

CONSOLIDATED FEDERAL PROGRAMS

Pennsylvania Department of Education
Division of Federal Programs

2012-2013 Administrative Manual

March 2012

The No Child Left Behind Act of 2001 (Public Law 107-110)

Title I.A Improving the Academic Achievement of the Disadvantaged

Title I.D Prevention and Intervention Programs for Delinquent and At-Risk Students

Title I.G Advanced Placement

Title II.A Training and Recruiting High Quality Teachers and Principals

Title II.B Math and Science Partnerships

Title II.D Enhancing Education through Technology

Title III Language Instruction for Limited English Proficient and Immigrant Students

Title VI.B Rural Education Initiative/Rural Education Achievement Program (REAP)

PENNSYLVANIA DEPARTMENT OF EDUCATION
DIVISION OF FEDERAL PROGRAMS

Commonwealth of Pennsylvania
Tom Corbett, Governor

Department of Education
Ronald J. Tomalis, Secretary

Office of Elementary and Secondary Education
Carolyn C. Dumaresq, Deputy Secretary

Bureau of Teaching and Learning
Edward Vollbrecht, Director

Division of Federal Programs
Renee A. Palakovic, Chief

The Pennsylvania Department of Education does not discriminate in its educational programs, activities, or employment practices based on race, color, national origin, gender, sexual orientation, disability, age, religion, ancestry, union membership or another legally protected category. This policy is in accordance with Commonwealth law, including the Pennsylvania Human Relations Act, and with federal law, including Title VI and Title VII of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Employment Act of 1967, and the American with Disabilities Act of 1990.

If you have questions about this publication, contact:

Bureau of Teaching and Learning Support
Division of Federal Programs
333 Market Street, 7th Floor
Harrisburg, PA 17126
Phone (717) 783-2193
Fax (717) 787-8634
Email: dacare@pa.gov

Table of Contents

Introduction.....	5
Key Terminology	6
Federal Programs Acronyms: What does that mean?	10
Part I - PROGRAM.....	11
Section 1- Program General Guidelines.....	11
Parent/Guardian Notification.....	11
Supplementing State and Local Funds	12
Consolidated Application	12
Late Submission of Consolidated Applications.....	13
Program Records	13
Complaint Resolution Procedures	14
Monitoring.....	14
Findings of Noncompliance	14
Participation of Nonpublic School Children	15
ED-FLEX Waivers	16
REAP-Flex	16
Section 2- Title I.A Improving the Academic Achievement of the Disadvantaged	17
Legislative Purpose	17
Annual Title I Allocation Timeline	17
Consolidated Local Educational Agency (LEA) Plan	18
Reservation of Funds.....	18
Building Eligibility and the Selection of Schools (SOS).....	19
LEA Discretion	23
Allocation Procedures for Eligible Schools.....	23
Homeless Set Aside.....	24
Comparability of Services	24
Services for Nonpublic School Children	25
Qualifications of Title I Paraprofessionals	26
Neglected Programs	26
Annual Title I Evaluation	27
School Improvement	27
Section 3- Title I.D Prevention and Intervention Programs for Delinquent and At-Risk Students	30
Legislative Purpose	30
Delinquent Institution Plan.....	31
Financial Records.....	31
Evaluation.....	31
Section 4- Title I.G – Advanced Placement Fee Reduction Program	32
Specific Guidelines.....	32
Payment Process.....	32
General Information	32
Section 5- Title II.A Training and Recruiting High Quality Teachers and Principals	33
Legislative Purpose	33
Title II.A Nonpublic Equitable Distribution.....	33
Equitable Teacher Distribution Plans	33
Section 6- Title II.B Math and Science Partnerships	35
Section 7- Title III Language Instruction for Limited English Proficient and Immigrant Students	36
Legislative Purpose	36
Eligibility.....	36
Funding Requirements	36

Pennsylvania Information Management System (PIMS) / Limited English Proficient System (LEP System).....	37
Data Collection Required by USDE.....	37
Annual State English Language Proficiency Assessment	38
LEA evaluation requirements.....	38
Section 8- Title II.D Enhancing Education through Technology	39
Legislative Purpose	39
Eligibility.....	39
Distribution of Funds.....	39
State-Approved Educational Technology Plans	39
Nonpublic Equitable Participation	39
Section 9- Title VI.B Rural Education Initiative/Rural Education Achievement Program (REAP)	40
Legislative Purpose	40
Eligibility.....	40
Allowable Uses of Funds	40
Accountability	41
Part II – FISCAL.....	42
LEA Allocations.....	42
Master Agreement.....	42
Reallocation.....	42
Allocations Amendments	42
Obligation of Funds.....	43
Administrative Funds	43
Interest Earned.....	44
Budget Function Descriptions	44
Budget Revisions.....	48
Indirect Costs.....	48
Final Expenditure Report (FER)	48
Quarterly Reports	49
Carryover.....	49
Payment Schedule	49
Accounting Requirements	50
Inventory Control	50
Disposition of Equipment (EDGAR 80.32)	51
Documentation Related to Payment of Staff	53
Sabbatical Leave Request for Title I Staff.....	53
Single Funding Certification	53
Maintenance of Effort (MOE).....	54
Fiscal and Compliance Audits.....	54
Transferability	55
TITLE II--GRANTS AND AGREEMENTS – Statutory Authority 2 CFR 180 (Code of Federal Regulations)	
.....	56

Introduction

This administrative manual provides information for the federal programs listed on the cover page of this document pertinent to Pennsylvania.

The Division of Federal Programs (DFP) has designed a consolidated LEA application and many online tools for use in applying for, managing, and closing out the federal programs for which we administer. We have made a sincere effort to simplify the processes for submission of required information and to make resources available to all who need them.

This manual, used in combination with Federal law, regulation, and guidance, will provide Pennsylvania federal program coordinators with all the necessary information to conduct federal programs that are in compliance with all state and federal requirements.

Throughout this manual are boxes of information in bold print that emphasize requirements LEA personnel need to know. If these requirements are not met, a district's program would not be in compliance. Lack of compliance can result in loss of federal education funds.

Key Terminology

This section is provided to help you understand key terms used in this manual.

Adequate Yearly Progress (AYP) - Student achievement as related to annual state benchmarks for proficiency in reading and math.

Administrative Costs - Expenditures associated with the management of a program.

Attendance Area - The geographic area served by a particular school.

Selection of Schools (SOS) - The part of the consolidated Federal Programs Application used to determine which buildings are eligible for Title I allocations and services and the funding levels for each.

Equipment – Tangible, non-expendable, personal property having a useful life of more than one year and/or an acquisition cost of more than \$1500.

Carryover - The portion of the allocation not expended by the end of the grant period which is added to the available funds in the following fiscal year.

Catalog of Federal Domestic Assistance (CFDA) - A government-wide compendium of federal programs, projects, services, and activities. It identifies financial and non-financial assistance programs by a standard code.

Core Academic Subjects NCLB - English, reading or language arts, mathematics, science, foreign languages, civics and government, economics, arts, history, and geography.

Corrective Action – Status of a building or district that has not made AYP for four or more consecutive years.

English for Speakers of Other Languages (ESOL) – The currently accepted term for English-language programs that teach language skills to speakers from non-English language backgrounds. The approach of choice for schools where bilingual teachers are not available, and where ELL students represent many languages. Replaces the term “English as a Second Language” or ESL.

English Language Learners (ELL) - Refers to speakers of other languages in the process of learning English. This abbreviation may be used to indicate LEP students.

Excess Funds - Carryover funds that exceed the maximum carryover.

Expenditure of Funds - Payment for obligations made during a fiscal year.

Final Approval - The date determined by the Division of Federal Programs that the consolidated application is complete and acceptable.

Full-Time Equivalency (FTE) - The amount of time an employee spends in fulfilling his/her assignment. One FTE is a full-time employee. If not full-time, the FTE is usually expressed as a decimal fraction to the nearest tenth. As a data element in the consolidated application, FTE refers to salaried positions or those paid on an hourly rate rather than those receiving stipends for one-time events.

Highly Qualified Teacher (Title II.A) - A teacher who has at least a baccalaureate degree, is appropriately certified, and is currently placed and is providing instruction within the content area they are certified.

Hold-harmless [Title I] - The percentage of a given fiscal year's allocation guaranteed to an LEA the following fiscal year.

Indirect Cost – Costs associated with implementing the programs that are not reflected in the program budgets may be reimbursed through the indirect cost provision.

Limited English Proficient (LEP) - The term limited English proficient, when used with respect to an individual, means an individual —

(A) who is aged 3 through 21;

(B) who is enrolled or preparing to enroll in an elementary school or secondary school;

(C)(i) who was not born in the United States or whose native language is a language other than English;

(ii)(I) who is a Native American or Alaska Native, or a native resident of the outlying areas; and

(II) who comes from an environment where a language other than English has had a significant impact on the individual's level of English language proficiency;

or

(iii) who is migratory, whose native language is a language other than English, and who comes from an environment where a language other than English is dominant; and

(D) whose difficulties in speaking, reading, writing, or understanding the English language may be sufficient to deny the individual —

(i) the ability to meet the State's proficient level of achievement on State assessments described in section 1111(b)(3);

(ii) the ability to successfully achieve in classrooms where the language of instruction is English; or

(iii) the opportunity to participate fully in society.

Local Educational Agency (LEA) – School Districts and Intermediate Units. For federal funding purposes, all Charter Schools are also considered to be LEAs in Pennsylvania.

Obligation of Funds - A purchase order, a contract, or grant awarded, a service, or similar transaction during a given period that requires payment by the recipient. Funds may not be obligated before July 1 or the substantially approvable date, whichever comes later.

Paraprofessionals/Instructional Assistants – Non-certified staff who work under the direct supervision of a certified teacher. Paraprofessionals must meet the highly qualified

requirements as outlined in NCLB in order to work in a Title I program or be paid by Title I.

Public School Choice - This option relates to buildings in year one and subsequent years of School Improvement status. Families may choose to transfer their students from the school in improvement to another school in their district that is not in improvement.

Reallocated Funds - Funds redistributed among eligible districts.

REAP - See Small Rural School Achievement (SRSA)

Small & Attractive Items - Items purchased with federal funds that meet the physical definition of equipment but with a per unit cost of \$300 - \$1500. Such items may include laptops, digital cameras, printers, scanners, PDAs, Palm Pilots, etc.

School Improvement I – Status of a building that did not made AYP in the same content area for two consecutive years.

School Improvement II – Status of a building that did not made AYP in the same content area for three consecutive years. The school may not include a year of delay (warning) in determining the number of years a school has missed its AYP targets.

Scientifically Based Research - Educational practices that independent and systematic research has shown to be effective in improving student performance.

Single Attendance Area - A district that does not have the same grades in more than one building.

Small Rural School Achievement (SRSA) - Funding source for small rural schools that comes directly from the U.S. Department of Education under Title VI; therefore, these funds are not included in the Consolidated Federal Programs Applications. Districts may use these funds to support the programs included in the Consolidated Application. Districts eligible for these funds are also called REAP schools.

Substantially Approvable - The consolidated application is considered to be in substantially approvable form when all of the required items have been received by DFP. AN LEA may begin to obligate funds as of the substantially approvable date (the date on which the final required item is received by DFP or July 1, whichever is later), even though the application may not yet have been given final approval.

Supplemental Educational Services (SES) - This option is for low-income families whose children attend a building in its second or subsequent year of School Improvement. Parents may choose free tutoring services from state-approved providers.

Transferability - The flexibility a district has to move funds out of or into Titles II.A, II.D, and V. A district may also move funds out of these titles into Title I.A.

Warning – Status of a school that met all AYP targets last year but did not meet all AYP targets this year. They need to meet AYP targets next year in order to be considered on-

track for meeting the NCLB goal of all students reaching proficiency and not being identified in school improvement.

Federal Programs Acronyms: What does that mean?

AFR	Annual Financial Report
ARRA	American Recovery and Reinvestment Act
AYP	Adequate Yearly Progress
CA	Corrective Action
CFDA	Catalog of Federal Domestic Assistance
DFP	Division of Federal Programs
EDGAR	Education Department General Administrative Regulations
ELL	English Language Learners
ESEA	Elementary and Secondary Education Act
ESL	English as a Second Language
ESOL	English for Speakers of Other Languages
FER	Final Expenditure Report
FTE	Full-Time Equivalency
GED	General Education Diploma
GEPA	General Education Provisions Act
IDEA	Individuals with Disabilities Education Act
IEP	Individualized Educational Plan
IU	Intermediate Unit
LEA	Local Education Agency
LEP	Limited English Proficient
N or D	Neglected or Delinquent
NCLB	No Child Left Behind Act of 2001
PSSA	Pennsylvania System of School Assessment
RLIS	Rural Low Income Schools
SEA	State Education Agency
SES	Supplemental Educational Services
SI	School Improvement
SPAC	State Parent Advisory Council
SRSA	Small Rural School Achievement

Part I - PROGRAM

Section 1- Program General Guidelines

Parent/Guardian Notification

NCLB requires notification to parents/guardians when any of the following situations exist in a district receiving Federal funds.

1. Districts must annually disseminate Federal Programs Complaint Resolution Procedures to parents/guardians of students and appropriate private school officials or representatives.
2. At the beginning of each school year, a participating LEA must notify the parents/guardians of each student attending a building that receives Title I funds that they may request, and the district will provide in a timely manner, information regarding the professional qualifications of their child's classroom teachers and any paraprofessionals providing services to their child.
3. A building that receives Title I funds must provide all parents/guardians notice that their child has been assigned, or has been taught for four or more consecutive weeks, by a teacher or a person who is not appropriately certified.
4. When a school is identified for School Improvement, the district must notify the parents/guardians of all children in the identified Title I building of its School Improvement status. Yearly updates are provided to parents with available options until the building is no longer identified for improvement.
5. Within thirty days after the beginning of the school year, a district must inform parents/guardians that their LEP child has been identified for participation in a language instruction educational program.
6. Parents/guardians of students enrolled in a persistently dangerous school or students who are victims of violent criminal offense while on school property must be notified of their option to transfer their student to a school that is not designated persistently dangerous.

Supplementing State and Local Funds

Under the No Child Left Behind Act, all federal funds must be used only to supplement, not supplant, the funds that would be available from nonfederal sources in the absence of these funds. The LEA must maintain the level of state and local funding in participating schools it would have maintained had the federal funds not been available.

Districts are required to maintain documentation needed to rebut supplanting. This documentation should include local board of education action, budget histories and information, and fiscal and programmatic documentation to confirm that, in the absence of federal funds, the LEA would have eliminated staff or other services in question.

Presume supplanting occurred if federal funds were used to provide services that:

- were required to be made available under other federal, state or local laws;
- were provided with non-federal funds in prior year;
- were provided to participating children, if those same services were provided with non-federal funds to non-participating children.

For the first two bulleted items, presumption of supplanting may be rebutted if the LEA demonstrates it would not have provided services with non-federal funds if the federal funds were not available. LEA cannot rebut the third item.

If a supplant finding is made, the LEA will be required to pay for the services which supplant state and local services from its own funds, or refund to the federal government the amount of funds expended in violation of this policy.

If you have questions about this issue, please contact your Regional Coordinator for clarification.

Consolidated Application

LEAs applying for federal funds must annually submit the Consolidated Federal Programs Application online.

To access the online application, go to <http://egrants.ed.state.pa.us> and click on 'Federal Programs' on the left side of the screen.

Funds may not be obligated for a given year until July 1 or the date a substantially approvable application is received by DFP, whichever comes later. Therefore, districts and charter schools are encouraged to submit the application by July 1. We expect that all applications will be submitted no later than September 30, so that programs supported by these funds may begin with the school year.

To receive a substantially approvable date, the LEA must have submitted these components:

- Consolidated Federal Programs Application submitted online
- LEA Plan online (and revisions, if needed)

- Nonpublic signoff (online) forms for Titles I.A, II.A, if applicable
- Title I.D Neglected or Delinquent form, if applicable
- New Schoolwide Plan(s), if applicable
- A printed Rider signed and dated by the Superintendent or CEO.

If required components are received by DFP separately, the approval date will be that on which the final component is received. For districts serving nonpublic schools with Title I funds, the application will not be approved unless services for them have been budgeted, or documentation indicates that services were declined.

Late Submission of Consolidated Applications

An LEA who fails to submit a consolidated application for funds within the initial fiscal program period (July 1 – September 30 of the following year), will forfeit 85% of their Title I allocation if the application is submitted within the carryover period for that fiscal year.

The Tydings Amendment only allows an LEA to carry-over up to 15% of their Title I allocation into the carryover period. They may request a waiver once every three years to exceed the 15% carryover limit as long as there is reasonable justification and State Educational Agency (SEA) approval is obtained. Failure to submit an application for funds is not considered to be “reasonable justification”. Therefore, the LEA will only be eligible to claim 15% of their Title I allocation.

The remaining amount will be reallocated to other LEAs during the reallocation process.

Program Records

All records must be retained:

- for the current year plus previous six years
- until any pending audits have been completed
- until all findings and recommendations arising from audits or monitorings have been completely resolved.

These records would include:

- Student identification and selection worksheets
- Annual applications
- Financial reports
- Assessment/performance reports
- Local Title I Plans and their amendments
- Self-review
- Quality Program Review data
- Reports, etc.

Retention of records may be done electronically, as long as sufficient back up policies are in place and the LEA can ensure adequate preservation of documents.

Complaint Resolution Procedures

LEAs must have board-adopted standard complaint resolution procedures for NCLB programs. These procedures are used to resolve allegations of violations of requirements under the federal programs. The procedures should be made available to the public and a copy maintained in each building. DFP has adopted written procedures in the event that a complainant disputes an LEA decision.

LEAs must annually disseminate the complaint procedures to parents of students and appropriate private school officials or representatives.

A sample of complaint resolution procedures is available under Publications and Forms on the Federal Programs web page.

Monitoring

Each LEA will have a review of federal programs' compliance once in a three year cycle. The yearly monitoring cycle runs from January through May of each year. When an LEA is due for a review, they are required to complete a self-assessment online at: www.leaderservices.com/fedmonitor with an assigned username and password provided by DFP.

The Monitors conducting LEA reviews are typically retired administrators that are hired and trained by Division of Federal Programs staff. Monitors will use the self-assessments completed by the LEA to verify compliance of each federal program requirement for Titles I Part A, I Part D, IIA, III, Fiscal, Reading First and Ed-Flex Waivers. LEAs will have access to their final monitoring report which is also stored online at www.leaderservices.com/fedmonitor. It can be viewed and printed after logging in with the same assigned username/password. Monitoring cycles are also posted on DFP's web site at all times.

Under the Consolidated Monitoring Process, every LEA receiving federal funds will be monitored at least once every three years (with the exception of Philadelphia and Pittsburgh who are monitored annually).

Findings of Noncompliance

LEAs can be found to be non-compliant in various ways:

- Single Audits
- Complaints filed with PDE/USDE
- Fiscal Review

- On-Site Monitoring
- Application Review

If your LEA or program is found to be out of compliance in one or more areas, your Regional Coordinator will provide technical assistance to you through the following process in order to address and correct any findings of non-compliance.

Corrective actions must be taken immediately and documentation must be submitted to DFP within a reasonable period of time (generally within two months unless otherwise indicated on follow-up letter from DFP). DFP may suspend further payments of programs in the consolidated application until appropriate documentation is provided.

Failure to respond adequately with submitted documentation of corrective action may result in the following actions:

- denial of the use of funds for all or part of the cost of the program activity not in compliance
- refund of the money determined to have been misused.

When compliance issues have been resolved, DFP will send a final letter out verifying implementation of federal program requirements.

Participation of Nonpublic School Children

LEAs must make available equitable services to eligible nonpublic school children, their teachers, or other educational personnel. LEAs must ensure that total expenditures, less administrative costs, are equal on a per-pupil basis. Services to nonpublic school children must be performed at the public school, neutral grounds, or a neutral site at the nonpublic school.

Before making any budgeting decisions and prior to application submission, LEAs must engage nonpublic school officials in timely and meaningful consultation concerning their participation.

Documentation of consultation must be kept on file. Relevant programs are Title I.A, Title II.A, Title II.D and Title III.

An appropriate time for initial consultation would be in the winter of the previous school year so that services can begin at the beginning of the school year. Communication should be ongoing throughout the school year.

The public LEA controls funds, employment, and contracts used to provide services to nonpublic students and teachers.

No funds may go directly to the nonpublic schools – only services.

Services shall be provided by employees of a public agency or through contract with an individual, association, agency, or organization independent of the private school and any

religious organization. The public LEA makes the final decisions with respect to the services provided to nonpublic children with federal funds from the consolidated federal programs.

Monitors will be checking for follow through from the LEA regarding the transfer of additional nonpublic dollars to the IU.

ED-FLEX Waivers

Pennsylvania is one of ten states that have the authority to grant waivers of most of the requirements under NCLB, if it can be demonstrated that the requirements are burdensome to an LEA or are affecting the quality of their programs and student achievement.

ED-FLEX Waivers are usually granted for a 3 year period of time. A waiver report is required to be submitted at the end of the second year to provide evidence of the effectiveness of the waiver and to justify sustaining the waiver for the third year.

Not all federal laws/regulations may be waived. Check the Federal Programs website for a detailed list.

If you are interested in submitting an ED-FLEX waiver, please discuss your intentions with your Regional Coordinator prior to completing the ED FLEX Waiver Application.

A copy of the application is available on the DFP Website.

REAP-Flex

REAP-Flex authority provides flexibility to eligible rural LEAs to use funds out of Titles II.A, II.D, and IV.A for purposes under Titles I, II.A, II.D, III, and IV.A. REAP districts may transfer up to 100% of these funds. Under REAP-Flex, an LEA must spend these funds on local activities authorized under one of these programs, but does not have to meet the set aside requirements of those programs.

Section 2- Title I.A Improving the Academic Achievement of the Disadvantaged

Legislative Purpose

Title I was enacted to ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging state academic achievement standards and assessments. This can be accomplished by meeting the educational needs of low-achieving children, closing the achievement gap between high- and low-performing children, high standards for all students, enriched and accelerated instruction, decentralized decision making, improved accountability, high quality professional development, coordination and integration of services, expanded family involvement, extended learning time, and early intervention.

Annual Title I Allocation Timeline

January

- DFP receives updated Census data from USDE
- Publish comparison of Census data and post to website for LEAs to review
- Inform LEAs of Census data appeal process to USDE

March/April

- April deadline for LEAs to file Census data appeal to USDE
- DFP receives preliminary Title I allocations from USDE
- DFP runs preliminary Title I allocations for LEAs in order to make available at PAFPC conference

May/June

- DFP receives final Title I allocations from USDE
- DFP runs final Title I allocations for LEAs
 - If DFP receives final Title I allocations from USDE in a timely enough fashion, finals are posted to e-Grants in time for application submission
 - If not, LEAs will apply using preliminary Title I allocations, and DFP will post finals to website as soon as they are available, so that LEAs can plan for their later amendments

September/October

- DFP surveys all open and operating charter schools to update enrollment figures in order to run revised Title I allocations (required by law)

December

- DFP releases final Title I allocations, adjusted for charter school updates, then loads those allocations onto the e-Grants system in order for LEAs to submit upward/downward amendments

Consolidated Local Educational Agency (LEA) Plan

An LEA may receive Title I funds only if the LEA has a state-approved LEA plan for implementing the Title I program. This plan is to help low-achieving students meet standards. The LEA plan is to be developed in consultation with teachers, principals, administrators, other appropriate school personnel, and parents of children in schools served with Title I funds. Each district is required to review the LEA plan annually and to make any necessary changes.

Any changes to program should be discussed with the regional coordinator prior to implementation. Revisions to the LEA plan are made online and submitted for approval.

Reservation of Funds

Before allocating funds to your eligible school buildings, you must first reserve funds from your allocation to meet certain required (and optional) set asides.

Required:

- **Parent Involvement** - Minimum of 1% for parent involvement if Title I allocation is greater than \$500,000
- **Neglected** - Allocation for Title I services provided to Neglected Institutions
- **Non Highly Qualified Teachers** - Minimum of 5% of Title I allocation to train teachers that are not highly qualified
- **School Choice (SI1 & above)** - Minimum of 5% up to a maximum of 20% to provide transportation related to School Choice
- **SES (SI2 & above) - Minimum of 5% up to a maximum of 20% to provide Supplemental Educational Services**
- **LEA Improvement** - If identified for LEA (District) Improvement - a 10% set aside from Title I Allocation to be used for professional development
- **Homeless** - Set-Aside for providing Title I services and support services to homeless students attending Non-Title I schools. No minimum or maximum is defined by law. Exemptions include charter schools and LEAs where all buildings in the LEA are Title I buildings.

Optional:

- **Audit** - Cost to conduct annual audit of federal programs
- **Community Day Programs** - Costs associated with providing Title I pre-school programs and services in a community based setting, such as community centers.
- **Indirect Costs** - All or part of the restricted indirect costs rate approved for the LEA
- **Operations & Maintenance** - Activities concerned with keeping the physical plant open, comfortable and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair
- **District-Wide Professional Development** - Costs for providing district-wide Title I professional development

- **Pupil Transportation** - Costs for providing transportation for extended day Title I programs.
- **Pre-School Programs** - An LEA may reserve an amount from the LEAs total Title I allocation to operate an LEA-based Title I preschool program for eligible children in the district as a whole or for a portion of the district.
Note: although Pre-Kindergarten students may be served with Title I funds, they must not be included in the numbers used to determine building eligibility or building allocations.
- **Program Evaluation** - Activities associated with the LEA evaluation of the effectiveness of federal programs – i.e., local assessments
- **Salary & Fringe Benefit Differentials** - LEAs may reserve the difference in salary costs as this relates to the beginning step on a payscale for an instructional teacher in a Title I school vs. a Title I teacher at the top of a payscale.
- **Summer & Intersession Programs** - Costs associated to provide Title I summer school, extended day or extended year programs.
- **State & Federal Liaison** - Costs associated with staff responsible for administering the Title I program in an LEA.

Building Eligibility and the Selection of Schools (SOS)

For Title I purposes, low-income children counted within each building are those in families eligible for free and reduced lunches according to the income scale established by the National School Lunch Act. In place of using actual free and reduced lunch counts in a middle or high school, a district may use the feeder pattern, Temporary Assistance to Needy Families (TANF), Medicaid, Census, or an unduplicated combination. The feeder pattern allows LEAs to project the percent of low-income children in a middle or high school based on the average poverty rate of all the attendance areas feeding into the middle or high school. LEAs should indicate on SOS that they are using the feeder pattern.

When determining Title I enrollment and poverty counts for allocation purposes, only K – 12 students can be counted. Pre-K students can be served, but are not used to determine building eligibility or building allocations.

An LEA must use Title I funds only in eligible school attendance areas (school buildings). The SOS is completed as part of the Consolidated Federal Programs Application to determine which buildings are eligible for Title I allocations and services. Based on the low-income percentages in each building, LEAs must annually rank their buildings from highest to lowest without regard to grade spans.

A district must serve all buildings with a percentage of low-income children of 75 percent or higher. This requirement pertains even to districts exempt from ranking.

If funds remain after serving schools with 75 percent, the district shall then rank and serve the remaining eligible attendance buildings.

Eligibility for buildings that are below 75 percent educationally disadvantaged is determined by choosing one of the following methods found in SOS in the application:

1. Exempt: K-8 or K-12 single attendance area LEA (no buildings with same grades).
2. Exempt: LEA with multiple attendance areas (two or more buildings having at least one of the same grades) and with total enrollment of less than 1,000.
3. Attendance areas with economic deprivation greater than or equal to the average of same or similar grade spans.
4. Attendance areas with economic deprivation greater than or equal to the district average:
 - a. Ranking within entire district.
 - b. Ranking by same or similar grade spans.
5. Attendance areas with economic deprivation greater than or equal to 35%:
 - a. Ranking within entire district.
 - b. Ranking by same or similar grade spans.
6. Grandfather Clause-This exception may be made for only one year for a school that was eligible and served in the preceding fiscal year but is not eligible this year.
Contact your Regional Coordinator to utilize the Grandfather Clause.

Targeted Assistance Program

If a school receives Title I funds in accordance with the LEA's Title I eligibility criteria and does not operate an approved schoolwide program (either because it doesn't qualify with 40 percent poverty or the school chooses not to offer a schoolwide program), then the school is a targeted assistance school (or TAS).

An eligible Title I student is identified as "failing, or most at risk of failing, to meet the state's challenging student academic achievement standards." The school will make this decision based on multiple, educationally related, objective criteria established by the LEA and supplemented by the school.

Students automatically eligible for services:

- Participants of Head Start, Even Start, Early Reading First or Title I preschool services at any time within the previous 2 years
- A child attending a community day program or living in a state or local neglected or delinquent institution
- A child served in the previous 2 years under Migrant Education program
- Homeless children

Components of a Targeted Assistance Program

- Use Title I funds to help children meet state's challenging academic achievement standards expected for all children
- Planning for Title I services are incorporated into existing school planning
- Use effective methods & instructional strategies that rely on scientifically based research
- Coordinate with and support the regular ed program, which may include services to assist preschool children into early childhood programs such as: Head Start, Even Start, Early Reading First or state-run preschool programs
- Provide instruction by "highly qualified" teachers
- Provide professional development activities using Title I resources

- Provide strategies to increase parental involvement, such as family literacy services
- Coordinate and integrate federal, state & local services and programs for violence prevention, nutrition, housing, Head Start, Adult Education, vocational and technical education and job training.

Each school must assist the identified students in meeting the state's proficient and advanced levels of performance by coordinating Title I funds with funds received from other sources. Additionally, the school providing targeted assistance must review the progress of participating children on an ongoing basis.

School Wide Program

A Schoolwide Program is based upon a comprehensive reform strategy and is designed to upgrade the entire educational program in a Title I school. Its primary goal is to ensure that all students, particularly those who are low-achieving, demonstrate proficient and advanced levels of achievement on State academic achievement standards. This schoolwide reform strategy requires that a school –

- Conduct a comprehensive needs assessment;
- Identify and commit to specific goals and strategies that address to needs;
- Create a comprehensive plan; and
- Conduct an annual review of effectiveness of the Schoolwide Program and revise the plan as necessary.

If a school has at least a 40% poverty level, it qualifies to have a Schoolwide Program (SWP). A schoolwide school no longer targets individual students to receive Title I assistance since all children in the school are considered Title I and any programs, activities, and equipment are also Title I. If a school has at least 30% poverty and it's interested in becoming a Schoolwide school, then they may apply for a Schoolwide waiver.

In general, Schoolwide Programs –

- Plan for comprehensive, long-term improvement;
- Serve all students with highly qualified teachers and paraprofessionals;
- Provide continuous learning for staff, parents, and the community;
- Use research-based practices to develop and implement enriched instruction for all students;
- Use research-based and inclusive approaches to strengthen the school's organizational structure;
- Consolidate funding sources to achieve program goals; and
- Engage in continuous self-assessment and improvement.

A school operating a Schoolwide Program must conduct a comprehensive needs assessment that identifies the school's strengths and challenges in key areas that affect student achievement. This is the first of ten program planning components that must be addressed. It forms the basis for the areas of priority in the planning process.

The school must then develop a comprehensive schoolwide plan that describes action items for the nine remaining program components. These action items describe how the school will achieve the goals it has identified as a result of its needs assessment. The schoolwide plan must –

1. Identify reform strategies, aligned with the needs assessment, that are research-based and provide opportunities for all children to meet the State's proficient or advanced levels of academic achievement;
2. Provide instruction by highly qualified teachers;
3. Offer high-quality, ongoing professional development;
4. Create strategies to attract highly qualified teachers;
5. Create strategies to increase parental involvement;
6. Develop plans to assist preschool teachers through the transition from early childhood programs to local elementary school programs;
7. Identify measures to include teachers in decisions regarding the use of academic assessments;
8. Conduct activities to ensure that students who experience difficulty attaining proficiency receive effective, timely, additional assistance; and
9. Coordinate and integrate Federal, State, and local services and programs.

Additionally, the school plan must document that it has met the intent and purposes of each program for which funds have been consolidated [34 CFR 200.29] if it chooses to consolidate funds from Title I, Part A, and other Federal education program funds and resources without maintaining separate fiscal accounting records by program, or meeting most statutory requirements of those programs [Section 1114(b)(1) of Title I of ESA]. Please refer to Volume 69, No. 127, of the Federal Register dated July 2, 2004, for more information on the programs that can be consolidated in a Schoolwide Program and examples of how to meet the intent and purposes of such programs. A copy of this document may be found at <http://www.ed.gov/legislation/FedRegister/other/2004-3/070204a.html>.

The school must evaluate annually the outcomes and the plan's implementation to determine whether the academic achievement of all students, and particularly of low-achieving students, improved, whether the goals and objectives contained in the plan were achieved, and if the plan is still appropriate as written.

Schoolwide Program Approval

Unlike a School Improvement Plan that is due by a certain deadline, a Schoolwide Program Plan may be submitted for approval at any time during the year once the school and district have sufficiently completed the process. The only caveat is that the law requires that the comprehensive plan shall be developed over a one-year period, unless the district, after considering the recommendation of state approved technical assistance providers, determines that less time is needed to develop and implement the Schoolwide Programs.

Districts are responsible for ensuring the quality of Schoolwide Program Plans submitted to the state for review. The State will provide final plan approval for a school to operate a Schoolwide Program.

In addition to the actual plan, either Getting Results (newest version) or Title I Schoolwide Planning Template, other important documents must be submitted to the State when requesting approval for a school to begin implementation of a Schoolwide Program.

1. The district must sign and submit “Intent to Plan” form prior to plan development. This will lock in the date.
2. Waiver request must be submitted if the school’s poverty level is between 30% and 40%

These documents can be found on the Division of Federal Programs webpage under Title I Schoolwide. You will mail all documents to:

Maria Garcia-Morales, Schoolwide Program Manager
Pennsylvania Department of Education
Division of Federal Programs
333 Market Street, 7th Floor
Harrisburg, PA 17126

Process for Schoolwide Program Approval

The following is the process for gaining approval to operate a Schoolwide Program. All of the following must be completed in entirety before a school may operate a Schoolwide Program. Until a Schoolwide Program Plan is approved by the State, the school must continue to operate as a Targeted Assistance Program.

1. School or district notifies the State of the school’s intent to become a Schoolwide Program.
2. The School Leadership Team completes the Schoolwide Plan.
3. The State will review all documentation for final approval.

LEA Discretion

The LEA may elect not to serve an eligible attendance area that has a higher percentage of children from low-income families if the school meets the comparability requirements, is receiving supplemental funds from other state or local sources that are spent in accordance with schoolwide or targeted assistance requirements, and the funds expended from other sources equal or exceed the amount of Title I funds that would be provided. If the LEA chooses this option, it shall determine private student participation without regard to the fact that the public school children in this school are not participating in Title I.

Allocation Procedures for Eligible Schools

Before determining the allocations for eligible schools, the LEA must set aside sufficient funds to provide comparable services to neglected or delinquent children in local institutions and eligible homeless children who do not attend participating schools. In addition, the LEA may wish to set aside funds for salary differentials, and Title I districtwide costs (administration, preschool, parent involvement, and professional development). If required, an LEA should set aside funds for Public School Choice and Supplemental Educational Services or Highly Qualified Teachers and Paraprofessionals.

LEAs must allocate Title I funds to eligible buildings in rank order based on the percentage of the total number of children from low-income families in each attendance area. A

district is not required to allocate the same per-child amount to each school, as long as the largest per-child allocation goes to the highest ranked attendance area and the next ranked attendance area receives an equal or smaller allocation per child.

LEAs that opt to serve schools having a poverty rate below 75 percent and using grade span grouping may determine different per-child amounts for different grade spans as long as those amounts do not exceed the amount allocated to any school above 75 percent poverty. Per-child amounts within grade spans may also vary as long as the LEA allocates higher per-child amounts to schools with higher poverty rates than it allocates to schools with lower poverty rates.

An LEA serving any school(s) with a poverty rate less than 35 percent must allocate to all schools at least 125 percent of the LEA's allocation per low-income child.

Homeless Set Aside

A homeless child is any child who lacks a fixed, regular, and adequate nighttime residence. Under NCLB, homeless children are automatically Title I and districts must provide funds for the special needs they have so that they may receive comparable services to non-homeless students.

Since Title I schools will already have money that can provide for a homeless child's needs, and then the mandatory set aside applies to any district that has a non-Title I building. Although there is no minimum amount for this set aside, it should be decided upon through consultation between the Title I coordinator, the Homeless Liaison, and any other involved parties.

Title I funds for the homeless should work in conjunction with McKinney-Vento funds. The McKinney-Vento Act provides federal funds which are specifically used for the needs of homeless students. Title I funds for the homeless should be used to supplement, and be used after, McKinney-Vento and other federal funds.

As with other Title I expenditures, money spent towards helping homeless students should be to supplement, and not supplant, state and local funds. However, more flexibility is allowed with applying funds towards the homeless than with other Title I uses. The funds can be used for needs such as uniforms, parent involvement activities, and outreach programs to shelters (Note: any program offered in a shelter should be **after** school and should not be in place of the students in school during regular school hours).

For more information on funds for homeless children, contact the State Coordinator for Education for Homeless Children and Youth Program.

Comparability of Services

Section 1120A(c) of the ESEA provides that an LEA may receive Title I, Part A funds only if it uses State and local funds to provide services in Title I schools that, taken as a whole, are at least comparable to the services provided in schools that are not receiving Title I funds. If the LEA serves all of its schools with Title I funds, the LEA must use

State and local funds to provide services that, taken as a whole, are substantially comparable in each Title I school.

Demonstrating comparability is a prerequisite for receiving Title I, Part A funds. Because Part A allocations are made annually, comparability is an annual requirement.

To be in compliance with comparability, an LEA must first complete the Detailed School Data Sheet in eGrants if it has more than 1 building per grade span. Please note that when comparing buildings on a grade span basis, *similar* grade spans should be compared (as defined by a 2 grade span difference or less; e.g. you would compare a K-2 school with a K-4 but would not need to compare a K-2 school with a K-5). Second, **all** LEAs must complete, print out, and sign the Assurance form with the required signatures and mail it in to the Division of Federal Programs by November 15 of each year.

Specific guidance on demonstrating comparability on the Detailed School Data Sheet is available on the DFP website at http://www.portal.state.pa.us/portal/server.pt/community/federal_programs/7374/du_e_date_s_for_federal_programs_forms/507242.

Services for Nonpublic School Children

LEA officials will consult with appropriate nonpublic representatives in a timely manner during the design and development of programs for nonpublic school children on the following issues:

- how educationally deprived children and their needs will be identified
- what services will be offered to meet the identified needs
- how and where the services will be provided
- how the services will be assessed
- the number of educationally deprived children who will be served
- the proportion of funds allocated for the services

Consultation must occur before the LEA makes any decision affecting the opportunities of nonpublic school children to participate in Title I programs. In consultation with nonpublic school officials, the district must also establish criteria to determine which nonpublic school children are eligible and, within the eligible group, which children will be served. If the district, in consultation with nonpublic school officials, determines that it is inappropriate to select nonpublic children on the basis of state standards, the district must select nonpublic school children who are at risk of failing to meet high levels of achievement comparable to those required by the state's standards.

Annually, an LEA must contact officials of nonpublic schools with children who reside in an eligible and participating school within the LEA, regardless of whether or not the nonpublic school they attend is located in the LEA. The LEA must maintain documentation by an official of each nonpublic school affirming that the required consultation has occurred.

Qualifications for all core-content teachers in an LEA

Each district shall ensure that all teachers newly hired are highly qualified and that all teachers within the district are highly qualified by the end of the 2006-2007 school year.

Staff qualifications for Title I are as follows:

- All Title I teachers must have a baccalaureate degree; a Pennsylvania teacher's certificate for the grade level(s) to which assigned and demonstrate subject matter competency for the core academic subjects they teach.

For specific information on proper certification of teachers in Pennsylvania, please contact the Bureau of School Leadership and Teacher Quality at (717) 787-3356 or http://www.portal.state.pa.us/portal/server.pt/community/highly_qualified_teacher_requirements/8631.

Qualifications of Title I Paraprofessionals

All Title I paraprofessionals must have a high school diploma or its equivalent and a minimum of 48 credit hours at an institution of higher education, an associates degree, or evidence of knowledge of and the ability to assist instructing reading, writing, and mathematics demonstrated through a local academic assessment.

Exceptions to paraprofessional requirements:

- one who is proficient in English and another language and who provides services to participating children as a translator
- one whose duties consist solely of conducting parental involvement activities
- one who is a personal assistant to a child with a disability.

For specific information on proper certification of teachers in Pennsylvania, please contact the Bureau of School Leadership and Teacher Quality at (717) 787-3356 or http://www.portal.state.pa.us/portal/server.pt/community/highly_qualified_teacher_requirements/8631.

Neglected Programs

All locally administered facilities for Neglected children will receive from the Division of Federal Programs (DFP) the Annual Survey of Children in Local Institutions for Neglected or Delinquent Children (PDE-3048). The survey form is completed by the administrative officer of the institution and requests the following information:

Type of Institution: Neglected or Delinquent

Eligibility: The children in the facility must be between the ages of 5-17, reside in the facility, under 24 hour care, during any portion of the period from October 31 to November 29.

Documentation: The institution returns to DFP the PDE-3048 form and documentation that shows the children(s) Name (or Identification Number, for

confidentiality purposes), Birth Date, Admission Date, and their Discharge Date (if released)

The form must be returned to DFP by December 9th of each year. The forms are used to compile a list of eligible children which are forwarded to the United States Department of Education (USDE). The data collected from Pennsylvania along with the other states help determine the following year's Title I and Title I-D allocations.

If a new institution has opened, the Local Educational Agency (LEA) or the institution may request this form from DFP so that funds will be generated for these children.

The allocation for neglected children comes from Title I and will be accounted for separately. The amount of the neglected allocation can be found by clicking on the Title I Neglected on the Title I project. Funds for neglected children should be spent on services comparable to those provided to other public school children.

The allocation for delinquent children comes from Title I-D and will be accounted for separately. The amount of the delinquent allocation can be found by clicking on the Title I Delinquent on the Title I-D project. Funds for delinquent children should be spent on services comparable to those provided to other public school children.

Annual Title I Evaluation

Each Title I school must review data annually to assess the effectiveness of its Title I program. Those attending this annual evaluation should include Title I teachers and paraprofessionals, classroom teachers, and building administrators who will decide what is effective and what needs to be changed.

Documentation of this program evaluation should include:

- Appropriate representation of school personnel
- Agenda
- Sign-in sheet from attendees
- Review of student achievement data
- Review of parents' evaluation
- Review of program strengths and weaknesses
- Documentation of recommendations and revisions
- Buildings have been notified regarding their Adequate Yearly Progress (AYP) status

Schools should also meet with Title I parents in the spring term to evaluate Title I services and the district's and school's parent involvement policy. Input from parents, such as a survey, should be considered as part of the annual Title I evaluation.

School Improvement

School Improvement Identification is defined by NCLB as a school that does not make Adequate Yearly Progress (AYP) for two consecutive years. AYP is defined by Pennsylvania's accountability system.

1. All schools identified for improvement must provide parents via letter 14 calendar days prior to the school year an explanation of School Improvement, how the school compares academically to other schools in the district and the state, the reason for School Improvement, explain the Action Plan, provide ways that parents can become involved, and how to opt for required services such as School Choice and Supplemental Education Services. In the same time frame districts must post on the website beginning with 2007-08 school year (if applicable) and all subsequent years identified, the number of students eligible for school choice, number of students who participated, and list of available schools for transfer.

2. School Improvement I or subsequent years of Improvement the Title I school must develop a School Improvement Plan and set aside 10% of the school's Title I Part A allocation for Professional Development in the Title I budget.

- **School Improvement I:** First year of identification for School Improvement parents of all children in the school building are offered a choice to attend another building in the district that is not identified for school improvement if one is available. 20% of the LEA allocation must be set aside in Reservation of Funds to pay for transportation of students requesting transfer to another school.
- **School Improvement II:** Second year of identification parents continue to have the option to transfer to available schools and in addition the school offers Supplemental Educational Services (SES) to low income students, free tutoring provided by state approved agencies. The 20% set aside in Reservation of Funds now includes cost of SES providers for students requesting SES. Website must add the data on SES students: number of students eligible, number of students who participated and a list of the available SES providers.
- **Corrective Action:** Third year of identification parents continue to receive opportunity for School Choice and SES and in addition there must be significant intervention designed to remedy the school's persistent inability to make adequate progress toward all students becoming proficient in reading and mathematics.
- **Restructuring:** A school that fails to meet AYP for five or more years must make fundamental reforms, such as significant changes in the school's staffing and governance, to improve student academic achievement in the school.
- **Making Progress:** Status of a school identified for school improvement during the prior school year but meeting its AYP targets on the basis of the results of academic assessments administered for the following year. During this delay, the school must continue to implement its school improvement plan and provide public school choice and/or supplemental educational services as applicable.
- **Met AYP:** After two consecutive years of meeting the targets in the same subject or subgroup that caused the school to be identified for School Improvement, the school is no longer identified in School Improvement.

3. Title I School Improvement funding is set aside from the state Title I allocation and is available for all schools identified for school improvement. An online application via eGrants must be completed, printed, signed by the LEA superintendent or CEO and mailed to the Division of Federal Programs. Once the application has been approved the LEA will receive an approval letter noting the date for obligation of funds. Funds are used to address the educational needs that caused the school to not make AYP using the strategies as identified in the School Improvement Plan. End date for funds is extended through the following September 30th, therefore carryover is not necessary.

An additional School Improvement Grant (SIG) is authorized under section 1003(g) of the Title I ESEA of 1965 and is available through a competitive grant. Title I eligible schools are defined as Persistently Low Achieving (PLA) or in the bottom 20% based on PSSA performance. Schools that accept SIG funds must implement one of four school intervention models: turnaround model, restart model, school closure, or transformation model.

4. To exit school improvement status, a school identified for improvement must make AYP for two consecutive school years in the same subject(s) that missed the targets in the previous years.

Section 3- Title I.D Prevention and Intervention Programs for Delinquent and At-Risk Students

Legislative Purpose

The purpose of Title I.D is to support district programs that collaborate with locally operated delinquent correctional facilities in these ways:

- to carry out high quality educational programs to prepare children and youth for secondary school completion, training, employment, or further education
- to provide activities to facilitate the transition of children and youth from the correctional program to further education or employment

All locally administered facilities for Delinquent children will receive from the Division of Federal Programs (DFP) the Annual Survey of Children in Local Institutions for Neglected or Delinquent Children (PDE-3048). The survey form is completed by the administrative officer of the institution and requests the following information:

Type of Institution: Neglected or Delinquent

Eligibility: The children in the facility must be between the ages of 5-17, reside in the facility, under 24 hour care, during any portion of the period from October 31 to November 29.

Documentation: The institution returns to DFP the PDE-3048 form and documentation that shows the children(s) Name (or Identification Number, for confidentiality purposes), Birth Date, Admission Date, and their Discharge Date (if released)

The form must be returned to DFP by December 9th of each year. The forms are used to compile a list of eligible children which are forwarded to the United States Department of Education (USDE). The data collected from Pennsylvania along with the other states help determine the following year's Title I and Title I-D allocations.

If a new institution has opened, the Local Educational Agency (LEA) or the institution may request this form from DFP so that funds will be generated for these children.

The allocation for neglected children comes from Title I and will be accounted for separately. The amount of the neglected allocation can be found by clicking on the Title I Neglected on the Title I project. Funds for neglected children should be spent on services comparable to those provided to other public school children.

The allocation for delinquent children comes from Title I-D and will be accounted for separately. The amount of the delinquent allocation can be found by clicking on the Title I Delinquent on the Title I-D project. Funds for delinquent children should be spent on services comparable to those provided to other public school children.

Delinquent Institution Plan

The LEA in which an eligible delinquent institution is located and wishes to use Title I.D funds to operate prevention and intervention programs for delinquent or other at-risk youth, must submit a plan for DFP review every year. The plan is completed on the eGrants application.

Financial Records

The amount of the delinquent allocation may be found by clicking on the Delinquent Institution link on the Title I D Menu on eGrants. Each spring, the Division of Federal Programs staff will contact the LEA regarding the allocations for the delinquent institutions located within their district. Delinquent funds must be accounted for separately. Any portion of the delinquent allocation budgeted for delinquent services may NOT be used by the LEA for any other purpose. A Final Expenditure Report (FER) must be submitted to DFP by October 30 or when funds are expended.

Evaluation

Annually, each State Agency and LEA must evaluate their prevention and intervention programs for youth who are delinquent or at risk of dropping out. Participation data must be disaggregated by gender, by race/ethnicity, and by age. The disaggregation shall not be required in a case in which the number of students in a category is insufficient to yield statistically reliable information or the results would reveal personally identifiable information about an individual student.

Evaluations should use multiple and appropriate measures of student progress. The results must be submitted to DFP and used to plan and improve subsequent programs for participants.

The evaluation should be used to determine the program's impact on the ability of participants to:

- maintain and improve educational achievement
- accrue credits for grade promotion and graduation
- make the transition to a regular school program or other education program operated by the LEA
- complete secondary school or its equivalent and obtain employment after leaving the correctional facility or institution for neglected or delinquent children and youth
- participate in postsecondary education and job training programs, as appropriate

Section 4- Title I.G – Advanced Placement Fee Reduction Program

Specific Guidelines

These funds will enable PDE to pay a portion of the test fee charged to low-income students who are enrolled in (an) advanced placement class (es) and who take (an) advanced placement test(s) this spring. Under this program the state will reimburse \$56/test, the College Board will reimburse \$22/test and administering schools will forgo their \$8/test fee for a total of \$86. The sum of all the reimbursements equals the total cost of an AP examination.

Payment Process

Test fees for low-income students (public and private) will be paid directly to the College Board by the state. Under this payment arrangement, low-income students will not have to advance any funds in order to register for an AP exam. Please note that the provisions of Section 427 of the General Education Provisions Act (GEPA), which provide for equitable access and participation, apply to these AP fee reduction funds. School personnel responsible for ordering AP exams will simply need to follow the directions on AP Central website in order to access state funds for their low-income students' test fees.

General Information

If you need additional assistance or information about any aspect of the Advanced Placement Test Fee Program, please email Maria Garcia-Morales at mgarcia-mo@pa.gov Information may also be obtained directly from the College Board via www.apcentral.collegeboard.org/coordinators.

Section 5- Title II.A Training and Recruiting High Quality Teachers and Principals

Legislative Purpose

The purpose of Title II.A is to increase student academic achievement by improving teacher and principal quality through high quality professional development to increase the number of highly qualified teachers and principals and to hire highly qualified teachers to reduce class sizes in core academic subjects.

Title II.A Nonpublic Equitable Distribution

Annually, PDE calculates allocations for nonpublic schools who indicate they want to participate in Title II.A and allocates the appropriate funds to the Intermediate Units to administer as part of their nonpublic professional development programs.

Additional Nonpublic Equitable Distribution Requirements for Title II.A:

If your LEA budgets a large portion of its Title II A funds for professional development, you may be required to provide additional funds to support the nonpublic professional development program at the IU.

The additional funds are generated because in the Title II funding formula for nonpublic schools in NCLB does not include a method for nonpublics to receive an equitable share of staff development dollars allocated at the LEA level.

Egrants will notify you (on the carryover page of the Title II A budget section) if your staff development costs are high enough to generate additional nonpublic dollars. If so, please contact your Nonpublic Coordinator at your local IU and make arrangement to transfer the dollar amount listed on eGrants to the IU for use in their nonpublic professional development program.

Equitable Teacher Distribution Plans

There are two provisions of ESEA that help us to understand the purpose of and the responsibilities associated with an equitable distribution plan.

Section 1111 (b) (8) (c) of the ESEA pertains to *State Education agencies*

Section 1112 (c) (1) (L) of the ESEA pertains to *Local Education Agencies*

State Education Agencies – Section 1111 (b) (8) (c) of the ESEA states that...

“each SEA plan must include “steps that the State educational agency will take to ensure that poor and minority children are not taught at higher rates than other children by inexperienced, unqualified or out-of-field teachers, and the measures that the State educational agency will use to evaluate and publicly report the progress of the State educational agency with respect to such steps.”

Local Education Agencies – Section 1112 (c) (1) (L) of the ESEA states that...

“each LEA plan must include an assurance that the LEA will “ensure”, through incentives for voluntary transfers, the provision of professional development, recruitment programs, or other effective strategies, that low-income students and minority students are not taught at higher rates than other students by unqualified, out-of-field, or inexperienced teachers.”

What this means:

- *LEAS must analyze data*
 - *To identify why teachers are not highly qualified*
 - *To determine if novice (less experienced) teachers are concentrated in specific schools*
 - *To measure progress*
 - *To determine if strategies in the plan are working or should be changed;*
 - *To revisit the plan regularly and update as needed*

For additional information regarding Equitable Teacher Distribution Plans, please contact the Office of Teacher Quality, Bureau of School Leadership and Teacher Quality at 717-346-3275 or visit the PDE website at www.pde.state.pa.us.

Section 6- Title II.B Math and Science Partnerships

Specific Guidelines

The Title IIB/Math and Science Partnership Program allows LEAs (Local Education Agencies) to collaborate with IHEs (Institutes of Higher Education) for staff professional development. Math and Science teachers receive professional development in the form of content knowledge enhancement. IHE staffs deliver intensive and comprehensive training during an initial summer program and during year-round follow-up activities.

Timeline for Competitive Application Process

Title IIB awards are made after a rigorous application and review cycle that occurs every three years. The next open application process will begin in the spring of 2013.

General Information

LEAs with established Title IIB programs are often in need of teacher participants. For information on the availability of professional development activities made possible through existing Math and Science Partnerships please contact Jesse Fry at jefry@pa.gov.

Section 7- Title III Language Instruction for Limited English Proficient and Immigrant Students

Legislative Purpose

The purpose of Title III is to ensure that limited English proficient (LEP) students, including immigrant children and youth that are also identified as LEP students, develop English proficiency and meet the same academic content and academic achievement standards that all children are expected to meet. State educational agencies (SEAs), local educational agencies (LEAs), and schools are accountable for increasing the English proficiency and core academic content knowledge of LEP students. LEAs use these funds to enhance language instruction educational programs designed to help LEP students achieve these standards.

The LEA may select one or more methods of instruction, consistent with federal and state guidelines and requirements, to assist LEP students to attain English proficiency and meet academic content and academic achievement standards. Language instruction curriculum must be founded on scientifically based research and have demonstrated effectiveness.

Eligibility

To be eligible for Title III funds, LEAs must:

- Complete both the LEP and the PIMS SYSTEMS annual online data collection
- Complete the assessment (ACCESS for ELLs) database
- Complete the administration, and return, of the assessment for identified ELLs
- Meet the \$10,000 threshold based on student population reported in the LEP System or have an Immigrant allocation.

Funding Requirements

The LEA may use no more than 2% of its subgrant for administrative costs as per Section 3114(a). If the LEA does not meet the minimum \$10,000 threshold for LEP students, the LEA cannot receive Title III funding unless the LEA enters into a consortium to accept the funds as per Section 3114(b). This threshold applies only to LEP funds. Any amount of Immigrant funding can be applied for as long as the LEA meets the requirements for Immigrant funding. To qualify for Immigrant funding, the LEA must have had at least a ten percent increase in the number of immigrant students over the average of the previous two years which included at least 10 additional Immigrant students.

Accountability Provisions

Title III requires that states hold Title III subgrantees accountable for meeting three annual measurable achievement objectives (AMAOs) for English learners.

The AMAOs are:

- (1) making annual progress on the ACCESS (*Assessing Communication and Comprehension in English State to State for English Language Learners*), and

(2) attaining English proficiency on the ACCESS, and

(3) making Adequate Yearly Progress (AYP) for the LEP subgroup at the LEA level.

When determining if a consortium has met the Title III AMAOs, the data for the consortium lead and the consortium members are aggregated up to the consortium level to determine if the AMAOs have been met.

LEAs will receive notification from PDE annually after results of the annual English language proficiency assessment are provided to PDE and analyzed by the Bureau of Assessment and Accountability. Results will be sent to LEAs and posted on the PDE website.

If an LEA fails to meet the AMAO targets for two consecutive years, the LEA shall develop an improvement plan that will ensure that the AMAOs are met. The improvement plan shall specifically address the factors that prevented the LEA from achieving the AMAOs. The plan may apply to targeted schools rather than the entire LEA if the particular factors that prevented the LEA from meeting the AMAOs warrant such an approach. If the LEA fails to meet the AMAOs for four consecutive years, the State shall require the LEA to modify its curriculum, program, and method of instruction or determine whether the LEA will continue to receive Title III funds (Section 3122 (b)). A consortium is held accountable as a single entity, however, the consortium lead, at its discretion and with agreement from its member LEAs, may identify those member LEAs that failed to meet AMAO targets for the purpose of employing the accountability provisions described above.

Participation of Nonpublic Students

Nonpublic students qualify for Title III funding and should be given Title III services through the district. Districts are responsible for nonpublic students in any nonpublic school within the district's geographic boundaries. Information concerning the nonpublic Title III students and the program presented should be determined through the consultation process. The numbers of nonpublic immigrant and ELL students should be entered in the LEP database.

Pennsylvania Information Management System (PIMS) / Limited English Proficient System (LEP System)

Information on ESL/Bilingual Education Programs, English language learners, teachers, and Title III program information for the purpose of reporting data to the Pennsylvania Department of Education and the United States Department of Education is collected in the PIMS and LEP databases. These systems are used to determine Title III funding for districts that qualify and participate in Title III funding opportunities. To comply with NCLB federal reporting requirements as well as state reporting requirements, each year LEAs, charter schools and comprehensive AVTS/CTC must complete the PIMS and LEP Systems and assessment database regardless of English language learner enrollment.

Data Collection Required by USDE

LEA's and IU leads that received Title III funding must keep track of the impact of Professional Development activities used with Title III funding. This information is collected every fall in eGrants and every recipient of Title III is required to complete it.

Annual State English Language Proficiency Assessment

The Pennsylvania Department of Education has joined the multi-state World Class Instruction Design and Assessment (WIDA) Consortium. The WIDA Consortium developed an assessment entitled *Assessing Communication and Comprehension in English State to State for English Language Learners* (ACCESS for ELLs).

The Pennsylvania Department of Education has adopted the ACCESS for ELLs as the statewide assessment instrument for the required annual assessment of English language proficiency. ACCESS for ELLs is a standards-based; criterion referenced English language proficiency assessment designed to measure English language learners' social and academic language proficiency in English. It assesses social and instructional English proficiency as well as English proficiency in the language associated with language arts, mathematics, science and social studies across the four language domains of listening, speaking, reading and writing.

LEA evaluation requirements

An LEA that receives a Title III subgrant must provide to the SEA an evaluation at the end of every second fiscal year as prescribed by the SEA. The SEA and LEA must use the evaluation to improve programs and activities and to determine the effectiveness of the programs and activities in helping LEP students attain English proficiency and meet the same challenging State academic content and student achievement standards that all other students are expected to meet.

The biennial report is completed on the LEP SYSTEM annual online data collection by responding to the Title III program questions each year.

Section 8- Title II.D Enhancing Education through Technology

Legislative Purpose

The purpose of Title II.D is to improve student academic achievement through the use of technology in elementary and secondary schools while assisting every student in becoming technologically literate by the end of eighth grade. It must also provide research-based professional development resulting in effective integration of technology resources with classroom instruction.

Eligibility

In order to be eligible to apply for a Title II.D grant, an LEA must be high poverty or have one or more schools in school improvement. In addition, they must meet state defined criteria for “high technology need”. High Technology Need is determined through data submitted annually by LEAs on the PA Technology Inventory (PATI).

Distribution of Funds

100% of Title II.D (EETT) funds are awarded through a competitive process.

State-Approved Educational Technology Plans

To be eligible for funding, districts must have a long-range strategic educational technology plan on file with the Office of Educational Technology at PDE. Title II.D funds must be used to support the goals of the district's technology plan.

<p>Districts are required to spend at least 25 percent of these funds on professional development in integrating technology into classroom instruction.</p>
--

Nonpublic Equitable Participation

LEAs eligible to submit for the competitive grants available under Title II.D must also consult with the nonpublic schools within their school district boundaries to offer the opportunity to participate in your planned competitive grant.

Section 9- Title VI.B Rural Education Initiative/Rural Education Achievement Program (REAP)

Legislative Purpose

The purpose of Title VI.B is to address the unique needs of rural districts that frequently lack the personnel and resources needed to compete effectively for federal competitive grants and that receive formula grant allocations in amounts too small to be effective in meeting their intended purposes.

Eligibility

Subpart I - Small, Rural School Achievement Program (SRSA)

AN LEA is eligible for SRSA funds if their average daily attendance is fewer than 600 and all schools served by the LEA are designated with a School Locale Code of 7 or 8 as determined by the U.S. Office of Education. For the SRSA program, the grant allocation process, application process and payment process are handled directly through the U.S. Office of Education.

Subpart II - Rural and Low-income School Program (RLIS)

A district is eligible for the RLIS Program if it is not eligible for SRSA funding and if 20% or more of its school-age population are from families with incomes below the census poverty line, and all of the schools served by the district are designated with a School Locale Code of 6, 7 or 8 as determined by the U.S. Office of Education. Due to these specific criteria, a district's eligibility may change from year to year. The RLIS Program is part of the consolidated application.

Allowable Uses of Funds

Subpart I - Small, Rural Achievement Programs (SRSA)

The LEA may use SRSA funding to carry out activities authorized under any of the following programs:

Title I.A, Title II.A, Title II.D, Title III, Title IV.B and Title V.

Subpart II - Rural and Low-income School Program (RLIS)

The LEA may use RLIS funds for the following:

- Teacher recruitment and retention (subject to state law)
- Professional development
- Educational technology
- Parental involvement activities
- Activities authorized under Safe and Drug-Free Schools and Communities (restrictions on security expenditures do apply here)
- Activities authorized under Title I.A
- Activities authorized under Title III

Accountability

DFP must determine, after the third year that a district participates, whether the district has met the state's definition of adequate yearly progress. DFP may permit districts that meet the definition of adequate yearly progress to continue to participate and may permit a district that did not meet the definition of adequate yearly progress to continue to participate only if it agrees to use its consolidated funds for school improvement activities.

Part II – FISCAL

LEA Allocations

DFP will compute and disseminate the allocations for each LEA. Allocations are posted on the Federal Programs website each year when released.

Master Agreement

A master agreement must be approved by the Bureau of Management Services and be on file. Master agreements are for 5-year periods. The current master agreements begin July 1, 2003 (or the date the individual master agreement was approved) to June 30, 2008. New master agreements will need to be approved by July 1, 2004 for a school district to receive a July 1, 2004 start date on 2004-2005 applications. To check the status of individual master agreements you must log on to the FAI system.

Reallocation

Excess funds will be made available for reallocation to LEAs when possible. Reallocation procedures for Title I and Title II are available on the Federal Programs website. Reallocation procedures for all other programs will be developed when needed.

Allocations Amendments

Amendments to allocations may occur in the fall of each year to reflect revised allocations from the federal government and/or adjustments in LEA allocations that may occur as a result of new charter schools opening in an LEA attendance area.

LEAs will be notified if allocation adjustments have been made. The Consolidated Application will be reopened in eGrants to allow LEAs to access the original budget and narrative and update both pieces accordingly.

If the allocation change results in an overall increase in the total federal funds for the district, the district will have to print and sign a new rider and submit it to DFP for processing.

If the allocation change results in an overall decrease in the total federal funds for the district, the district will have to adjust the budget for each affected program, but no new Rider will need to be printed or signed. DFP will process the new budgets and notify the Comptroller's Office of the decreased allocation so the monthly payments can be adjusted accordingly.

Obligation of Funds

LEAs may use grant funds only for obligations (encumbrances) made during the grant period, as defined by the start date and termination date on the fully executed Consolidated LEA application. The following table shows when an obligation is made for various kinds of property and services.

If the obligation is for --	Then the obligation is made –
Acquisition of mobile units	On the date the LEA makes a binding written communication to acquire the property
Rental of real or personal property	When the SD uses the property
Person services by an employee of the SD	When the services are performed
Personal services by a contractor who is not an employee of the SD	On the date the SD makes a binding written commitment to obtain the services*
Performance of work other than personal services	On the date the SD makes a binding written communication to obtain the work
Public utility services	When the SD receives the services
Travel	When the travel is taken

***If this commitment is made before the grant period, the district must include in the commitment letter or contract the following type of statement: “The provision of payment for these services is contingent on the availability of federal funds and approval for the use of those funds by DFP.”**

Administrative Funds

Although federal law does not set a cap for administrative funds for programs other than Title II and Title III, DFP does periodically monitor the amount of funds LEAs budget for administrative costs. As a general rule, budgets showing administrative costs in excess of 10% of an LEA’s allocation for any program may be flagged for questioning and follow-up.

The following types of activities are considered to be examples of administrative tasks. They are provided as a guideline for LEAs to use when determining the amount of time a federally-funded employee spends on administration. This list is not exhaustive. If you have other activities for consideration, please contact your Regional Coordinator.

ADMINISTRATION

- Helps develop plans and application
- Supervises staff
- Oversees budget
- Monitors implementation
- Understands and informs staff of legal requirements
- Helps develop strategies

- Monitors program evaluation
- Maintains required documentation

Interest Earned

The Cash Management Act of 1990 governs **interest earned** on federal funds. The specific policies for federal programs administered and funded by USDE are promulgated in Education Department General Administrative Regulations (EDGAR). Section 80.21 (i) of EDGAR requires that, subject to the exceptions in 80.4, **subgrantees promptly, but at least quarterly remit to the federal agency the interest earned on advances. The grantees or subgrantee may keep interest amounts up to \$100.00 per year for administrative expenses.**

Interest earned on federal funds received in advance and greater than \$100 should be sent to the following address:

U.S. Department of Education
P.O. Box 979053
St. Louis, MO 63197-9000

*Also indicate on the check that it is for interest earned and on what program. The check should be **made payable to U.S. Department of Education.**

Budget Function Descriptions

For your information in preparing your budget, following are function descriptions for all line items.

The following detail functions are summarized under function 1000 - INSTRUCTION on the Budget Summary:

1190 Additional Other Instructional Programs – Instructional program applicable to but not listed elsewhere in the 1400 series of accounts.

1190-1 Reading – Supplemental Reading activities/programs for students in grades K-12.

1190-2 Mathematics – Supplemental Mathematics activities/programs for students in grades K-12.

1190-3 Language Arts – Supplemental Language Arts activities/programs for students in grades K-12.

1190-4 English/Second Language – Supplemental English as a Second Language activities/programs for students in grades K-12.

1190-5 Early Childhood (Pre-K, K, 1 and 2) – Supplemental Early Childhood activities/programs for students in grades K-12.

1190-6 Other – Any supplemental instructional program not covered through 1190-1 through 1190-5. Examples include: Supplemental instructional costs for programs/activities for Alternative Regular Education Programs, Adjudicated/Court Placed Programs and/or Alternative Education Programs.

The following functions are summarized under

2100 - PUPIL PERSONNEL SERVICES

2100 Support Services (Pupil Personnel) – Activities designed to assess and improve the well-being of students to supplement the teaching process and to meet the applicable provisions of Article XIII of the Public School Code of 1949, as amended, and Chapter 7 of the State Board of Education Regulations. Included in the subfunction are activities designed to provide program coordination, consultation, and services to the pupil personnel staff of an LEA.

2160 Social Work Services – Activities such as investigating and diagnosing student problems arising out of the home, school or community; and casework and group work services for the child, parent or both; interpreting the problems of students for other staff members; and promoting modification of the circumstances surrounding the individual student which are related to his/her problem insofar as the resources of the family, school and community can be brought to bear effectively upon the problem.

The following functions are summarized under function

2200 - STAFF SUPPORT SERVICES

2200 Support Services (Instructional Staff) – Activities associated with assisting, supporting, advising and directing the instructional staff with or on the content and process of providing learning experiences for students.

2220 Audiovisual Services – Activities such as selecting, preparing, caring for, and making available to members of the instructional staff the equipment, films, filmstrips, transparencies, tapes, TV programs, and other similar materials, whether maintained separately or as part of an instructional materials center. Included are activities in the audiovisual center, TV studio, and related work-study areas, and the services provided by audiovisual personnel.

2240 Computer Assisted Instruction Services – Activities concerned with planning, programming, writing and presenting educational projects which have been especially programmed for a computer.

2250 School Library Services – Activities such as selecting, acquiring, preparing, cataloging, and circulating books and other printed materials; planning the use of the library by students, teachers and other members of the instructional staff; and guiding individuals in their use of library books and materials; whether maintained separately or as part of an instructional materials center. Included here are activities for planning the use of the library by students and instructing students in their use of library books and materials, whether maintained separately or as part of an instructional materials center or related work-study area.

2260 Curriculum Development/Pre-service—Activities designed to provide specialized curriculum assistance to teachers and/or LEAs in developing the curriculum, preparing and utilizing special curriculum materials, and understanding and appreciating the various techniques which stimulate and motivate students.

2270 Staff Development – Activities of an instructional staff development service designed to contribute to the professional or occupational growth and competence of members of the LEA instructional staff. These activities include workshops, demonstrations, and in-service courses. Included are costs for development staff members' salaries and benefits.

The following cost functions are summarized under
2300 - ADMINISTRATIVE SUPPORT SERVICES

2300 Support Services (Administration) – Activities concerned with establishing and administering policy in connection with operating the LEA.

2310 Board Services -- Those activities required to perform the duties of the Secretary/Clerk of the Board of Education and all members, excluding activities related to board Treasurer responsibilities. Audits are included in this subfunction.

The following cost functions are summarized under
2400 - HEALTH SUPPORT SERVICES

2400 Support Services (Pupil Health) – Physical and mental health services which are not direct instruction. Included are activities that provide students with appropriate medical, dental and nurse services.

The following cost functions are summarized under
2500 - BUSINESS SUPPORT SERVICES

2500 Support Services (Business) – Activities concerned with paying, transporting, exchanging and maintaining goods and services for the LEA. Included are the fiscal and internal services necessary for operating the LEA.

The following cost functions are summarized under
2600 - OPERATION AND MAINTENANCE

2600 Operation and Maintenance of Plant Services –The activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings, and equipment in effective working condition and state of repair.

The following cost functions are summarized under
2700 - STUDENT TRANSPORTATION

2700 Student Transportation Services – It includes those activities concerned with the conveyance of students to and from school, as provided by State and Federal law. It includes transportation costs only for trips between home and school.

The following cost functions are summarized under
2800 - CENTRAL SUPPORT SERVICES

2800 Support Services (Central) –Activities, other than general administration, which support each of the other instructional and supporting services program. These activities include planning, research, development, evaluation, information, staff, and data processing services.

2813 Evaluation Services (Program Evaluation) – Those activities concerned with ascertaining or judging the value or amount of an action or an outcome by careful appraisal of previously specified data in light of the particular situation and the goals and objectives previously established.

2820 Information Services (Dissemination) – Those activities concerned with writing, editing and other preparation necessary to disseminate educational and administrative information to students, staff, manager, and the general public through direct mailing, the various news media or personal contact.

2850 State/Federal Agency Liaison Services – Those activities associated with acquiring, conducting and managing programs or planning, administration, implementation, coordination, reporting, and/or evaluation of programs and projects which are Federally or state funded.

The following cost functions are summarized under
3300 - COMMUNITY SERVICES

3300 Community/Parent Services – Those activities concerned with providing community services to students, staff, parents

Budget Revisions

An LEA may revise the approved budget of any program throughout the life of the program. A budget revision is necessary if the total expenditures of any line item in the budget exceeds 20% of the approved amount.

DFP encourages LEAs to wait until the funds are expended and do one final budget revision to reconcile the final expenditures to the approved budget prior to submitting the Final Expenditure Report.

Interim approval is needed for budget revisions involving the purchase of equipment costing \$1500 or more, the approval may be requested in writing, via email, to the appropriate regional coordinator. The Regional Coordinator's response may be kept on file as interim approval/disapproval and the final adjustments can be made to the budget at the end of the project.

Indirect Costs

Indirect cost is an optional reimbursement for expenditures not otherwise included in the application budgets. It is calculated by multiplying total direct costs for salaries, employee benefits, purchased services, and materials and supplies by the LEA's approved restricted indirect cost rate. LEAs must apply for an Indirect Cost Rate annually through their Annual Financial Report (AFR). Approved IC rates are loaded into the eGrants system each year and eGrants calculates the maximum indirect cost for each program.

Final Expenditure Report (FER)

An LEA with an approved application must submit an FER **online only**. The FER is accessed through the Consolidated Application Menu. The FER should be submitted as soon as program funds are expended but no later than 30 days after the ending date of the project. Reported expenditures in approved line item totals may not exceed 20 percent of the total amount budgeted within each of the approved programs. Expenditures in excess of the approved budget or of the allowable variations must be paid with local funds.

Due Dates for FERS:

2010-11 Federal Programs without Carryover – October 30, 2011 (or date funds are expended)

2010-11 Federal Programs with Approved Carryover – October 30, 2012 (or date funds are expended)

2011-12 Federal Programs without Carryover – October 30, 2012 (or date funds are expended)

2011-12 Federal Programs with Approved Carryover – October 30, 2013 (or date funds are expended)

2012-13 Federal Programs without Carryover – October 30, 2013 (or date funds are expended)

2012-13 Federal Programs with Approved Carryover – October 30, 2014 (or date funds are expended)

Quarterly Reports

LEAs are required to file Reconciliation of Cash on Hand Quarterly Reports for any program for which they are receiving monthly payments. The quarterly reports are due on the 10th working day of January, April, July and October. LEAs should begin filing Quarterly Report the first quarter after payments begin. Failure to submit quarterly reports will result in monthly program payments being suspended until the outstanding report is submitted.

The Quarterly Report tracks LEA expenditures and cash payments. An LEA may not have more cash on hand than obligations. The Federal Cash Management Act prohibits LEAs from drawing down more funds than what their obligations warrant.

Carryover

The carryover amounts will be reflected on the budget carryover screen of each program application. Funds not used and carried over into the next fiscal year are subject to these limitations:

- Title I.A—LEAs with a Title I.A allocation of \$50,000 or more may not carry over more than 15 percent of the funds allocated each year beyond September 30 of the following year. DFP may grant a waiver of this limitation once every three years if the LEA's request is reasonable and necessary. LEAs with an allocation of less than \$50,000 may carry over up to 100 percent of their allocation.
- There is no limit on carryover for the following programs: Titles I.D, II.A, II.D, III.

Payment Schedule

Funds will be electronically transferred via the FAI system to an LEA according to a monthly payment schedule based on the approved budget and Rider. The first payment will be transferred upon Comptroller's Office approval of the Consolidated LEA Application.

Payments are calculated based on the start date and termination date on the approved Rider.

The first payment may include additional months to account for the period of time the application and rider were going through the approval process. (For example, if a Rider was submitted on July 1 and did not reach the Comptroller's Office to be set up for payment until September, the first monthly payment would include July, August and September. The LEA would receive one month at a time from October forward.)

Accounting Requirements

Separate and identifiable accounting records for receipts and expenditures in each program must be maintained. The LEA may not commingle funds unless they are used in a schoolwide program. When funds are used in a schoolwide program, the LEA must develop a separate source code for reporting expenses for each of the programs.

All program funds must be reported within the program they were originally allocated, regardless if they were transferred into/out of a program for use somewhere else. (For example, if an LEA was allotted \$100,000 in Title II A, but transferred \$30,000 to another program, they still complete their FERs and Quarterly Reports based on the \$100,000).

Inventory Control

A control system must be developed for adequate maintenance procedures to keep the equipment in good condition and to provide safeguards to prevent loss, damage or theft of the equipment. This directive also pertains to “small and attractive” items as explained below.

All equipment/capital outlay, regardless of cost, must be tracked and inventoried in order to provide adequate controls for districts to safeguard all equipment purchased with federal funds. This directive includes “small and attractive” items such as laptop computers, calculators, PDAs, digital cameras, scanners, and other items that are easily stolen.

EDGAR defines “equipment” to be (1) tangible, nonexpendable personal property having a useful life of more than one year; and/or (2) an acquisition cost of more than \$1500.

Equipment is further defined as any instrument, machine, apparatus or set of articles which meet ALL of the following:

- Retains its original shape, appearance and character with use;
- Does not lose its identity through fabrication or incorporation in a more complex unit or substance;
- Is not expendable; and
- Under normal conditions of use, it can be expected to serve its principle purpose for more than a 12-month fiscal period.

“Small and Attractive Items” meet the physical definition of equipment, but cost between \$300 - \$1499 per unit. An LEA must have procedures in place to track these items as they would equipment and also have a policy in place to ensure the security of these items.

All equipment and/or items meeting the criteria set forth as “small and attractive” is subject to specific inventory management and control requirements as follows (EDGAR 4.34(1)(i-ix)):

1. Items acquired using federal monies shall be physically marked by source of funding and acquisition date.

2. Inventory must be current and available for review and audit. The following information must be included to be in compliance:
 - a. description of the property, including manufacturer's model number, if any
 - b. manufacturer's serial number or other identification number
 - c. identification of the funding source under which the property was acquired
 - d. acquisition date and unit cost
 - e. source of property (company name)
 - f. percentage of federal funds used in the purchase of the property
 - g. present location, use, condition of the property, and date the information was reported
 - h. all pertinent information on the ultimate transfer, replacement, or disposition of the equipment
3. Inventory must be updated as items are purged or new purchases are made.
4. Adequate safeguards must be in effect to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated and fully documented. The LEA is responsible for replacing or repairing lost, damaged, destroyed, or stolen property. If stolen property is not recovered, the LEA should submit copies of the investigative report and insurance claim to DFP. Replaced equipment is automatically considered property of the originally funded program and should be inventoried accordingly.
5. Adequate maintenance procedures must be implemented.
6. An annual physical inventory of items must be taken and the results reconciled with the inventory records.

Beginning in 2007-08 LEAs must submit one page of their LEA Inventory documenting that all of the components required by EDGAR for Inventory Tracking are included in their inventory records. In addition, the LEA will be required to check an assurance in the Consolidated Narrative that verifies that items meeting the "small and attractive" definition are also being tracked on the inventories.

Equipment on loan to nonpublic schools or local institutions for neglected or delinquent children must be used for Title I or Title I.D participants only and must be clearly identified as Title I or Title I.D equipment belonging to the LEA or intermediate unit. The equipment must be included on the inventory records of the LEA.

Disposition of Equipment (EDGAR 80.32)

Equipment may be disposed of which no obligation to the federal government, if **ALL** of the following criteria are met:

- (1) Equipment is no longer needed in the current program.
- (2) Equipment is not needed in other programs currently or previously funded by a federal agency.
- (3) Equipment item has a current per-unit fair market value of less than \$5,000.

An LEA may purchase or lease equipment with NCLB funds if 1) it is reasonable and necessary to operate its federal program effectively, 2) existing equipment will not be sufficient and 3) the costs are reasonable.

Real property and equipment purchased with NCLB funds may be made available to other educational programs or projects, providing this use does not interfere with its use for the NCLB program or significantly shorten the equipment's useful life.

Records of transferred equipment must be retained for three years from date of transfer.

The written notification to purge or transfer must include:

- item
- date of acquisition
- original cost
- reason for purge or transfer
- anticipated use

Items of equipment with a current fair market value in excess of \$5,000 may be retained or sold and the awarding agency shall have a right to an amount calculated by multiplying the current fair market value or proceeds from the sale by the awarding agency's share of the equipment.

LEAs must request from DFP disposition instructions for capital outlay with an acquisition cost of **\$5,000 or more** per unit.

Documentation Related to Payment of Staff

All federally funded FTEs must be recorded on eGrants (Consolidated Staffing section). When monitored, the number of FTEs must be consistent with the approved application. LEAs must keep documentation, such as time and effort logs or classroom schedules, and a list of staff paid from multiple funding sources for all partial FTEs and for individuals receiving stipends.

Sabbatical Leave Request for Title I Staff

Sabbatical leave requests for Title I staff is required in accordance with federal and state regulations. Sabbatical Leave requests are authorized from Title I providing there is no reduction in size, scope and quality of Title I services.

Sabbatical Leave Request process:

1. The Division of Federal Programs must receive an official request (in writing, on official school district letterhead, from the school superintendent) for sabbatical leave. This request must include the Teacher's Name and Title and should be directed to your regional coordinator.
2. Attach a completed copy of the completed PDE 5305 (12/01) form (found on DFP's website)
3. Once information is completed please mail to your regional coordinator for processing.
4. Once approved, the LEA will receive an approval memo, the Sabbatical Leave Reimbursement Worksheet and a copy of the original letter from the Superintendent. This will serve as evidence that your request has been granted.

Single Funding Certification

Where employees are expected to work solely on a single federal program, charges for their salaries and wages will be supported by the completion of the Single Funding Certification Form. These certifications will be signed at least each semester by the employee or building principal. LEAs should keep these forms on file to certify that all staff fully funded with federal funds are conducting activities consistent with the purposes of the funding sources.

Example of a Single Funding Certification Statement: "I hereby certify that for the period of January 1 through June 30, 100% of my time and effort was spent on Title I, Part A, activities."

In a schoolwide building where local, state, and federal funds are combined, all employees in that building are considered to be part of the schoolwide program and would need to complete the Single Funding Certification Form. The building principal could, however, meet this requirement by signing a payroll listing of all employees each semester.

Maintenance of Effort (MOE)

Maintenance of Effort (MOE), as required by NCLB, demonstrates that a district is using federal funds to supplement, not supplant, initiatives at the district level. Please note: an assurance of this requirement is contained in the Rider KK of the LEA Consolidated Application.

A district may receive federal funds if DFP finds that the district's combined fiscal effort per student or its aggregate expenditures from state and local funds for free public education for the preceding year is not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding year.

Compliance Reviewed: Compliance is verified each spring by the DFP staff using specific data from the Annual Financial Report (AFR). LEAs will be notified of their MOE status in the fall of each year. This information is based on the prior year AFR data.

If an LEA is found to be out of compliance with MOE requirements, the following will occur:

- The Regional Coordinator will contact the LEA directly to discuss its options, which include any of the following:
 - Review and revise AFR;
 - Waiver Request*;

Failure to show compliance with the MOE requirements will result in a reduction in federal funds. DFP must reduce the amount of the allocations in the current LEA Consolidated Application in the exact proportion by which a district fails to meet the 90% maintenance requirement.

***Waiver:** The United States Department of Education Secretary may waive the requirements of this section if it is determined that the situation is due to exceptional or uncontrollable circumstances, such as a natural disaster, or a precipitous decline in the financial resources of the district.

Fiscal and Compliance Audits

All LEAs must arrange for an independent audit of their records, at least annually, and provide a copy of the audit to the Bureau of Budget, PDE by October 31 following the audit period. Districts expending \$500,000 or more in Federal funds in a year shall have a single or program-specific audit conducted for that year in accordance to OMB Circular A-133.

Transferability

Under No Child Left Behind, districts have additional flexibility by allowing the transfer of funds out of or into Titles II.A, II.D, IV.A and V. A transfer may also be made into Title I from any of those titles. All districts (if not identified for District/LEA Improvement) may transfer up to 50 percent of Titles II.A, II.D, IV.A and V. An LEA that has been identified for improvement may transfer up to 30 percent if the transferred funds will be used only for school improvement activities. An LEA that has been identified for corrective action may not transfer any funds.

When an LEA transfers funds from one program to another, the transferred funds are used to support projects and activities consistent with the program the funds are transferred into; however, the expenditures continue to be tracked within the “home” project. Funds “transferred” are subject to the rules and requirements of the programs to which the funds are transferred.

Procedure for transferring funds (must be completed prior to using transferred funds for new activities):

- Update/Complete Transferability Worksheet on eGrants (Consolidated Menu)
- Update Narrative to reflect the changes in program that will result from transferring the funds.
- Track activities funded with transferred funds under the new program area where they were transferred TO.
- Track the expenditure of the transferred funds under the program the funds are transferred FROM.

For example: If a district wanted to transfer 50% of their Title II A allocation into Title V to support the purchase of a student tracking system for the district, they would complete the transferability worksheet, update their narrative and then report the purchase of the system as a Title V activity and the expenditure of the funds under Title II A.

A district must notify PDE (via the transferability worksheet on eGrants) of their intent to transfer funds prior to conducting any activities with the transferred funds. Funds transferred into Title I cannot be transferred back out.

TITLE II--GRANTS AND AGREEMENTS – Statutory Authority 2 CFR 180 (Code of Federal Regulations)

CHAPTER I--OFFICE OF MANAGEMENT AND BUDGET GOVERNMENTWIDE GUIDANCE FOR GRANTS AND AGREEMENTS

PART 180_OMB GUIDELINES TO AGENCIES ON GOVERNMENTWIDE DEBARMENT AND SUSPENSION (NONPROCUREMENT)

Subpart C_Responsibilities of Participants Regarding Transactions Doing Business With Other Persons

Sec. 180.300 What must I do before I enter into a covered transaction with another person at the next lower tier?

When you enter into a covered transaction with another person at the next lower tier, you must verify that the person with whom you intend to do business is not excluded or disqualified. You do this by:

- (a) Checking the EPLS; or
- (b) Collecting a certification from that person; or
- (c) Adding a clause or condition to the covered transaction with that person.

[70 FR 51865, Aug. 31, 2005, as amended at 71 FR 66432, Nov. 15, 2006]



A district must do one of these before initiating a procurement process over \$25,000

EPLS website: www.epls.gov

- Click on “**Advanced Search**” at the top left of the page
- Type in the name of the person/organization you are potentially contracting with
- If they show up, the system gives you a name and number
- Click on the link beside “**Agency POC**” – this will give you the person who you should call for further information

Index

A

Accountability	41
Accounting Requirements	50
Adequate Yearly Progress (AYP).....	6, 27
Administrative Costs	6
Administrative Funds	43
Advanced Placement	32
Allocation Procedures for Eligible Schools.....	23
Allocations Amendments	42
Allowable Uses of Funds.....	40
Annual Title I Allocation Timeline	17
Annual Title I Evaluation	27
Attendance Area	6, 8

B

Budget Function Descriptions	44
Budget Revisions.....	48

C

Carryover.....	6, 49
Catalog of Federal Domestic Assistance (CFDA)	6
Comparability of Services	24
Complaint Resolution Procedures	11, 14
Consolidated Application	12, 42, 48, 54
Consolidated Local Educational Agency (LEA) Plan	18
Core Academic Subjects.....	6
Corrective Action	6, 10, 28

D

Delinquent Institution Plan.....	31
Disposition of Equipment.....	51
Documentation Related to Payment of Staff	53

E

ED-FLEX Waivers	16
English for Speakers of Other Languages (ESOL)	6
English Language Learners (ELL)	6
Equipment	6, 50, 51
Equitable Teacher Distribution Plans	33, 34
Excess Funds	6
Expenditure of Funds	6

F

Final Approval.....	7
Final Expenditure Report (FER).....	31, 48
Findings of Noncompliance.....	14
Fiscal and Compliance Audits.....	54
Full-Time Equivalency (FTE)	7

H

Highly Qualified Teacher.....	7
Hold-harmless	7

I

Indirect Costs	18, 48
Inventory Control.....	50

L

Late Submission of Consolidated Applications.....	13
LEA Allocations.....	42
LEA Discretion	23
Limited English Proficient (LEP)	7
Limited English Proficient System (LEP System)	37

M

Maintenance of Effort (MOE).....	54
Master Agreement	42
Monitoring	14, 15

N

Neglected Programs	26
Nonpublic Equitable Distribution.....	33
Nonpublic Equitable Participation	39

O

Obligation of Funds.....	7, 43
--------------------------	-------

P

Paraprofessionals.....	7, 23, 26
Parent/Guardian Notification	11
Participation of Nonpublic School Children.....	15
Payment Schedule	49
Pennsylvania Information Management System (PIMS)	37
Program Records.....	13
Public School Choice	8, 23

Q

Quarterly Reports	49, 50
-------------------------	--------

R

Reallocated Funds	8
Reallocation	42
REAP	1, 8, 16, 40

Reservation of Funds 18
Rural and Low-income School Program (RLIS)..... 40

S

Sabbatical Leave Request for Title I Staff 53
School Improvement 8, 10, 11, 27, 28
School Improvement Grant (SIG) 29
School Wide Program..... 21
Scientifically Based Research 8
Selection of Schools (SOS) 6, 19
Services for Nonpublic School Children 25
Single Funding Certification 53, 54
Small & Attractive Items 8
Small Rural School Achievement (SRSA) 8
Small, Rural Achievement Programs (SRSA) 40
State-Approved Educational Technology Plans 39
Substantially Approvable 8
Supplemental Educational Services..... 10, 18, 23, 28
Supplementing State and Local Funds..... 12

T

Targeted Assistance Program 20
Title I.A Improving the Academic Achievement of the Disadvantaged 1, 17
Title I.D Prevention and Intervention Programs for Delinquent and At-Risk Students 1, 30
Title I.G – Advanced Placement 32
Title I.G Advanced Placement 1
Title II.A Training and Recruiting High Quality Teachers and Principals 1, 33
Title II.B Math and Science Partnerships 35
Title II.D Enhancing Education through Technology... 1
Title II.D: Enhancing Education through Technology 39
Title III Language Instruction for Limited English Proficient and Immigrant Students 1, 36
Title VI.B Rural Education Initiative/Rural Education Achievement Program (REAP) 1, 40
Transferability 8, 55

W

Waiver 16, 54