



STUDENT-CENTERED FUNDING WEBINAR

FEBRUARY 2018

OBJECTIVES

- As a result of this session, participants will be able to:
 - Describe the flexibilities available through student-centered funding demonstration agreements
 - Identify the information required by the application
 - Identify the application submission due dates and describe the application review process



AGENDA

- Overview of the Student-centered Funding Pilot
- Application Requirements
- Application Timeline and Review
- Questions
- Resources and Next Steps

CHAT FEATURE

- We invite questions throughout the presentation, which we'll answer at appropriate stopping points.
- Please use the “chat” feature to type in your questions and send them the U.S. Department of Education user listed in the chat.
- We may hold on answering certain questions if we know we will address the topic later in the presentation.





FLEXIBILITY THROUGH THE STUDENT-CENTERED FUNDING PILOT

WHO IS ELIGIBLE?

LOCAL EDUCATIONAL AGENCIES

- Eligible applicants for flexibility to implement a student-centered funding system are LEAs as defined in ESEA section 8101(30) that have the ability to implement a student-centered funding system consistent with all requirements of section 1501.



STUDENT-CENTERED FUNDING PILOT

LEA FLEXIBILITY

- An approved LEA receives flexibility from many programmatic and fiscal requirements.
- With several exceptions, the Secretary will waive all of the fiscal and program requirements that relate to using eligible Federal funds at the school level when an LEA consolidates those funds with State and local funds in its student-centered funding system.
- We will discuss the exceptions (i.e., requirements *not* waived) in more detail in a few minutes.



STUDENT-CENTERED FUNDING PILOT

LEA FLEXIBILITY

- An LEA may use its consolidated Federal funds without regard to meeting the specific requirements of each Federal program whose funds are consolidated, provided the LEA demonstrates that the funds allocated through its student-centered funding system, as a whole, address the purposes of each such Federal program.



STUDENT-CENTERED FUNDING PILOT

GENERAL INFORMATION

- A student-centered funding system is one that makes funds available to schools based on the student population in each school. The system assigns different weights or allocations to different groups of students based on their needs.



STUDENT-CENTERED FUNDING PILOT

GENERAL INFORMATION

- Under this program, an LEA's system must allocate substantially more funding for students from low-income families, English learners, and other educationally disadvantaged student groups chosen by the LEA.
- Not more than 50 LEAs may be approved initially.
 - LEAs will be approved for 3 years, with the opportunity for renewal.



STUDENT-CENTERED FUNDING PILOT

LEA OPPORTUNITY

- An approved LEA may consolidate eligible Federal funds along with State and local funds and apply the LEA's weighting to determine the dollars available to schools within the LEA.
- An LEA has flexibility in determining the details of its system.
- An LEA should propose a system within its local context consistent with the requirements.



STUDENT-CENTERED FUNDING PILOT

INCLUDED PROGRAMS

- An LEA may choose to include funds from any of the following programs in its student-centered system:
 - Title I, Part A
 - Title I, Part C
 - Title I, Part D, Subpart 2
 - Title II
 - Title III
 - Title IV, Part A
 - Title V, Part B
- An LEA may not include IDEA funds or Perkins funds.
- All regular Federal requirements apply for any Federal funds an LEA does not include when it applies its funding formula.



STUDENT-CENTERED FUNDING PILOT

MEETING THE PURPOSES OF INCLUDED PROGRAMS

- The LEA must ensure that funds provided through the system will allow the LEA to continue to meet all of its obligations to serve the students in its schools.
- An LEA that receives flexibility under this program must still meet the purposes of each included Federal program and must describe how it will do that in the application.



STUDENT-CENTERED FUNDING PILOT

EXAMPLE OF MEETING THE PURPOSES OF AN INCLUDED PROGRAM

- As an example, the purposes of Title IV, Part A are to improve students' academic achievement by increasing capacity to:
 1. provide all students with access to a well-rounded education;
 2. improve school conditions for student learning; and
 3. improve the use of technology in order to improve the academic achievement and digital literacy for all students.



STUDENT-CENTERED FUNDING PILOT

EXAMPLE OF MEETING THE PURPOSES OF AN INCLUDED PROGRAM, CONT.

- An LEA meets the purposes of Title IV, Part A if it implements activities collectively in its schools that address each of these purposes.
- An LEA need not, for example, meet the percentage requirements in ESEA section 4106(e)(C) and (D) or prioritize funds to certain schools under section 4106(e)(2)(A).



STUDENT-CENTERED FUNDING PILOT

COMPETITIVELY AWARDED FUNDS

- An LEA may, at its discretion, include funds received under a Federal competitive program in the total dollars to which it applies its single weighted funding system.
- Such an LEA must still carry out the scope and objectives, at a minimum, at the level described in the LEA's approved application under which the funds were awarded.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- The statute requires an LEA that enters into a local flexibility demonstration agreement to continue to meet certain LEA-level program requirements, including the following fiscal requirements in ESEA section 1118:
 - Maintain fiscal effort under section 1118(a) and 8521;
 - Use Title I, Part A funds to supplement not supplant State and local funds consistent with ESEA section 1118(b)(2); and
 - Ensure that Title I schools receive services comparable to those provided in non-Title I schools under section 1118(c).



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- An LEA must continue to identify participating Title I schools, based on the percentage of low-income students under ESEA section 1113(a)-(b) and the amount of Title I, Part A funds, in the aggregate, that the LEA allocates to schools through its student-centered funding system.
- However, the LEA need not comply with the allocation requirements under ESEA section 1113(c)(1)-(2) (i.e., to allocate Title I, Part A funds to specific schools) if those funds are consolidated in the LEA's student-centered funding system.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- The statute requires an LEA that enters into a local demonstration flexibility agreement to continue to meet the requirements of ESEA sections 1117 and 8501, which require an LEA to provide equitable services to eligible private school students, their teachers and families under Title I, Part A and other covered programs.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- The statute requires an LEA that enters into a local flexibility demonstration agreement to meet the requirements of all applicable Federal civil rights laws. Those laws include Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act, and requirements under the Individuals with Disabilities Education Act.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- State-level requirements are not waived.
 - For example, an LEA that enters into a local flexibility demonstration agreement must continue to implement challenging State academic standards, administer annual statewide assessments, meet accountability requirements, and issue a local report card under ESEA section 1111.
- Requirements delegated by an SEA to an LEA as part of its subgrant agreement are also not waived.
 - For example, identification and recruitment of migratory children, and transfer of student records, including usage of the Migrant Student Information Exchange (MSIX) are still required.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- All regular Federal requirements apply for any Federal funds an LEA does not include when it applies its student-centered funding system or to district-level funds that are not allocated to schools.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- The statute requires an LEA operating under this flexibility to ensure that, *in the first year of implementation*, it will allocate *more* per-pupil funding for students from low-income families to high-poverty schools and *at least as much* funding per-pupil for English learners to high-poverty schools as it did in the preceding year.
- In subsequent years, the LEA must show that high-poverty schools annually receive at least as much funding for students from low-income families and English learners as such schools received the previous year.



STUDENT-CENTERED FUNDING PILOT

CONSULTATION

- An LEA that enters into a local flexibility demonstration agreement must provide an assurance that parents, teachers, school leaders and other relevant stakeholders are consulted in the development and implementation of the student-centered funding system





Questions?



APPLICATION REQUIREMENTS

COVER PAGE

Contact Information and Signatures	
LEA Contact (Name and Position):	Telephone:
NCES District ID (Note: Applicants may obtain their NCES District ID at http://nces.ed.gov/ccd/districtsearch):	
Mailing Address:	Email Address:
By signing this document, I assure that all application contents are true and complete to the best of my knowledge, and I affirm each assurance listed at the end of the document.	
Authorized LEA Representative (Printed Name)	Telephone:
Signature of Authorized LEA Representative	Date:



INSTRUCTIONS AND ITEM 1

Instructions

Each LEA must provide descriptions and other information that address each requirement listed below for the programs included in its application to enter into a local flexibility demonstration agreement.

Title I, Part E: Application for Local Flexibility Demonstration Agreement

1) Please indicate the school year for which the LEA requests to first use the authority to consolidate and use local, State and eligible Federal funds in a student-centered funding system. Please check the box below that applies. Note that the Secretary may approve an LEA for a period of not more than three years. The agreement may be renewed by the Secretary for additional three-year terms.

School Year 2018-2019

Other: School Year _____



ITEM 2.A WEIGHTS IN THE SYSTEM

2) (ESEA section 1501(d)(1)(A)) Describe the student-centered funding system based on weighted per-pupil allocations, including –

- a. The weights used to allocate funds within such system. Please complete Table I or attach information regarding the weights to be used to allocate funds within your system. (Rows may be added to the table as necessary.)

Points: strong = 8 points; sufficient = 4 points; insufficient = 0 points

Table I: School Funding System Weights

Weighted Group	Description of the Weighted Group	Weight
English Learners		
Low-Income Students		



ITEM 2.A WEIGHTS IN THE SYSTEM, CONT.

Other Educationally Disadvantaged Students:¹

Weighted Group	Description of the Weighted Group	Weight

Other Weighted Student Groups:²

Weighted Group	Description of the Weighted Group	Weight



ITEM 2.B.1 SUBSTANTIALLY MORE FUNDS FOR DISADVANTAGED STUDENTS

- b. How the system will meet the requirements of ESEA section 1501(d)(2). In order to meet the requirements of ESEA section 1501(d)(2), please describe how the system will do the following:
- (1) Use weights or allocation amounts that allocate substantially more funding to English learners, students from low-income families, and students with any other characteristics associated with educational disadvantage chosen by the LEA, than to other students;
Points: strong = 10 points; sufficient = 5 points; insufficient = 0 points



ITEM 2.B.2 HIGH-POVERTY SCHOOLS

FUNDS FOR STUDENTS FROM LOW-INCOME FAMILIES & ENGLISH LEARNERS

- (2) Ensure that each high-poverty school receives, in the first year of the demonstration agreement, more per-pupil funding from Federal, State and local sources for low-income students and at least as much per-pupil funding for English learners as the school received the year immediately preceding the first year of the demonstration agreement.

Points: strong = 10 points; sufficient = 5 points; insufficient = 0 points

The statute defines a “**high-poverty school**” as a school that is in the highest 2 quartiles of schools served by an LEA, based on the percentage of enrolled students from low-income families (see 1501(1)(2)).



ITEM 2.B.3 SIGNIFICANT % OF FUNDS

- (3) Be used to allocate to schools a significant percentage, which shall be agreed upon by the LEA and the Department during the application process, of all the LEA's State and local education funds and eligible Federal funds, including, pursuant to ESEA section 1501(d)(2)(B), demonstrating how:
- (a) The percentage is sufficient to carry out the purposes of the demonstration agreement and to meet the requirements of ESEA section 1501(d); and
 - (b) The State and local education funds and eligible Federal funds *not* allocated through the system do not undermine or conflict with the requirements of the demonstration agreement.

Points: strong = 10 points; sufficient = 5 points; insufficient = 0 points



ITEM 2.B.4 PERSONNEL EXPENDITURES

- (4) Include all school-level actual personnel expenditures for instructional staff (including staff salary differentials for years of employment) and actual non-personnel expenditures in the calculation of the LEA's State and local education funds and eligible Federal funds when calculating the significant portion of funds to be allocated to the school level.

Points: strong = 10 points; sufficient = 5 points; insufficient = 0 points



ITEM 2.B.5 CHARGING SCHOOLS FOR PER-PUPIL EXPENDITURES

- (5) After allocating funds through the system, charge schools for the per-pupil expenditures of State and local education funds and eligible Federal funds, including actual personnel expenditures (including staff salary differentials for years of employment) for instruction staff and actual non-personnel expenditures.
Points: strong = 6 points; sufficient = 3 points; insufficient = 0 points

ITEM 2.C SUPPORTING ACADEMIC ACHIEVEMENT

- c. Describe how the system will support the academic achievement of students, including low-income students, the lowest-achieving students, English learners, and children with disabilities.

Points: strong = 10 points; sufficient = 5 points; insufficient = 0 points



ITEM 3: FUNDING SOURCES

3) *(ESEA section 1501(d)(1)(B))* Identify the funding sources, including eligible Federal funds, the LEA will include in the system. Please check all the boxes below that apply.

- Local
- State
- Title I, Part A: Improving basic programs operated by LEAs
- Title I, Part C: Education of migratory children
- Title I, Part D, Subpart 2: Local prevention and intervention programs for children and youth who are neglected, delinquent, or at risk
- Title II: Preparing, training, and recruiting high-quality teachers, principals, or other school leaders
- Title III: Language instruction for English learners and immigrant students
- Title IV, Part A: Student support and academic enrichment grants
- Title V, Part B: Rural education initiative



ITEM 4: % OF FUNDING TO ALLOCATE THROUGH SYSTEM

Table II: Portion of LEA Funding Allocated Through System

Funds	Fiscal Year	Total Funding	Amount of Funds Allocated Through System	Percentage of Funds Allocated Through System
State and Local Funds				
Title I, Part A				
Title I, Part C				
Title I, Part D, Subpart 2				
Title II				
Title III				
Title IV, Part A				
Title V, Part B				

Points: strong = 10 points; sufficient = 5 points; insufficient = 0 points



ITEM 4 CONTINUED

UPDATES TO TABLE II

This applicant, if awarded authority for this flexibility, will update this table by [*insert date*] to reflect funding for year two of implementation and by [*insert date*] to reflect funding for year three of implementation.



ITEMS 5 & 6: PER-PUPIL FUNDS DATA

- 5) *(ESEA section 1501(d)(1)(D))* Identify the per-pupil expenditures of State and local education funds for each school served by the LEA for the fiscal year immediately preceding the year in which the LEA is applying to use the flexibility. This must include actual personnel expenditures (including staff salary differentials for years of employment) and actual non-personnel expenditures.

Points: strong = 6 points; sufficient = 3 points; insufficient = 0 points

- 6) *(ESEA section 1501(d)(1)(E))* Identify the per-pupil amount of eligible Federal funds each school served by the LEA received in the preceding fiscal year from when the LEA will first use the flexibility disaggregated by the programs supported by the eligible Federal funds. This should only include funds that were received by (*i.e.*, allocated to) schools.

Points: strong = 6 points; sufficient = 3 points; insufficient = 0 points

For details, especially for applicants planning to implement the flexibility in school year 2018-2019, please refer to Table III and the optional description in item 7, as further explained on subsequent slides.



PER-PUPIL FUNDS DATA

EXCERPT FROM TABLE III

School	Grades	State and local funds (expenditures)	Title I, Part A (funds received/ allocated)	Title I, Part C (funds received/ allocated)



PER-PUPIL FUNDS DATA

MARCH APPLICANTS

For applicants for SY18/19 *only*, please indicate whether this data is either:

- Actual
- Estimated

- Since an LEA requesting flexibility for the 2018-2019 school year may not have final per-pupil expenditure data available yet, and in keeping with the Department's June 2017 Dear Colleague letter that offered flexibility in the timeline for reporting per-pupil expenditures, an LEA may provide estimated per-pupil expenditures in its application, which it must update as soon as final data are available.



PER-PUPIL FUNDS DATA

JULY APPLICANTS

- An LEA applying in July 2018 to implement in SY 2019-2020 has 2 options about data to include:
- (1) The **actual** per-pupil expenditures of State and local education funds and the amount of eligible Federal funds received for each school **from the fiscal year immediately preceding the year for which the LEA is applying to use the flexibility**
 - For an applicant applying in July 2018 to use the flexibility in SY2019-2020, that refers to funds from Fiscal Year 2018 (SY 2017-2018).



STUDENT-CENTERED FUNDING PILOT

PER-PUPIL FUNDING: APPLICATION REQUIREMENT – JULY APPLICANTS CONT.

- (2) The **actual** per-pupil expenditures of State and local education funds and the amount of eligible Federal funds received for each school served by the LEA **from two fiscal years earlier** than the year for which the LEA is applying to use the flexibility, *adjusted for any significant variances in enrollment or other reasonable adjustment for accuracy.*
 - An LEA submitting in July 2018 to begin implementing in 2019-2020 that chooses this option would submit data based on SY 2016-2017, adjusted as appropriate
 - The LEA would explain its methodology for adjusting data, if it adjusted for enrollment changes or other variances, in question #7 of the application.



ITEM 7: METHODOLOGY FOR ESTIMATES OR ADJUSTMENTS

- Item 7 is where an LEA will clarify the responses provided in Table III regarding items 5 & 6.
- For an LEA for 2018-2019 that provides estimated data, this is where you will explain your methodology for such estimates.
- For an LEA for 2019-2020 that is using data from two fiscal years prior to the year of implementation, this is where you will describe adjustments.
- All LEAs must indicate how these estimates will be verified and, as necessary, revised.



ITEM 8: INCLUDED PROGRAM PURPOSES

- Item 8 requires an LEA to describe how the LEA will ensure that it will meet the purposes of each Federal program whose funds are allocated through its student-centered funding system.
- An LEA must only respond for programs it indicated in item 3 will be included in the system.
- Refer to the stated statutory purpose of each included program.





Questions?



APPLICATION TIMELINE AND REVIEW

STUDENT-CENTERED FUNDING PILOT

APPLICATION INFORMATION

- For LEAs wishing to implement in 2018-2019, applications are due on March 12, 2018.
- For those applying for 2019-2020, applications are due on July 15, 2018.
- The application is available at <https://www2.ed.gov/policy/elsec/leg/essa/scfp/studentcentered.html>.



APPLICATION SUBMISSION

- An LEA should send its application to WeightedFundingPilot@ed.gov.
- Do not include hyperlinks in the application. Information accessible only through a hyperlink will not be reviewed.
- An LEA should number the pages of the application for smooth review and should provide a table of contents if it includes any appendices.



SCORING

- Most items are worth a specific number of points.
- An LEA will receive points for each item.
 - Points are for “strong,” “sufficient,” or “insufficient” ratings.
 - A strong rating is the maximum available for that item. An insufficient is 0 points.
 - Points vary by item (please see the application for the points associated with each item).

REVIEW

- Federal peer reviewers will read and score applications.
- Program staff will also review applications for consistency with statutory requirements.
- Scores will influence those LEAs with which ED communicates following the review.



COMMUNICATION & AGREEMENTS

- The statute mentions that the Department and an LEA will agree during the application process on key aspects of the LEA's student-centered funding system.
- In order to establish a local flexibility demonstration agreement, the Department will contact the highest-rated LEAs, which may result in changes following the review process to an LEA's proposed system.





QUESTIONS



RESOURCES AND NEXT STEPS

STUDENT-CENTERED FUNDING PILOT

RESOURCES

- More information is available at:
<https://www2.ed.gov/policy/elsec/leg/essa/scfp/studentcentered.html>
- Please send questions to
WeightedFundingPilot@ed.gov

