

ESSA Fiscal Requirements: Title I, Part A – Comparability of Services State and Local Base Salary Data

Reporting and documenting
the data for:

2017-2018

Texas Education Agency

Federal Fiscal Compliance
and Reporting Division



- Common issues occurring among LEAs
- Issues identified are not occurring within HOW the LEAs are conducting the comparability testing
- Issues are occurring within the DATA the LEAs are using when conducting the comparability testing



The Source of Data

- LEAs should use **current-year** data
- Example, for school year 2017-2018, LEAs should report the 2017-2018 enrollments, state and local budgeted amounts, FTEs, etc.



State and Local Base Salary Data



Common Issues when reporting State/Local Base Salaries

- Not excluding:
 - salaries paid with federal funds
 - salaries paid with supplemental state and local dollars (optional)
 - salaries paid with supplemental state and local dollars consistently
 - staff salary differentials for years of employment



- Additional issues:
 - Not including all instructional staff
 - Not having auditable documentation to support the reported state and local base salaries



Exclude Federal Funds

- Exclude all salaries, or portions of salaries, paid with federal funds.



Exclude Base Salaries Paid with Supplemental State and Local Dollars

- Public Law 115-64, Section 1118. Fiscal Requirements (d) EXCLUSION OF FUNDS states that an LEA “may exclude” supplemental state and local dollars
- Exclusion of such funds is not required; however, it creates a more accurate picture
- Base salaries must be excluded consistently across the LEA



Exclude Base Salaries Paid with Supplemental State and Local Dollars

- May exclude salaries paid with supplemental state and local funds for the following special programs:
- Language instruction educational programs, such as bilingual education for children with limited English proficiency
- English as a second language (ESL) services
- Excess state and local costs of providing services to children with disabilities, as determined by the LEA
- State or local supplemental programs in any school attendance area or school meeting the intent and purposes of Title I, Part A



Exclude Base Salaries Paid with Supplemental State and Local Dollars Consistently

- Be consistent when excluding supplemental state and local dollars
- Exclude the same salaries paid with supplemental dollars from all campuses' total state and local expenditures

Exclude Staff Salary Differential for years of employment

- Per ESSA Section 1118 (c)(2)(B), “*staff salary differentials for years of employment shall not be included ...*”
- Exclude staff salary differentials for years of employment
- There is no flexibility with this requirement.



Include All Staff Considered Instructional Staff

- “Instructional staff” refers to various types of personnel
- “Instructional staff” includes staff that provide direct instructional services and/or services that support instruction
- When in doubt - review job description

Have Auditable Documentation to Support the Reported Expenditures

- Official budget records are considered auditable documentation
- Accounting system records, such as payroll journals, are considered official records and are auditable documents

Suggested Methodology

- It is recommended that the LEA use official financial accounting system records
- Obtain official payroll records from accounting system
- Exclude salaries, or portions of salaries, paid with supplemental state and local dollars, and be consistent
- Exclude fixed costs (benefits) and merit increases from the salary amounts
- Itemize, document, and report

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