

Supplement not Supplant

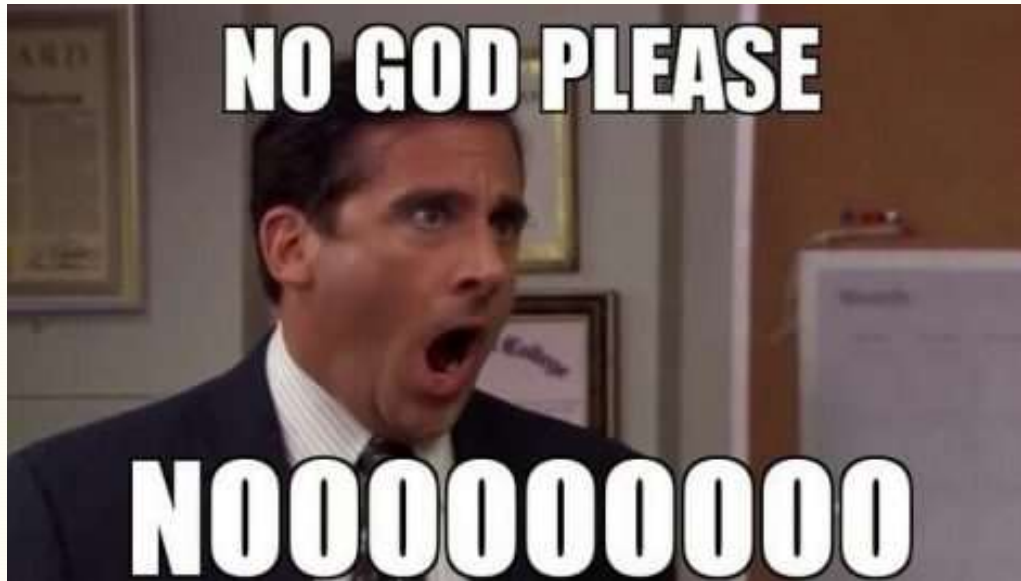
Leigh Manasevit, Esq.

Imanasevit@bruman.com

ECTAC/Tampa

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- Supplement Not Supplant





Supplement, Not Supplant Guidance?

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eiguideance.pdf](https://www2.ed.gov/policy/elsec/leg/essa/snstitl
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▶ Auditor's SNS Test: The Presumptions of Supplanting 2 CFR 200, Subpart F Compliance Supplement

“What would have happened in the absence of the federal funds??”

3 Presumptions of Supplanting

1. Required to be made available under other federal, state, or local laws
2. Provided with non-federal funds in prior year
3. Provided services to Title I students and the same services were provided to non-Title I students using non-federal funds.



▶ Title I, A SNS Sec. 1118(b)(1)-(2)

Standard: Federal funds must be used to supplement and in no case supplant state, and local resources

Test: To demonstrate compliance, the LEA shall demonstrate that the methodology used to allocate State and local funds to each school receiving assistance under this part ensures that the school receives all the State and local funds it would otherwise receive if it were not receiving Title I funds.

- What does this mean?
- **The presumptions of supplanting do not apply to Title I, A!**

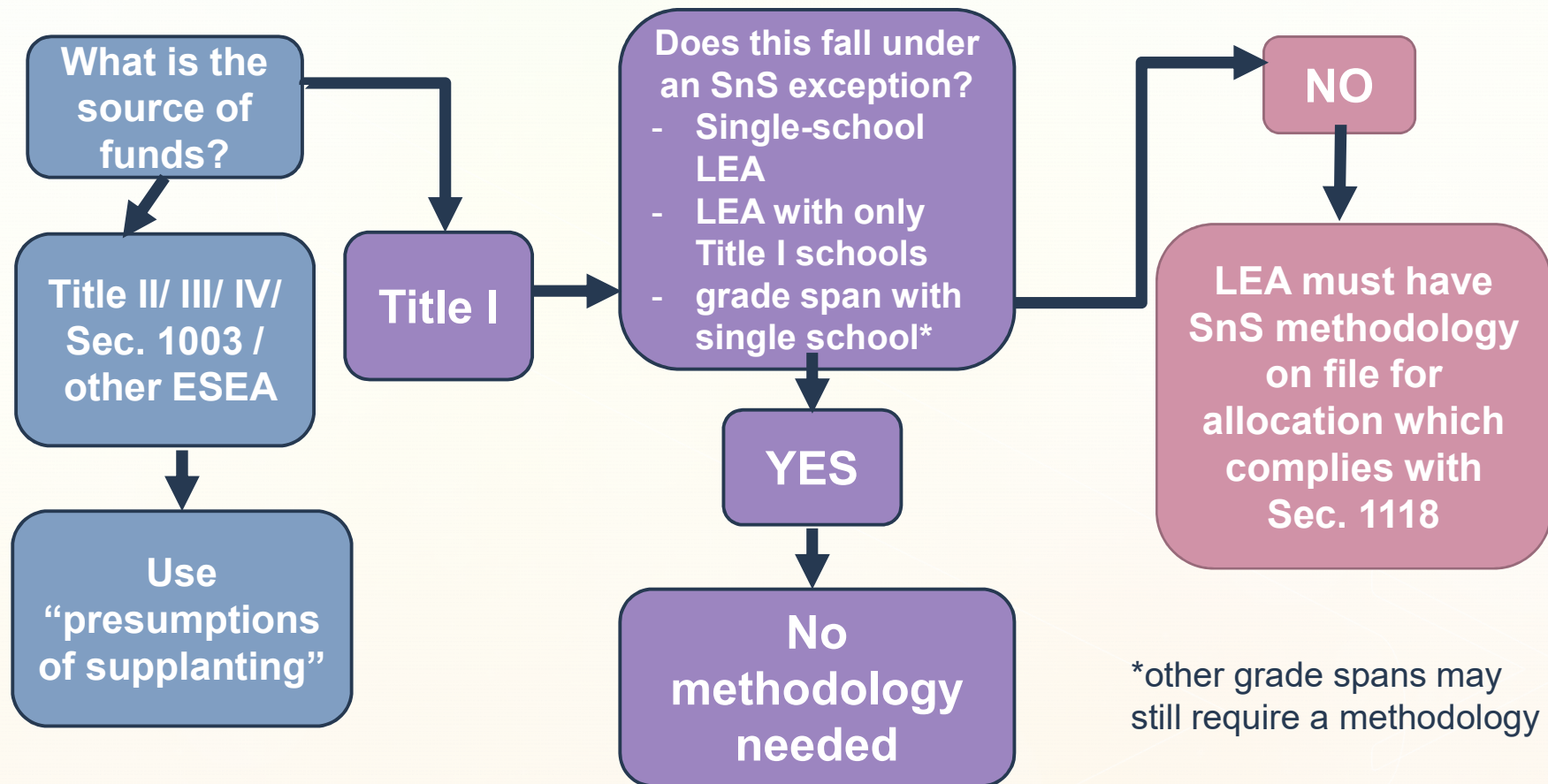
➤ ESSA Title I, A SNS (cont.) Sec. 1118(b)(2)-(4)

- No LEA shall be required to:
 - Identify individual costs or services as supplemental; or
 - Provide services through a particular instructional method or in a particular instructional setting to demonstrate compliance.

SNS is now a methodology test:

- The LEA must have a written methodology to district state/local funds to its schools so that funds are distributed without regard to the school's Title I status.
- Must be in place in time for the 18-19 school year.

Supplement, Not Supplant Tests



ESSA's Two SNS Tests

ESSA Titles I, A

The LEA shall demonstrate that the methodology used to allocate State and local funds to each school receiving assistance under this part ensures that the school receives all the State and local funds it would otherwise receive if it were not receiving Title I funds.

ESSA Section 1118(b)

Applicability to I,C and I,D??

ESSA Titles II-VIII

Presumptions of Supplanting

1. Required to be made available under (other federal) state, or local laws; or
2. Provided with non-federal funds in prior year.
- ~~3. Provided services to Title I students and the same services were provided to non-Title I students using non-federal funds.~~

2 CFR 200, Subpart F Compliance Supp

➤ Which State/local funds?

“all the State and local funds it would otherwise receive”

- Only on the State and local funds each school is allocated from its LEA.
 - At LEA discretion (re: which funds)
- Because many LEAs do not allocate all State and local funds to schools, there may naturally be some State and local funds that are not subject to the compliance demonstration.
- For State and local funds that an LEA does not allocate to schools, the LEA is required to conduct activities supported by such funds in a manner that does not take into account a school's Title I status.

SNS Guidance Q&A 4.

What about State/local funds not allocated to schools?

There is no similar compliance test for State and local funds reserved for districtwide activities.

- However, because the general SNS requirement applies to all State and local funds, an LEA must conduct districtwide activities supported by such funds in a manner that does not take into account a school's Title I status.
- For example, the LEA reserves the State and local funds for a social worker at the district level. The LEA deploys the social worker to different schools throughout the school year on an as-needed basis. Although the State and local funding for such a social worker is not allocated to a school, and therefore is not subject to the compliance demonstration, access to or assignment of the social worker must be Title I neutral in order to comply with the general SNS requirement.

SNS Guidance Section VI.

What about Districtwide Expenditures?

- **USDE applying a specific cost test!!??**
 - Examples at NAESPA that apply a specific cost test for district level expenditures.
 - For state-mandated requirements, and
 - For same services to Title I students/schools and Non-Title I students/schools.
 - ED is using the methodology test to apply this specific cost test!

Example of District-wide Costs

- The LEA wants to begin a reading initiative placing a reading coach in every school – paying for Title I schools with Title I funds and non-Title I schools with state funds.
 - According to ED's guidance, this would be a SNS violation because the state funding would not be provided to Title I schools on the same basis as its non-Title I schools (i.e. they are not getting the benefit of the state-funded reading coaches).

ESSA Title I, A SNS (cont.) Sec. 1118(b)

Methodology 2 Part Test!

- School-level expenditures
 - Methodology for allocating funds – if neutral with regard to Title I status, then schools are in fact meeting supplement not supplant.
- District-level expenditures
 - Districtwide initiatives must be expended in a way that ensures all applicable schools receive the same amount of State/local funding on a neutral basis with respect to Title I status.



▸ Title I SNS Exceptions

- Exclusion of Funds:
 - SEA or LEA may exclude supplemental state or local funds used for program that meets *intents and purposes* of Title I Part A (Sec. 1118(d)). SNS Guidance Q&A Section VII.
- Excluded from SNS Methodology Test:
 - Single School LEAs;
 - A grade span with a single school (i.e., no methodology is required for the single school grade span); or
 - LEAs with only Title I schools.

SNS Guidance Q&A 2

Title I Supplement Not Supplant

EXCLUSION PROVISION

- The ESEA permits an LEA to exclude from a supplanting determination supplemental State and local funds used for programs that meet the intent and purposes of Title I.

ESEA section 1118(d)

- A program meets the intent and purposes of Title I if it would be an allowable use of Title I funds were it implemented in a Title I schoolwide program or targeted assistance school.

34 C.F.R. § 200.79(b)

- As a result, an LEA may allocate supplemental State or local funds that meet the intent and purposes of Title I in a manner that is not Title I neutral.

▀ Title I Supplement Not Supplant

EXCLUSION PROVISION

Example:

- Through its methodology, an LEA allocates to only non-Title I schools supplemental State and local funds to support after-school tutoring for any student who scores below proficient on the State's mathematics assessment.
- In its Title I schools, the LEA uses Title I funds to support after-school tutoring for any student who scores below proficient on the State's mathematics assessment.

▸ Title I Supplement Not Supplant

EXCLUSION PROVISION

Analysis of example:

- Although the LEA considers Title I status when allocating supplemental State and local funds through its methodology by only allocating to its non-Title I schools the State and local funds for the tutoring program, tutoring is a supplemental program and it benefits students who, by virtue of being non-proficient in mathematics, are failing to meet the State's mathematics standards.
- Therefore, the State and local funds supporting tutoring qualify for the exclusion because the program is supplemental and meets the intent and purposes of Title I.

➤ New Q&A from SNS Guidance

- Can Title I schools receive more State/local funds than non-Title I schools?
 - Yes. SNS Guidance Q&A 6
- Can different methodologies be used?
 - Yes. An LEA might use a different methodology for allocating State and local funds to high schools than it uses to allocate such funds to elementary schools. SNS Guidance Q&A 7
- Can a different methodology be used for charter schools?
 - Yes. An LEA may allocate State and local funds to charter schools within the LEA using a separate methodology from that through which it allocates State and local funds to non-charter schools, consistent with any/all applicable State charter school laws. For example, some LEAs allocate State and local funds to charter schools to cover facility costs but do not allocate such funds to traditional public schools. SNS Guidance Q&A 12

Methodology Flexibilities

- As long as the methodology is neutral, LEAs may consider:
 - Whether to use a single districtwide methodology or a variable methodology/multiple methodologies based on grade [span] or school type;
 - How the methodology may vary or scale based on student enrollment size; or
 - How the methodology may account for schools in need of additional funds to serve high concentrations of children with disabilities, English learners, or other such groups of students the LEA determines require additional support.

SNS Guidance Q&A 8

▸ Must the State approve the methodology?

- No.
- However, the State must monitor compliance
 - Includes a compliant methodology
- State may request to review the methodology as part of its monitoring process.
 - Could include requesting methodology in application.
 - EDGAR 76.730/76.731; UGG 20.336 – Record Retention and Access to Records

SNS Guidance Q&A 22.

Methodology Examples

Distribution of non-Federal resources based on characteristics of students ("weighted per pupil" funding formula):

- 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 Examples

Distribution of non-Federal resources based on enrollment and grade level:

- Elementary Schools - \$4,300 per student (grades K-8)
- Secondary Schools - \$4,200 per student (grades 9-12)
- Professional development (PD) - \$20 per student plus an additional \$500 per building
- Technology and supplies - \$50 per student plus an additional \$400 per building
- Additional costs (lunch, library supplies, athletic supplies, utility costs, transportation etc.) \$1,408 per student districtwide

Methodology Examples

Distribution of non-Federal funds based on student enrollment:

- 1 Principal
- 1 Assistant Principal per 400 students
- 1 School Counselor per 250 students
- 1 School Resource Officer per 250 students
- Teachers based on State class size requirements (Funds are calculated based on the average salary for that position within the district)
- Technology/ Supplies: \$25,000 per 100 students
- Professional Development: \$10,000 per building
- Additional Necessary Costs: \$1,500 per student

Allocation v. Expenditure of Funds

If funds are allocated for teachers or for supplies, does this mean funds have to be used for that specific purpose?

- No – unless the State or LEA require otherwise!

➤ Continuously Update SNS Methodology?

Must an LEA adjust its allocation of State and local resources to account for changes during the school year that might result in the LEA's non-compliance?

- No. It is an annual allocation of State and local funds to demonstrate compliance.
- Accordingly, an LEA makes this demonstration at only one point during the year and is not required to continuously demonstrate compliance throughout the school year.

SNS Guidance Q&A 13.

▸ Last Minute Changes

- Will last minute changes before the start of school affect compliance?
 - No. Last-minute changes in resources allocation that often occur prior to the beginning of the school should not affect an LEA's compliance.
 - Example: employee transfers or resigns prior to beginning of school year. The LEA may replace that employee as long as the school's Title I status is not a factor.
 - Were an LEA to not allocate a resource because a school is a Title I school, it would not be compliant.

SNS Guidance Q&A 14.

▀ Evidence of Compliance?

Must an LEA maintain documentation to demonstrate that the LEA allocated State and local funds to schools in accordance with its methodology?

- Yes. Under 34 C.F.R. §§ 76.730-76.731, an LEA must keep records to show compliance with program requirements and facilitate an effective audit.
- An LEA must maintain documentation necessary to demonstrate that its methodology results in each Title I school in the LEA receiving all of the State and local funds it would otherwise receive if it were not receiving Title I, Part A funds.

SNS Guidance Q&A 18.

▀ SNS is NOT an Expenditure Test.

SNS is based on a methodology by which State and local funds are *allocated* to schools.

Report Cards – actual per-pupil expenditure reporting of Federal, State and local funds, disaggregated by source of funds.

- Retrospective analysis of how much was spent by each school.
- This is not a methodology and therefore, can not be used for SNS compliance.
- Expenditures as Risk Assessment?
 - States considering using expenditure data on report card to see if Title I school state/local spending is less that their non-Title I counterparts.

SNS Guidance Q&A 11.

▸ Does this mean all costs are allowable?

- NO!!
- Keep in mind that just because a cost is not a supplanting issue does not make it automatically allowable!
- All costs must be necessary, reasonable and allocable!
 - Must be included in your district/schoolwide/targeted assistance plan!

▸ Students with Disabilities and EL Students

ESEA 1118(b)(1)-(2) and 1114(a)(2)(B) require that a Title I school receive the State and local funds necessary to provide services required by law for children with disabilities and English learners.

- Examples of services required by law.... Include services in an IEP necessary for a child with disabilities to receive a free appropriate public education.
- We do not believe this is meant to limit IDEA allowability.
- Meant to make clear that State/local funds must cover State/local requirements and OCR requirements.

SNS Guidance Q&A 16.

▸ SNS Noncompliance?

- What happens if the LEA does not meet the methodology test?
- What happens if the LEA refuses to change its methodology?

▸ Does This Methodology Work?

- The LEA uses its State/local funding to ensure that each school has enough funds to pay for 1 teacher for every 30 students up to 20 teachers total, and \$5 per student for supplies, up to \$5,000 total.
- At the end of its distribution, the LEA has \$3,000 left over so they distribute it among the non-Title I schools.

▸ Does This Methodology Work?

The LEA distributes its state funds based on the characteristics of students in each school so that students with characteristics associated with educational disadvantage generate additional funding for their school.

The LEA provides:

- \$25 for every student;
- An additional \$25 for each economically disadvantaged student;
- An additional \$50 for each student with a disability; and
- An additional \$35 for each English learner.

▸ Does This Methodology Work?

- The LEA uses its state funding to ensure that each school has enough funds to pay for 1 teacher for every 30 students up to 20 teachers total.
- The LEA provides state funding in each of its 6 non-Title I schools to pay for 20 teachers. In the remaining 4 schools, the LEA provides state funds to pay for 15 teachers because they are already using Title I funds to pay for 5 teachers so they don't need the state funds to cover those additional teachers.

▸ Does This Methodology Work?

The LEA distributes its state/local funds based on the grade level of the student as follows:

- All elementary school students receive \$90 per student;
- All middle school students receive \$65 per student; and
- All high school students receive \$80 per student.

What if only the elementary schools are Title I schools?

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