



**STUDENT-CENTERED FUNDING:
WHAT IS IT & HOW CAN AN LEA APPLY?
SUMMER 2018**

OBJECTIVES

- After this session, you will be able to:
 - describe a student-centered funding (SCF) system and the flexibilities available through SCF demonstration agreements;
 - describe the SCF application requirements and process; and
 - identify the application submission due dates.

AGENDA

- Purpose of the Pilot
- What is a Student-Centered Funding System?
- Opportunity & Responsibility
- Application Requirements
- Application Process & Timeline
- Resources & Next Steps



CHAT FEATURE

- Use the “chat” feature to type in your questions.
- Send questions to the U.S. Department of Education user listed in the chat.
- We invite questions throughout the presentation, but will answer at specific checkpoints.
- We may hold certain questions if we plan to address the topic later in the presentation.





PURPOSE OF THE PILOT

PURPOSE OF THE PILOT

§1501(a)

SEC. 1501. [20 U.S.C. 6491]

FLEXIBILITY FOR EQUITABLE PER-PUPIL FUNDING.

(a) PURPOSE.—The purpose of the program under this section is to provide local educational agencies with flexibility to consolidate eligible Federal funds and State and local education funding in order to create a single school funding system based on weighted per-pupil allocations for low-income and otherwise disadvantaged students.



WEIGHTED STUDENT GROUPS

STATUTORY REQUIREMENT

- Section 1501(d)(2)(A)(ii) requires an LEA operating under this flexibility to use weights or allocation amounts that allocate substantially more funding to English learners and students from low-income families, at a minimum.
- An LEA may also use weights for students with any other characteristics associated with education disadvantage, at its discretion.





WHAT IS A STUDENT-CENTERED FUNDING SYSTEM?

STUDENT-CENTERED FUNDING PILOT

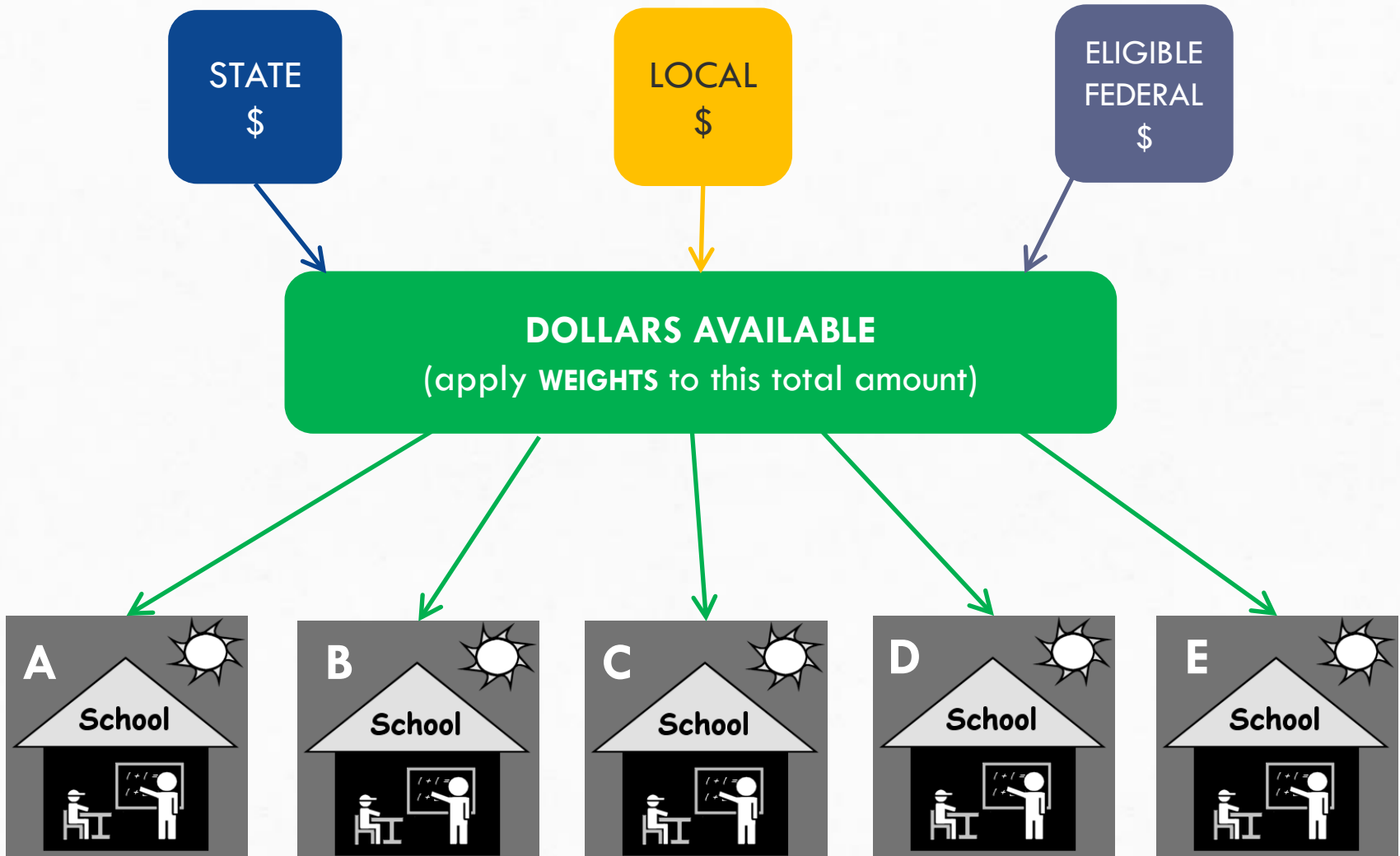
GENERAL INFORMATION

- A student-centered funding system is one that makes funds available to schools based on the composition of the student population in each school.
- The system assigns different weights or allocations to different groups of students based on their needs.
- Using the formula, a district allocates dollars to the school level, creating a budget against which principals spend funds.



STUDENT-CENTERED FUNDING SYSTEM

CONCEPTUAL FRAMEWORK



EXAMPLE #1

ALLOCATING FUNDS USING A RATIO FORMULA

- For example, an LEA might decide to use a weighting system such as the below (*exemplar ONLY*):
 - Each student is allocated a base weight of 1.0
 - A student from a low-income family is allocated a weight of 0.5 in addition to the base weight of 1.0 (*i.e.*, a total of 1.5)
 - An English learner is allocated a weight of 0.5 in addition to the base weight of 1.0
 - A student with a disability is allocated a weight of 0.5 in addition to the base weight of 1.0



EXAMPLE #1

ALLOCATING FUNDS USING A RATIO FORMULA

- The LEA decides to include the below portion of funds (simplified)

Funds	Total available	Amount through system	Percentage through system
Local	\$7,000,000	\$5,600,000	80%
State	\$8,000,000	\$6,000,000	75%
Eligible Federal	\$2,000,000	\$1,340,000	67%
TOTAL	\$17,000,000	\$12,940,000	76%

Assumption: The \$4,060,000 *not* run through the formula will support central administration, shared services, and other specified uses of funds. Note that all regular requirements apply to any Federal funds not run through the formula.



EXAMPLE #1

ALLOCATING FUNDS USING A RATIO FORMULA

- The LEA has 5 schools. Each school has 300 students, but the student populations differ.

School	# students	# from low-income families	# of ELs	# of SWDs
A	300	100	80	40
B	300	200	20	80
C	300	150	10	60
D	300	50	15	30
E	300	75	25	25
TOTAL	1500	575	150	235



EXAMPLE #1

ALLOCATING FUNDS USING A RATIO FORMULA

- The LEA applies the weights it established for each school.

School	# students	Base weight given # of students	# from low-income families	Extra weight for # from low-income families	# of ELs	Extra weight for # of ELs	# of SWDs	Extra weight for SWDs	Total student weights
A	300	300	100	50	80	40	40	20	410
B	300	300	200	100	20	10	80	40	450
C	300	300	150	75	10	5	60	30	410
D	300	300	50	25	15	7.5	30	15	347.5
E	300	300	75	32.5	25	12.5	25	12.5	362.5
TOTAL	1500	1500	575	287.5	150	75	235	117.5	1980



EXAMPLE #1

ALLOCATING FUNDS USING A RATIO FORMULA

- As identified previously, the LEA plans to allocate \$12,940,000 across its 5 schools using its SCF.
- The LEA has determined that it has total student weights of 1,980 (see previous slide).
- To determine the dollars per student weight, the LEA divides the total available funds by the total student weights:
$$\$12,940,000 / 1,980 = \$6,535.35 \text{ per student weight}$$
- The LEA will use this amount to calculate dollars available to each school, shown on the next slide.



EXAMPLE #1

ALLOCATING FUNDS USING A RATIO FORMULA

- The LEA allocates the \$12,940,000 across its 5 schools. Each school has 300 students, but the funds for each school differ because the student populations differ.

School	Total student weights	\$ per student weight	Total school allocation through SCF
A	410	\$6535.35	\$2,679,495
B	450	\$6535.35	\$2,940,909
C	410	\$6535.35	\$2,679,495
D	347.5	\$6535.35	\$2,271,035
E	362.5	\$6535.35	\$2,369,066
TOTAL	1980	\$6535.35	\$12,940,000



EXAMPLE #2

ALLOCATING FUNDS USING A DOLLAR FORMULA

- An LEA might alternatively decide to use a weighting system using a dollar formula (*exemplar ONLY*):
 - Each student is allocated a base of \$8,000.
 - A student from a low-income family is allocated an additional \$975.
 - An English learner is allocated an additional \$765.
 - A student with a disability is allocated an additional \$1,125.

NOTE: Modeling will be necessary to determine the dollar weights that the LEA can afford for each weighted student group.



EXAMPLE #2

ALLOCATING FUNDS USING A DOLLAR FORMULA

- Assume the same 5 schools exist in the LEA, and the LEA is still allocating \$12,940,000 through the student-centered funding system.

School	# students	# from low-income families	# of ELs	# of SWDs
A	300	100	80	40
B	300	200	20	80
C	300	150	10	60
D	300	50	15	30
E	300	75	25	25
TOTAL	1500	575	150	235



EXAMPLE #2

ALLOCATING FUNDS USING A DOLLAR FORMULA

School	# students	Base \$ = # students x \$8,000	# from low-income families	\$ re: students low-income families = # x \$975	# of ELs	\$ for ELs = # x \$765	# of SWDs	\$ for SWDs = # x \$1,125	Total school allocation through SCF
A	300	\$2,400,000	100	\$97,500	80	\$61,200	40	\$45,000	\$2,603,700
B	300	\$2,400,000	200	\$195,000	20	\$15,300	80	\$90,000	\$2,700,300
C	300	\$2,400,000	150	\$146,250	10	\$7,650	60	\$67,500	\$2,621,400
D	300	\$2,400,000	50	\$48,750	15	\$11,475	30	\$33,750	\$2,493,975
E	300	\$2,400,000	75	\$73,125	25	\$19,125	25	\$28,125	\$2,493,975
TOTAL	1500	\$12,000,000	575	\$560,625	150	\$114,750	235	\$264,375	\$12,939,750



WEIGHTING STUDENT GROUPS

- The foregoing examples are illustrative only.
- An LEA seeking flexibility in this pilot **must** include weights that provide more funds for students from **low-income families** and **English learners**, at a minimum, than for students not in these groups.
- An LEA may also include weights for students with *any other characteristics* associated with educational disadvantage chosen by the LEA.
- A school must receive all funds generated by each student (i.e., a student may be part of multiple groups and should receive *cumulative* weights).





QUESTIONS?



OPPORTUNITY & RESPONSIBILITY

STUDENT-CENTERED FUNDING PILOT

LEA OPPORTUNITY

- An approved LEA may consolidate eligible Federal funds and State and local funds and apply the LEA's weighting to determine \$ available to schools.
- Most Federal requirements no longer apply to Federal funds consolidated for this purpose. (For exceptions, see subsequent slides.)
- Advantages are similar to flexibilities through a schoolwide program under Title I, Part A but administered as an LEA.
- An LEA has flexibility in determining the details of its system.



STUDENT-CENTERED FUNDING PILOT

INCLUDED PROGRAMS

- An LEA may choose to include funds from any of the following Federal 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.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- **All Federal requirements apply to any Federal funds an LEA does not include** in its student-centered funding system and to district-level funds that are not allocated to schools.



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), specifically (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.
 - Similarly, an LEA must still follow statewide entrance and exit procedures for English learner identification.



STUDENT-CENTERED FUNDING PILOT

LEA RESPONSIBILITY

- **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

- 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 each subsequent year, the LEA must demonstrate that each high-poverty school annually receives at least as much funding for students from low-income families and English learners as such school received the previous year.



STUDENT-CENTERED FUNDING PILOT

DEFINITION OF “HIGH-POVERTY SCHOOL”

- The term “**high-poverty school**” means a school that is in the highest 2 quartiles of schools served by a local educational agency, based on the percentage of enrolled students from low-income families.

ESEA section 1501(I)(2)



QUESTIONS?



APPLICATION REQUIREMENTS

WEBSITE

- More information, including the updated application is available at:

[www2.ed.gov/policy/elsec/leg/essa/scfp/studentc
entered.html](http://www2.ed.gov/policy/elsec/leg/essa/scfp/studentc
entered.html)



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:



ITEM 1 SCHOOL YEAR

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.

- 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 _____



ITEM 2 WEIGHTS IN THE SYSTEM

Identify the weights used to allocate funds within such system, pursuant to ESEA section 1501(d)(1)(A).

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

ITEM 2 WEIGHTS IN THE SYSTEM

Table I: School Funding System Weights

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

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 3 SUBSTANTIALLY MORE FUNDING FOR DISADVANTAGED STUDENTS

Describe how the student-centered funding system will 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, consistent with ESEA sections 1501(d)(1)(A)(iii) and 1501(d)(2)(A)(ii).

STRONG = 15 points **SUFFICIENT** = 8 points **INSUFFICIENT** = 0 points



ITEM 3 SUBSTANTIALLY MORE FUNDING FOR DISADVANTAGED STUDENTS

INSUFFICIENT if LEA does **NOT**:

- provide additional weight for **English learners**;
- provide **the weights** that will be used for all student groups to be included in its student-centered funding system, including each required group (English learners and students from low-income families).

STRONG = 15 points

SUFFICIENT = 8 points

INSUFFICIENT = 0 points



ITEM 4 HIGH-POVERTY SCHOOLS

FUNDS FOR STUDENTS FROM LOW-INCOME FAMILIES & ENGLISH LEARNERS

Describe how the student-centered funding system will **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, consistent with ESEA section 1501(d)(2)(A)(iii).

STRONG = 12 points **SUFFICIENT** = 6 points **INSUFFICIENT** = 0 points



ITEM 4 HIGH-POVERTY SCHOOLS

FUNDS FOR STUDENTS FROM LOW-INCOME FAMILIES & ENGLISH LEARNERS

- ESEA section 1501(l)(2) 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.

STRONG = 12 points **SUFFICIENT** = 6 points **INSUFFICIENT** = 0 points



ITEM 4 HIGH-POVERTY SCHOOLS

FUNDS FOR STUDENTS FROM LOW-INCOME FAMILIES & ENGLISH LEARNERS

INSUFFICIENT if LEA does **NOT**:

- apply the formula to every school; or
- ensure that, in the first year of the demonstration authority, each high-poverty school receives more per-pupil funding for low-income students and at least as much per-pupil funding for English learners than such funding received in the year prior to entering into a demonstration agreement.

STRONG = 12 points

SUFFICIENT = 6 points

INSUFFICIENT = 0 points



ITEM 5 ELIGIBLE FEDERAL FUNDS INCLUDED

Pursuant to ESEA section 1501(d)(1)(B), identify the funding sources, including eligible Federal funds, the LEA will include in the student-centered funding system. Please check all the boxes below that apply.

Note that an applicant **must include State and local funds**, so those funding sources are affirmatively indicated below.



ITEM 5 ELIGIBLE FEDERAL FUNDS INCLUDED

✓ **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, Part A: Supporting effective instruction
- Title II, Part B, Subpart 1: Teacher and school leader incentive program
- Title II, Part B, Subpart 2: Literacy education for all, results for the nation
- Title II, Part B, Subpart 3: American history and civics education
- Title II, Part B, Subpart 4: Programs of national significance
- Title III, Part A, Subparts 1 & 2: Grants and subgrants for English language acquisition and language enhancement and accountability and administration
- Title III, Part A, Subpart 3: National professional development project
- Title IV, Part A: Student support and academic enrichment grants
- Title V, Part B: Rural education initiative



ITEM 5 ELIGIBLE FEDERAL FUNDS INCLUDED

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.



ITEM 6 PORTION OF LEA FUNDING ALLOCATED THROUGH SYSTEM

Describe how the student-centered funding system will 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.

To meet this requirement, consistent with ESEA section 1501(d)(1)(C), identify the amount and percentage of total LEA funding, including State and local education funds and eligible Federal funds, that will be allocated through the system by completing Table II.

STRONG = 10 points **SUFFICIENT** = 5 points **INSUFFICIENT** = 0 points



ITEM 6 PORTION OF LEA FUNDING ALLOCATED THROUGH SYSTEM

Please include data regarding each eligible Federal program, even if the LEA does not plan to include funds from a particular funding source in the student-centered funding system. In that case, indicate \$0 as the “amount of funds allocated through system” and 0% as the “percentage of funds allocated through system,” as applicable.

An LEA should indicate the portion of each type of funding to be allocated through the student-centered funding system in the first year of implementation. Rows may be added to the table as necessary.

STRONG = 10 points **SUFFICIENT** = 5 points **INSUFFICIENT** = 0 points



ITEM 6 TABLE II

Table II: Portion of LEA Funding Allocated Through System

Row 1	Column A	Column B	Column C	Column D	Column E
Row 2	Funds	Fiscal Year	Total Funding	Amount of Funds Allocated Through System	Percentage of Funds Allocated Through System
Row 3	State Funds				[Row 3, column D/Row 3, column C]
Row 4	Local Funds				[Row 4, column D/Row 4, column C]
Row 5	Title I, Part A				[Row 5, column D/Row 5, column C]
Row 6	Title I, Part C				[Row 6, column D/Row 6, column C]
Row 7	Title I, Part D, Subpart 2				[Row 7, column D/Row 7, column C]
Row 8	Title II, Part A				[Row 8, column D/Row 8, column C]
Row 9	Title II, Part B, Subpart 1				[Row 9, column D/Row 9, column C]
Row 10	Title II, Part B, Subpart 2				[Row 10, column D/Row 10, column C]
Row 11	Title II, Part B, Subpart 3				[Row 11, column D/Row 11, column C]
Row 12	Title II, Part B, Subpart 4				[Row 12, column D/Row 12, column C]
Row 13	Title III, Part A, Subparts 1 & 2				[Row 13, column D/Row 13, column C]
Row 14	Title III, Part A, Subpart 3				[Row 14, column D/Row 14, column C]
Row 15	Title IV, Part A				[Row 15, column D/Row 15, column C]
Row 16	Title V, Part B				[Row 16, column D/Row 16, column C]
<u>Row 17</u>	<u>TOTAL FUNDS AVAILABLE TO LEA</u>		[<u>sum of all rows 1-16 above in this column, C]</u>]	[<u>sum of all rows 1-16 above in this column, D]</u>]	[<u>Row 17, column D/Row 17, column C]</u>]



ITEM 6 PORTION OF LEA FUNDING ALLOCATED THROUGH SYSTEM

INSUFFICIENT if LEA does NOT:

- specify the amount and percentage of Federal funds from the eligible Federal programs it intends to include (Title I, Part A; Title II; Title III; etc.) that will go through the system;
- include State and local funding.

STRONG = 10 points

SUFFICIENT = 5 points

INSUFFICIENT = 0 points



ITEM 7 DATES WHEN LEA WILL UPDATE

UPDATES TO TABLE II

If the Department enters into an agreement with an LEA, such LEA will need to annually update the information in Table II.

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

ITEM 8 HOW % OF FUNDS ALLOCATED THROUGH THE SYSTEM IS SUFFICIENT

Describe how the student-centered funding system will, pursuant to ESEA section 1501(d)(2)(B)(i), **ensure** that the significant percentage of funds allocated through the student-centered funding system is **sufficient** to carry out the purposes of the demonstration agreement and to meet the requirements of ESEA section 1501(d).

- **NOTE:** The percentage of funds allocated through the student-centered funding system is the amount calculated in Table II, Row 17, Column E.

STRONG = 8 points **SUFFICIENT** = 4 points **INSUFFICIENT** = 0 points



ITEM 8 HOW % OF FUNDS ALLOCATED THROUGH THE SYSTEM IS SUFFICIENT

INSUFFICIENT if LEA does NOT:

- provide the total percentage of State, local, and eligible Federal funds it will allocate through the system;
- describe how these percentages are sufficient to carry out the purposes of the agreement and the requirements;
- provide consistent information about the amount of Title I funds it is reserving at the LEA level.

STRONG = 8 points SUFFICIENT = 4 points **INSUFFICIENT = 0 points**



ITEM 9 HOW \$ NOT ALLOCATED THROUGH SYSTEM DO NOT UNDERMINE OR CONFLICT

Describe how the student-centered funding system will, pursuant to ESEA section 1501(d)(2)(B)(ii), **ensure** that 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.

- **NOTE:** The percentage of funds **not** allocated through the student-centered funding system is the inverse of the amount calculated in Table II, Row 17, Column E.
- To determine this amount:

$$100\% - [\text{Table II, Row 17, Column E}]$$

STRONG = 12 points **SUFFICIENT** = 6 points **INSUFFICIENT** = 0 points



ITEM 9 HOW \$ NOT ALLOCATED THROUGH SYSTEM DO NOT UNDERMINE OR CONFLICT INSUFFICIENT if LEA does **NOT**:

- describe how the funds **not** allocated through the system do not undermine or conflict with the requirements of the agreement.

STRONG = 12 points

SUFFICIENT = 6 points

INSUFFICIENT = 0 points



ITEM 10 HOW SYSTEM WILL INCLUDE ACTUAL EXPENDITURES IN MAKING ALLOCATIONS

Describe how the student-centered funding system will 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 consistent with ESEA section 1501(d)(2)(A)(v).

STRONG = 10 points **SUFFICIENT** = 5 points **INSUFFICIENT** = 0 points



ITEM 10 HOW SYSTEM WILL INCLUDE ACTUAL EXPENDITURES IN MAKING ALLOCATIONS

EXAMPLE

- One way to meet this requirement is for an LEA to affirm that it will use the formula (and only the formula) to make allocations to schools from the portion of funds that go through the student-centered funding system.



ITEM 10 HOW SYSTEM WILL INCLUDE ACTUAL EXPENDITURES IN MAKING ALLOCATIONS

INSUFFICIENT if LEA:

- does **NOT** address the requirement;
- indicates that only certain services will be included in the formula for school-level expenditures;
- proposes allocating dollars under the SCF in a manner that is not the formula itself, such as by allocating personnel based on a number of full-time equivalent staff members using a student-to-staff ratio.

STRONG = 10 points

SUFFICIENT = 5 points

INSUFFICIENT = 0 points



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

Consistent with ESEA section 1501(d)(2)(C), describe how the LEA will, 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 instructional staff and
- actual non-personnel expenditures.



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

- This requirement is primarily about how the LEA will ensure that each school has access to, and receives the benefit of, the full amount of funds it generates through the weights in the LEA's formula.
- We've gotten questions about how an LEA can plan effectively to meet this requirement.



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

EXAMPLES - BUDGETING

- To be most precise, an LEA would project personnel expenditures for each employee when budgeting.
- If this is not administratively feasible an LEA might use average salaries for **budget planning only**. In this case, the LEA should provide specific information about its budgeting approach in the application.
 - To make calculations most precise, an LEA could narrow the averages *within ranges of experience or education*.
 - Use of average salaries alone would **NOT** suffice for meeting the charging requirements.



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

EXAMPLE – ADJUSTING USING A DATE CERTAIN

- Regardless of budget preparation, an LEA may also need a method to adjust school-level budgets once actual expenditure information is known.
- An LEA might pick a date certain at or near the beginning of the school year and calculate actual personnel and non-personnel costs for the entire year as of that date.
- The LEA would compare those actual costs to the amount each school was charged during the budget process and make adjustments. The adjustments would suffice for the remainder of the school year.



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

EXAMPLE – ADJUSTING USING FINAL EXPENDITURE DATA

- Another option is for an LEA to review actual school-level expenditures at the close of each fiscal year and compare those actual expenditures to the amount of funds that each school was charged during the budget process.
- The LEA would then make funding adjustments in the subsequent year to ensure that each school has access to the full amount of funds determined by the formula for each year.



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

CAVEAT RELATED TO EXAMPLES

- Section 1501(d)(2)(A)(iii) requires that high-poverty schools receive more per-pupil funds for students from low-income families and at least as much funding for English learners in the first year of a demonstration agreement.
- Section 1501(e)(1) requires continued demonstration that such a school receives at least as much funding for such students in each successive year as the school did in the preceding year.



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

CAVEAT RELATED TO EXAMPLES

- Adjustments made to correct a prior year's shortfall, must count toward meeting these requirements *in the year when the funds should have been received*; such funds do not serve to meet the requirements with respect to a subsequent year.
- That is, the basis for meeting the requirements in sections 1501(d)(2)(A)(iii) and 1501(e)(1) is the amount allocated by formula in each year. Additional funds received due to adjustments for a prior year would be **on top of** the amount a school receives to meet the requirements in a given year.



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

PER-PUPIL EXPENDITURE REPORTING ON LEA REPORT CARDS

Regardless of an LEA's participation in the student-centered funding pilot, the LEA must use actual personnel expenditures (including staff salary differentials for years of employment) and actual non-personnel expenditures for purposes of reporting per pupil expenditures on LEA report cards, consistent with ESEA sections 1111(h)(1)(C)(x) and 1111(h)(2).



ITEM 11 CHARGING SCHOOLS FOR ACTUAL EXPENDITURES

INSUFFICIENT if the LEA:

- does **NOT** describe how it will charge schools for the actual personnel expenditures (including staff salary differentials for years of employment) for instructional staff and actual nonpersonnel expenditures; or
- states simply that it does not currently operate in a manner consistent with this requirement without proposing a method of meeting the requirements.

STRONG = 10 points

SUFFICIENT = 5 points

INSUFFICIENT = 0 points



ITEM 12 HOW SYSTEM WILL SUPPORT STUDENT ACADEMIC ACHIEVEMENT

Describe how the student-centered funding system will support the academic achievement of students, including:

- low-income students;
- the lowest-achieving students;
- English learners; **and**
- children with disabilities, consistent with ESEA section 1501(d)(1)(A)(iv).

STRONG = 15 points **SUFFICIENT** = 8 points **INSUFFICIENT** = 0 points



ITEM 12 HOW SYSTEM WILL SUPPORT STUDENT ACADEMIC ACHIEVEMENT

INSUFFICIENT if LEA does **NOT**:

- 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.

STRONG = 15 points

SUFFICIENT = 8 points

INSUFFICIENT = 0 points



ITEM 13 STATE & LOCAL PER-PUPIL FUNDS DATA FOR YEAR PRECEDING IMPLEMENTATION

Consistent with 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 will first use the flexibility. This must include:

- actual personnel expenditures (including staff salary differentials for years of employment) and
- actual non-personnel expenditures.
 - For example, if applying to use the flexibility in school year 2019-2020, an LEA should provide these data for school year 2018-2019. If such data are not yet available, **please indicate the date** by which they will become available.



ITEM 14 PER-PUPIL ALLOCATIONS OF ELIGIBLE FEDERAL FUNDS (TABLE III)

Consistent with ESEA section 1501(d)(1)(E), identify the per-pupil amount of eligible Federal funds each school served by the LEA received in the fiscal year preceding the year in which 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.

- For example, if applying to use the flexibility in school year 2019-2020, an LEA should provide these data for school year 2018-2019.



ITEM 14 PER-PUPIL ALLOCATIONS OF ELIGIBLE FEDERAL FUNDS (TABLE III)

When responding to questions 13 and 14 above, please complete Table III or attach the same required information. Note that question 13 above addresses per-pupil **expenditures** of State and local education funds for each school served by the LEA while question 14 asks the LEA to specify funds received by (*i.e.*, **allocated** to) a school, disaggregated by eligible Federal program. Rows may be added to the table as necessary.

- **NOTE:** This information is only required for those eligible Federal funding sources the LEA will include in the system.
- If an LEA is *not* including an eligible Federal funding source listed below in its system, it is not required to provide information for that funding source.



ITEM 14 PER-PUPIL ALLOCATIONS OF ELIGIBLE FEDERAL FUNDS (TABLE III)

Table III: Per-pupil Funds by School

School	Grades	State funds (expenditures)	Local funds (expenditures)	Title I, Part A (funds received/allocated)	Title I, Part C (funds received/allocated)	Title I, Part D, Subpart 2 (funds received/allocated)



ITEM 15 MEETING PROGRAM PURPOSES

Consistent with ESEA section 1501(d)(1)(F), describe how the LEA will **ensure** that it will meet the purposes of each Federal program whose funds are allocated through its system, including serving students from low-income families, English learners, migratory children, and children who are neglected, delinquent, or at risk, **as applicable**.

- **NOTE:** This information is only required for those eligible Federal funding sources the LEA will include in the system.
- If an LEA is *not* including an eligible Federal funding source listed below in its system, it is not required to provide information for that funding source.

STRONG = 12 points **SUFFICIENT** = 6 points **INSUFFICIENT** = 0 points



ITEM 15 MEETING PROGRAM PURPOSES

- An 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.



ITEM 15 MEETING PROGRAM PURPOSES

EXAMPLE

- 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.



ITEM 15 MEETING PROGRAM PURPOSES

EXAMPLE (CONTINUED)

- 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)(2)(C) and (D) or prioritize funds to certain schools under section 4106(e)(2)(A).



ITEM 15 MEET PROGRAM PURPOSES

INSUFFICIENT if LEA does **NOT**:

- describe how it will continue to meet program purposes if granted the flexibility (e.g., LEA only explains how current practices meet the purposes of each included Federal program, but not how the LEA would meet the purposes of the programs if it were to implement the proposed student-centered funding system);
- does not describe how it will serve the relevant group of students related to a given program

STRONG = 12 points

SUFFICIENT = 6 points

INSUFFICIENT = 0 points



ASSURANCES

Please check each assurance. The LEA assures that:

- It has the legal authority to use the State and local education funds consistent with its proposed system of weighted per-pupil allocations;
- It developed and will implement the local flexibility demonstration agreement in consultation with teachers, principals, other school leaders (including charter school leaders in an LEA that has charter schools), administrators of Federal programs impacted by the agreement, parents, community leaders, and other relevant stakeholders;
- If it consolidates funds from a competitive grant under an eligible Federal program, it will carry out the scope and objectives, at a minimum, at the level described in the application under which the funds were awarded;
- It will meet all continued demonstration requirements pursuant to ESEA section 1501(e);



ASSURANCES

CONTINUED

- It will use fiscal control and sound accounting procedures that ensure proper disbursement of, and accounting for, eligible Federal funds consolidated and used under such system, including by ensuring that costs are reasonable and necessary;
- It will continue to meet the requirements of ESEA sections 1117, 1118 and 8501;
- It will meet the requirements of all applicable Federal civil rights laws in carrying out the agreement and in consolidating and using funds under the agreement;
- It will use, for administrative purposes, not more than the percentage of funds allowed for such purposes under each eligible Federal program; and
- For eligible Federal funds *not* allocated through the student-centered funding system, it will continue to meet all applicable program and fiscal requirements.





QUESTIONS?



APPLICATION PROCESS & TIMELINE

STUDENT-CENTERED FUNDING PILOT

APPLICATION INFORMATION

- For LEAs wishing to implement in 2019-2020, applications are due on **July 15, 2018**.
- The application is available at www2.ed.gov/policy/elsec/leg/essa/scfp/studentcentered.html.



APPLICATION SUBMISSION

GUIDELINES

DO	DON'T
<p>Send completed application to WeightedFundingPilot@ed.gov.</p>	<p>Don't include hyperlinks in the application. Information accessible only through a hyperlink will not be reviewed.</p>
<p>Number the pages of the application submission for smooth review.</p>	
<p>Provide a table of contents if application submission includes any appendices.</p>	



REVIEW

- Federal peer reviewers will read and score applications.
- Program staff will also review applications for consistency with statutory requirements.



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 to an LEA's proposed system.



QUESTIONS?



RESOURCES & NEXT STEPS

STUDENT-CENTERED FUNDING PILOT

RESOURCES

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

