

## Enclosure C

### IDEA Preschool Grants Program (Part B, Section 619)

#### Explanation of the FFY 2012 Allocation Table

##### **Total Grant Award (Column B)**

Column B shows your total grant award for the Preschool Grants program for Federal Fiscal Year (FFY) 2012 under the Consolidated Appropriations Act, 2012 - P.L. 112-74.

In general, funds are distributed to eligible entities through a formula based on general population and poverty. Under the formula, each State is first allocated an amount equal to its fiscal year 1997 allocation. For any year in which the appropriation is greater than the prior year level, 85 percent of the funds above the fiscal year 1997 level are distributed based on each State's relative percentage of the total number of children aged 3 through 5 in the general population. The other 15 percent is distributed based on the relative percentage of children aged 3 through 5 in each State who are living in poverty. The formula provides several minimums and maximums regarding the amount a State can receive in any year.

If the amount available for allocation to States remains the same from one year to the next, States receive the same level of funding as in the prior year. If the amount available for allocation to States decreases from the prior year, any amount available for allocation to States above the 1997 level is allocated based on the relative increases in funding that the States received between 1997 and the prior year. If there is a decrease below the amount allocated for 1997, each State's allocation is ratably reduced from the 1997 level.

##### **Maximum State Set-Aside (Column C)**

States may retain funds for State-level activities up to an amount equal to 25 percent of the amount they received for fiscal year 1997 under the Preschool Grants program, adjusted upward each year by the lesser of the rate of increase in the State's allocation or the rate of inflation as reflected by the Consumer Price Index for All Urban Consumers (CPIU).

SEAs may use State set-aside funds: (1) for administration (limited to no more than 20 percent of the maximum State set-aside – Column C); (2) support services (including establishing and implementing the mediation process required under 34 CFR §300.506, which may benefit children with disabilities younger than 3 or older than 5, as long as those services also benefit children with disabilities aged 3 through 5; (3) direct services for children with disabilities who are eligible for services under section 619; (4) activities at the State and local levels to meet the performance goals established by the State in their State Part B application; (5) supplementing other funds used to develop and implement a statewide coordinated services system designed to improve results for children and families, including children with disabilities and their families (up to 1 percent of the amount received under this program); (6) to provide early intervention services (which shall include an educational component that promotes school readiness and incorporates preliteracy, language, and numeracy skills) in accordance with Part C to children with disabilities who are eligible for services under section 619 and who previously received services under Part C until such children enter, or are eligible under State law to enter, kindergarten; or (7) at the State's discretion, to continue service coordination or case management for families who receive services under Part C.

### **Maximum Set-Aside Available for Administration (Column D)**

Column D indicates the maximum portion of the total State set-aside amount (Column C) that may be used to administer this program. The amount that may be used for administration is limited to 20 percent of the maximum amount available to a State for State-level activities. These funds may also be used, at the State's discretion, for the administration of the Grants for Infants and Families program (Part C).

### **Section 619 Base Payment for LEAs (Column E)**

Column E is the portion of the local educational agency (LEA) flow-through amount that must be distributed to LEAs based on the amounts that the LEAs would have received from the FFY 1997 funds had the State educational agency (SEA) flowed through 75 percent of the State award to LEAs. Note that this amount is less than the minimum amount that States were required to provide LEAs from the FFY 1997 funds. The Part B regulations at 34 CFR §300.816(b) clarify how adjustments to the base payment amounts for LEAs are made.

### **Section 619 Population/Poverty Factors (Column F)**

Column F shows the minimum amount a State must allocate to local educational agencies (LEAs) based on population and poverty factors. Of this amount, 85 percent must be distributed on a pro-rata basis to LEAs according to public and private elementary and secondary school enrollment, and 15 percent on a pro-rata basis to LEAs according to the number of children in LEAs living in poverty, as determined by the State.

### **Total State Minimum Flow-Through to LEAs (Column G)**

The minimum flow-through to LEAs (Column G) is the sum of the base payment (Column E) and population/poverty amounts (Column F). If States do not choose to retain the maximum amount available under the State set-aside (Column C), the remaining funds flow through to LEAs in addition to the funds in Column G.