



UNITED STATES DEPARTMENT OF EDUCATION

WASHINGTON, D.C. 20202- _____

JAN 12 2001

Dear Colleagues:

This letter is being jointly issued by the U. S. Department of Education's Office of Special Education Programs and the Compensatory Education Programs office. The purpose of the letter is to encourage local education agencies (LEAs) implementing schoolwide programs under Section 1114 of Title I of the Elementary and Secondary Education Act of 1965 (ESEA), as amended, to appropriately include students with disabilities in those schoolwide reform efforts.

In 1994, through the reauthorization of ESEA, Congress gave states, school districts and schools more flexibility in using Federal education dollars and other resources. Title I of the ESEA is entitled "Helping Disadvantaged Children Meet High Standards." Section 1114 of Subpart I allows LEAs to use Title I funds, in combination with other Federal, state and local funds, to upgrade the entire educational program in eligible schools. To help facilitate the inclusion of students with disabilities in schoolwide reform efforts, the 1997 Amendments to the Individuals with Disabilities Education Act (IDEA) under Section 613(a)(2)(D) and the regulations at §300.234(a) authorize LEAs to use a portion of the funds received under Part B of IDEA for any fiscal year to carry out a schoolwide program under the ESEA, as long as students with disabilities, included in such schoolwide programs, receive services in accordance with a properly developed Individualized Education Program (IEP) and are afforded all of the rights and services guaranteed to children with disabilities under IDEA. In other words, in a schoolwide program, a portion of the Part B funds can be combined with funds from Title I and other Federal, state, and local funds, allowing schools to plan for the entire school population, and more effectively integrate programs, strategies and resources.

It has come to the attention of Department of Education officials, however, that eligible schools participating in schoolwide programs are not taking advantage of the flexibility provisions of Title I and IDEA to combine funds from many sources into a single accounting fund. In particular, it appears that LEAs have been reluctant to blend IDEA Part B funds with other funds into a schoolwide account for fear of violating audit and program reporting requirements. Therefore, the intent of this letter is to reiterate the Department's position that blending a portion of IDEA Part B funds, as authorized under IDEA, with other Federal, state and local funds is perfectly acceptable under Federal law as long as students with disabilities, included in such schoolwide programs, receive services in accordance with a properly developed IEP and are afforded all of the rights and services guaranteed to children with disabilities under IDEA. Guidance issued by the Office of Elementary and Secondary Education with regard to implementing this flexibility, which includes record keeping requirements, can be found on the Department of Education's World Wide Web site at: http://www.ed.gov/legislation/ESEA/Title_I/swpguide.html.

The U.S. Department of Education is committed to assisting states and LEAs in utilizing the flexibility provided through both the ESEA and IDEA to insure that students with disabilities are included in schoolwide reform efforts. If you have further questions regarding the schoolwide provisions under IDEA, contact JoLeta Reynolds at 202/ 205-5507. For more information about the schoolwide provisions under ESEA, contact Charles Laster at 202/205-5531.

Sincerely,

Kenneth R. Warlick
Director
Office of Special Education
Programs

Mary Jean LeTendre
Director
Compensatory Education
Programs