, or snacks, are permitted.

Allowable food costs:

- Nutritional snacks for students in extended day (after-school) programs
- Nutritional snacks for children in child care while parents are participating in grant activities
- Food necessary to conduct nutrition education programs for parents
- Parent & Family Engagement activities in which refreshments are necessary to encourage participation or attendance by parents, such as in low-income areas, and thus meet program objectives

Private Non-Profit School Expenditures

For private non-profit schools, services should be equitable to the public school, not necessarily identical, and designed to meet the needs of the private school students and teachers. No public funds are distributed to private schools, only services and materials. No reimbursements to private schools are allowed.

The local school LEA will keep title to and exercise continuing administrative control of all property, equipment, and supplies that the public agency acquires with these funds for the benefit of eligible private school students. These services must be supplemental, secular, neutral, and non-ideological. Any items purchased for private non-profit use are property of the LEA and must be labeled, as such. Title I-A services are provided by a properly certificated teacher contracted with the district. Title I-A services cannot be provided by a paraprofessional.

Considerations for Title I- A and English Learners

LEAs can use Title I allocations to identify and develop appropriate curricula and instructional methods that meet the content learning and English language development needs of Title-I qualified ELs and to provide focused professional development for subject area knowledge to become effective in developing subject-area knowledge and academic language proficiency in their students. Professional development can also be provided to enhance teacher capacity to assess the content and language needs of Title I-qualified ELs.

These funds may also be used to extend learning time for all participating students, including Title I-qualified ELs. Extended learning time might include extended-day or after-school programs, extended week (Saturday school), and extended year (summer school and intercession). It is important to consider

establishing and/or expanding fiscally sustainable activities provided before school, after school, during the summer, or over an extended school year that are offered in partnership with community after-school programs to leverage additional resources and expertise to support collectively student learning and positive development. In addition, funds may be used to identify, develop/adapt, and purchase supplemental instructional materials that will help qualified Title I EL students meet challenging grade-appropriate state standards and address their language development needs. Instructional supplemental software should be among the materials considered. Schoolwide funds may also be used to evaluate family literacy programs and to design and implement enhancements that focus on the development of English literacy, English language, and parent-child reading activities for EL students qualifying for services.

Technology-Related Expenditures

Title I- A funds may be used for technology labs and/or software, if there is a documented need in the Schoolwide needs assessment and improvement plan goals and objectives and/or it is supplemental to the Targeted Assistance program. Software purchases should align with an identified need of the school, as well as to a core instruction and reform.

Upgrading the infrastructure to support technology at a Schoolwide school may be allowable. If a LEA is rewiring the entire LEA so that in a couple of years the LEA can upgrade technology, then it is not allowable. If the LEA buys computers for Title I schools and must also re-wire so the computers may work, then this may be a possibility. Final approval must be provided by SDE prior to documenting expenditures.

A server might be a viable purchase to support the amount of technology programs purchased from Title I; however, there must be a documented need and since this would be an LEA purchase, all schools must be Title I, Part A-served or the server may only be used by Title I, Part A-served schools.

Any technology-related capital outlay expenditure must be approved by the SDE prior to the purchase of goods and services. If the LEA and/or school are uncertain

as to whether technology-related items are allowable, the grant manager should contact the SDE for clarification.

Capital Outlay

The purchase of capital outlay must meet a need identified in the comprehensive needs assessment and must be tied to the schoolwide improvement plan goal(s) and objective(s). In addition, the expenditures should be aligned to one of the activities in the Title I- A program schedule of the application. All capital outlay except for library books and media requires prior specific approval from the SDE. Capital outlay expenditures must be approved in the funding application and require justification for the following questions:

- How is the capital outlay expenditure reasonable and necessary to carry out the intent and purpose of the program?
- What need, as identified in the comprehensive needs assessment, does the capital outlay expenditure address? Explain how the capital outlay expenditure addresses this need.
- Provide the description, as written in the school or LEA improvement plan, of the program, activity, or strategy that will be addressed by the capital outlay expenditure requested.
- How would the program, activity, or strategy be funded if the Title I, Part A funds are not available?
- How will the capital outlay expenditure be evaluated to measure a positive impact on student achievement?
- If for a Schoolwide school, how will the capital outlay expenditure upgrade the entire educational program on the school?
- How is the capital outlay expenditure supplemental to other nonfederal programs?

Other Allowable Costs

If the costs are allocable, reasonable and necessary:

- Audit Fees - Direct administrative costs may include costs associated with accounting and other fiscal activities and auditing provided these costs are not typically included in the indirect cost pool and overall program administration.
- Recognition Awards and Incentives - Certificates, plaques, ribbons, small trophies, or instructionally related items to be used in the classroom (such as pens and pencils) are acceptable incentives, or as recognition awards for student participation in program activities. These items should be tied to instructional strategies and activities, and obtained at a minimal cost.
- Equipment - The LEA must determine that the equipment is reasonable and necessary to operate its Title I-A program effectively, that the existing equipment the LEA already has will not be sufficient, and the costs are reasonable. The LEA must document the details and location of the equipment and the reason for the purchases.
- Supplies and educational materials are allowable if reasonable and acquired/consumed specifically for the purpose of the Title I- A program. The LEA must document the details and location of the supplies and the reason for the purchases.
- Legal Fees and Expenses - These are only allowed as necessary for the administration of the grant program. Retainer fees are not allowable costs.
- Memberships- Business, technical, and professional organizations memberships must be related to the grant program. Membership must be retained by the organization, not an individual. Note: Memberships in civic and social organizations and in organizations that are substantially engaged in lobbying are not allowable costs.
- Printing Costs - Printing costs are allowable when documentation demonstrates that they are reasonable and necessary. Any multi-color printing must be reasonable in cost and must be necessary to carry out the objectives of the grant program. Documentation must be maintained demonstrating that any such costs are reasonable and necessary.

- Subscriptions - Costs of business, professional, and technical periodicals when related to the grant program are allowed. Subscriptions must be retained by the grantee organization, and not with the individual.
- Professional Development & Training - The cost of training personnel is allowable if it relates to the needs documented in the comprehensive needs assessment and is a part of the school's schoolwide improvement plan goals and objectives for participating schools. The costs for staff travel and conferences are allowable if the travel and conferences are specifically related to the Title I-A program, not to the general needs of the LEA and/or school, and the costs are reasonable and necessary.
- Transportation Costs - The cost of transporting students (or parents, if appropriate for the particular grant program) to or from extracurricular grant activities is an allowable expenditure. LEA and schools may not charge the grant for costs incurred in transporting students to and from the regular school day.
- Transportation of Goods - Transporting goods for allowable purchases using grant funds is allowable. For examples, shipping costs on a purchase is allowed.
- Travel Costs - Travel is an allowable cost if it relates to the grant activities. All LEAs should have a local travel policy that is applied consistently among all employees so employees are reimbursed at the same rates, whether traveling on a state or federal grant, or for other purposes. The maximum amounts that may be charged to the grant are restricted to the rates that are approved by the State of Idaho for the particular grant period. Out-of-state travel may not exceed the federal government rates.

Travel generally means a destination outside the city or town in which the individual works. Travel can also mean transportation from one point to another within the same city or town, such as with an itinerant teacher or counselor who visits multiple schools in the same work day.

- Tuition fees - Fees paid either directly to an institution or on a reimbursement basis to an employee, are allowable only for courses directly related to the grant program, and when authorized in the grant program as an allowable use of funds.
- Employee Benefits - Benefits such as Pension Plans, Unemployment Insurance Coverage, Health Insurance, Severance Pay, and Life Insurance - Employers' contributions for employee benefits are an allowable use of Title I-A funds, provided the benefits are granted under approved plans and the costs are distributed equitably to the Title I-A grant and to other activities.
- Salary Costs for Employees During Periods of Authorized Absences - Employee benefits such as Annual Leave, Sick Leave, and Sabbatical Leave in the form of compensation paid during reasonable authorized absences from the job are an allowable use of Title I- A funds, if the benefits are provided under an established leave system and the costs are equitably allocated to all related activities.
- Renting or Leasing Privately Owned Facilities - The cost to rent or lease space in privately owned buildings for instructional purposes or as office space is allowable, if the space is necessary for the success of the program and space in publicly owned buildings is not available to the grantee.

Donated Items

The following items may be donated, but may not be purchased with grant funds:

- Gifts or items that appear to be gifts
- Souvenirs, memorabilia, or promotional items, such as T-shirts, caps, tote bags, imprinted pens, and key chains
- Door prizes, movie tickets, gift certificates, pass to amusement parks, etc.

Examples of Unallowable Costs

- Alcoholic Beverages
- Entertainment, recreation, and social event expenditures

- Ceremonies, banquets, or celebrations expenditures, including employee service awards
- Gifts or items that appear to be gifts
- Calendars and Calendaring Systems
- Cell phones for personal use
- Memberships in Civic and Social Organizations or Lobbying Organizations
- Conflict of Interest - Any purchase or expenditure that would pose a conflict of interest, real or perceived, is not allowable.
- Construction, Remodeling, or Renovation - These costs are not allowed unless specifically authorized in the authorizing program statute and unless specifically approved by SDE in the applicable grant application.
- Consultants – Funds shall not be used or paid to any consultant in the conduct of this application if the services to be rendered by such consultant could have been rendered by your employees. Consultants must be selected based on demonstrated competence, qualifications, and experience and on the reasonableness of the proposed fee.
- Employer Contributions to Voluntary Retirement Plan- Employer contributions to an Employee’s voluntary retirement plan, such as a 401k or 403b, is not allowable.
- Fund-Raising Activities - Costs of organized fund raising, including solicitation of gifts and bequests, endowment drives, financial campaigns, and similar expenses incurred to raise capital or obtain contributions are not allowable. Costs associated with training on fundraising are not allowable.
- Interest Paid - Interest paid in a prior grant period may not be charged retroactively to this grant period.

- Land Purchase and Improvements - Land purchase and improvements to land are not allowable costs, unless specifically authorized in the grant program statute and specifically approved by SDE in the grant application.
- Professional or Individual Liability Insurance - Professional liability insurance for individual employees is not an allowable cost.

Field trips Unallowable Costs

The following costs are not allowable related to field trips:

- Field trips for social, entertainment, or recreational purposes
- Field trips that supplant and do not supplement local or state expenditures or activities
- Field trips that are not part of a teacher's lesson plan or that do not meet the instructional objectives of the grant program
- Field trips that are not reasonable in cost or are not necessary to accomplish the objectives of the grant program
- Field trips that are not properly documented

Parent and Family Engagement Activities Unallowable Costs

- Refreshments of any kind, including beverages, breaks, and snack foods are not allowed, *except* as necessary for parent involvement activities to encourage attendance by parents.
- Any food costs which are not necessary to accomplish the objectives of the grant program.
- Any food cost associated with an event in which a guest speaker or other individual conducts a presentation.
- Refreshments or meals at an awards banquet or functions.
- Gratuities or tips of any kind.

Conclusion

It is important that all grant managers and business office staff responsible for approving and posting expenditures understand the provisions for allowable and unallowable costs to ensure that Title I-A federal funds awarded are spent in accordance with federal requirements and for the intended purpose of the grant. This document, therefore, provides the basis and principles to which recipients must adhere when expending Title I-A funds.

For additional information or technical assistance, please contact the Federal Programs Department at the Idaho State Department of Education.

Resources

For more information about ESSA, and the transition from NCLB, please see <http://www2.ed.gov/policy/elsec/leg/essa/index.html>.

For more information about using Title I funds in a Schoolwide setting under ESSA, please see <http://www.sde.idaho.gov/federal-programs/basic/> and [Supporting School Reform Schoolwide Program](#)