

Grants to Local Educational Agencies (LEAs)

ESEA Title I, Part A



Title I, Part A funds are allocated through four separate formulas. All four formulas are based on the number of "formula children" primarily children from low-income families in each LEA, and such factors as the LEA's poverty rate and State per-pupil expenditures for education. Eligible LEAs receive funding under one or more of the formulas, but the final outcome of the Federal-State allocation process is a single Title I, Part A award to each qualifying LEA.

2 Concentration

Grants provide additional funds to LEAs in which the number of formula children exceeds 6,500 or 15 percent of the total schoolage population.

3 Targeted Grants' formula weights child counts to make higher payments to LEAs with high numbers or percentages of formula students. To be eligible for Targeted Grants. an LEA must have at least 10 formula children counted for Basic Grant purposes, and the count of formula children must equal at **least 5 percent** of the school-age population.



current funding \$15.8 billion FY 2018

1 Basic Grants are

awarded to school districts with at least 10 formula children who make up more than 2 percent of their school-age population (children ages 5 to 17).

4 Education Finance **Incentive Grants'** formula

uses State-level "equity" and "effort" factors to make allocations to States that are intended to encourage States to spend more on education and to improve the equity of State funding systems. Once State allocations are determined, suballocations to the LEA level are based on a modified version of the Targeted Grants formula.



Within-district allocations to schools. LEAs also use

poverty data-generally the number of students eligible for free- or reduced-price lunch-to make withindistrict allocations to schools. LEAs with more than 1,000 students must serve, in rank order by poverty rate, all schools Administration. States are with a poverty rate above 75 percent, including middle and high schools, before serving schools with less needy student populations. Under ESSA, an LEA may lower the service threshold for high schools from 75 to 50 equals \$14 billion. percent.

Title I,

Part A

Grant

Award



permitted to reserve **up to 1** percent, or \$400,000, whichever is greater, to cover State costs of administering Title I programs, except that such amounts may not exceed the level that is provided if the total appropriation for Parts A, C, and D of Title I of the ESEA

Direct Student

Services. A State may also reserve up to 3 percent of its allocation to make grants to LEAs to carry out direct student services. Of the amount reserved, the SEA may use not more than 1 percent to administer the program.

School Improvement.

States must reserve the greater of 7 percent of its combined Title I, Part A allocations to its LEAs; or the sum of its fiscal year 2016 reservation under prior terms (a maximum of 4 percent of its Title I, Part A allocations) and its fiscal year 2016 allocation under the School Improvement Grants program. The SEA must allocate at least 95 percent of its reservation for grants to LEAs on a formula or competitive basis to schools implementing comprehensive support and improvement activities or targeted support and improvement activities.

purpose: to provide supplemental education funding, especially in high-poverty areas, for local

National reservations: of the total funds available, 0.7 percent is reserved

for the Bureau of Indian Education, 0.4 percent for the Outlying Areas, and

a small amount for the Census Bureau for LEA poverty estimates.

programs that provide extra academic support to help students in high-poverty schools meet college- and career-ready State academic standards.





children counted for

Children counted for allocation purposes ("formula children") include the number of children from low-income families; children in families above the poverty line receiving Temporary Assistance for Needy Families (the main Federal-State income maintenance program); children in foster homes; and, children in local institutions for neglected and delinquent (N&D) children.





State reservations and adjustments to LEA grant awards. The single Title I, Part A grant award to each qualifying LEA is also reduced or augmented by State reservations for administration, direct student services, and school improvement activities; and, may be further adjusted for other purposes, such as LEA boundary changes or the creation of new LEAs.