

Department of Grant Compliance and Administration

Statewide Training Series

Questions & Answers

Training Title: Title I, Part A Use of Funds

Training Date: 06/23/2021

For additional information, please contact us at ESSASupport@tea.texas.gov.

Q1: Can an LEA/campus pay for student graduation caps and gowns with their Title I, Part A funds?

A1: Costs associated with the purchasing of caps and gowns for students are allowable under Title I, Part A as long as the LEA meets the Title I, Part A Use of Funds requirements as noted on the [Title I, Part A Use of Funds document](#). The use of funds would need to have been identified in the comprehensive needs assessment and noted in the campus improvement plan. The LEA should consider purchasing the caps and gowns and retaining them for future use.

Additionally, the caps and gowns could only be purchased for students attending schoolwide campuses as long as the LEA has a valid SNS Methodology or a Statement of Exemption in place. If a campus is a Targeted Assistance campus, the LEA would have to ensure that only students identified as most in need receive the Title I, Part A services. If the students attend non-Title I campuses, this would not be an allowable use of funds for those campuses.

Q2: Does Supplement, Not Supplant (SNS) only apply to use of general funds or does it relate to other grant funds too? For example, if the district uses ESSER funds for additional positions in 2021-2022, would it be supplanting to use Title I, Part A in 2022-2023 to continue paying that same position?

A2: The ESSER funds are federal funds. Title I, Part A is only required to supplement state and local funds. The LEA would only need to be concerned with supplanting ESSER funds when federal funds are included in the SNS provision, such as with Title III, Part A and Rural and Low-Income Schools.

Q3: Can Title I, Part A funds be used to pay for professional development for music and physical education teachers?

A3: Professional development is an allowable use of funds under Title I, Part A, as long as it is being provided for Title I, Part A teachers on a Title I, Part A Schoolwide program campus or teachers providing services to Title I, Part A students on a Targeted Assistance program campus, and the use of funds steps and requirements are followed as per the [Title I, Part A Use of Funds document](#). The LEA needs to be able to document how the activity meets the intent and purpose of the Title I, Part A program, which is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. The LEA would also need to ensure it is compliant with the Supplement, Not Supplant (SNS) requirements associated with Title I, Part A. For Title I, Part A, the LEA would meet the SNS requirement by having a valid SNS methodology or Statement of Exemption.

Q4: As more in-person training becomes available; will the remote training opportunities still be allowable using Title I, Part A funds?

A4: TEA has submitted a waiver application to the US Department of Education related to professional development. The waiver requests approval to include virtual training in the definition of professional development allowable under ESSA programs for 2020-2021 and 2021-2022.

Q5: Can Title I, Part A funds pay for student fees associated with the submission of Career and Technical Education (CTE) certification applications?

A5: Student fees associated with the submission of Career and Technical Education (CTE) certification applications are allowable under Title I, Part A, as long as the LEA meets the Title I, Part A Use of Funds requirements as noted on the [Title I, Part A Use of Funds document](#). The use of funds would need to have been identified in the comprehensive needs assessment and noted in the campus improvement plan.

Q6: Can Title I, Part A funds be used to pay, in-full or in-part, the salaries of music, art, or physical education teachers?

A6: The LEA would need to ensure that it is following the steps and requirements for Title I, Part A use of funds as per the [Title I, Part A Use of Funds document](#). Although utilizing Title I, Part A funds to pay a teacher's salary is generally allowable based on the general duties of a teacher and the connection to student academic achievement, the use of funds would need to have been identified in the comprehensive needs assessment and noted in the campus improvement plan. The LEA would need to ensure that all the duties the position would be performing meet the intent and purpose of Title I, Part A, which is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps.

Additionally, the services could only be provided for students attending schoolwide campuses as long as the LEA has a valid SNS Methodology or a Statement of Exemption in place. If a campus is a Targeted Assistance campus, the LEA would have to ensure that only students identified as most in need receive the Title I, Part A services. If the students attend non-Title I campuses, this would not be an allowable use of Title I, Part A funds for those campuses.

For audit and/or random validation purposes, the LEA would need to keep documentation on file that demonstrates that the time and effort requirements are met and documentation that

supports the funds being charged to Title I, Part A are related to time spent working directly on Title I, Part A activities. It would also be advisable to note the Title I, Part A duties in the job description for audit and/or random validation purposes.

Q7: How does having an Exemption for the Supplement, Not Supplant Methodology impact funds reserved at the LEA level?

A7: There is no difference in how reserved funds are viewed. Any State and local funds that are retained at the LEA level must be used in a Title I neutral manner; and Title I, Part A funds that are reserved at the LEA level must be used only for Title I, Part A purposes, as indicated in the LEA's approved ESSA Consolidated Federal Grant Application.

Q8: Can Title I, Part A funds be used to pay for the salary of the social and emotional learning (SEL) executive director at the LEA level? The position supports all campuses in the LEA and all campuses in the LEA are Title I, Part A served campuses that implement a schoolwide program.

A8: If the LEA meets all the [Title I, Part A use of funds requirements](#), it would be considered allowable to pay the salary of a district-wide Executive Director with tasks associated with social and emotional learning taking into consideration the following guidance. For audit and/or random validation purposes, the LEA would need to keep documentation on file that demonstrates that the time and effort requirements are met and documentation that supports the funds being charged to Title I, Part A are related to time spent working directly on Title I, Part A activities. It would also be advisable to note the Title I, Part A duties in the job descriptions for audit and/or random validation purposes.

The LEA should also consider that the time spent on program administration activities would be considered activities to be conducted with reserved funds. If the employee is providing LEA-specific Title I, Part A responsibilities, the time the employee spends on such responsibilities would be considered district reservation time. If the employee is providing campus-specific Title I, Part A responsibilities, the time the employee spends on such responsibilities would be considered at the campus level. Additionally, the LEA would need to ensure that it is following LEA policies and procedures related to the classification of employees (LEA vs. campus). The LEA would need to maintain detailed documentation in case of an audit or random validation monitoring review.

Q9: How would an LEA handle a multi-year contract as it relates to obligation of funds?

A9: The LEA cannot use federal funds to pay for services that have not been rendered. Although the LEA can obligate the funds for the current year, they cannot be expended until the services have been received/rendered and within the current grant year dates. If allowed in the LEA's policies and procedures, the LEA can prepay services that have not been rendered with other funds (local or state). When the services are completed, the LEA can then reimburse the local/state fund accounts with the federal funds.

Q10: If a Title I, Part A campus is operating a targeted assistance program and all the teachers on the campus have at least 1 Title I, Part A student in their classroom, can Title I, Part A funds be used for campus-wide Professional Development for all of them?

A10: Professional development is an allowable use of funds under Title I, Part A, as long as it is being provided for Title I, Part A teachers on a Title I, Part A Schoolwide program campus or teachers providing services to Title I, Part A students on a Targeted Assistance program campus and the use of funds steps and requirements are followed as per the [Title I, Part A Use of Funds document](#). The LEA needs to be able to document how the activity meets the intent and purpose of the Title I, Part A program which is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. The LEA would also need to ensure it is compliant with the Supplement, Not Supplant (SNS) requirements associated with Title I, Part A. For Title I, Part A, the LEA would meet the SNS requirement by having a valid SNS methodology or Statement of Exemption.

Q11: Is there a sample or form for Supplemental Pay Agreement?

A11: A sample Supplemental Pay Agreement is not available.

Q12: For Extra-Duty Pay, what is the "Supplemental Pay Agreement"? Is that as simple as a description of the function or purpose of the extra duty?

A12: The supplemental pay agreement for extra duty is like a contract for the work that will be completed outside of the normal work day. It will list the terms and agreement for both parties (dollars per hour, the type of work to be completed, the total allowable amount of pay, etc.). Both parties will sign prior to the work being completed.

Q13: Does the district Personnel Action Form (district personnel documentation form) support the Supplemental Pay Agreement for extra-duty pay?

A13: The PAR is used for duties during the regular school day. A separate time and effort form needs to be kept for extra-duty pay (e.g., a record for a after school tutor would show who was tutored, on what day, and for how long).

Q14: If an LEA federal programs director is split-funded from all ESSA programs (i.e., 50% Title I, Part A; 20% Title II, Part A; 10% Title III, Part A; and 20% Title IV, Part A), is a semi-annual certification alone acceptable documentation to satisfy time and effort requirements?

A14: Yes, based on the programs listed. If they were also paid out of Title I, Part C then the answer would be "no," and they would need to fill out a PAR.

Q15: What type of documentation would need to be kept for substitute teacher costs paid with Title I, Part A funds?

A15: Documentation would include the teacher of record, payroll authorizations, and a board-approved document showing the daily rates for subs.

Q16: If you checked to pay for substitute teachers from Title I, Part A in the ESSA Consolidated Application budget schedule (BS6101 – Payroll Costs), does the LEA need to maintain time and effort documentation for substitute teachers paid with Title I, Part A funds?

A16: Selecting the checkbox on Part 3 of the BS6101 related to substitutes indicates that the LEA will use funds to pay for substitute teachers. LEA time and effort documentation is required for any type of compensation paid with federal funds.

Q17: Can you tell us more about Consolidated Administrative Costs?

A17: LEAs are allowed to consolidate federal grant funds from several federal grant programs in order to pay for the costs associated with the administration of those programs. The federal grant programs eligible for this consolidation are those awarded under the Every Student Succeeds Act of 2015 (ESSA). The authorizing statute is the Elementary and Secondary Education Act of 1965 (ESEA), Title VIII, Part B, Sec. 8201 and Sec. 8203. Please note that LEAs must receive approval from TEA to consolidate their administrative funds.

Consolidating administrative funds provides flexibility to LEAs by allowing them to charge administrative costs to an administrative cost pool instead of assigning specific costs to specific programs. As long as the cost is an allowable administrative activity under any of the programs that have been consolidated, it may be charged to any of the consolidated administrative funds.

In addition, the consolidated funds may be treated as one cost objective, so LEAs are not required to maintain personnel activity reports to document the time spent by employees on administrative activities performed exclusively for the programs that contribute to the pool. For these employees, LEAs must still maintain semi-annual certifications, or their equivalents, and identify the administrative cost pool as the cost objective.

If the LEA consolidates administrative funds, a [Consolidation of Administrative Costs form](#) must be completed, maintained locally, and submitted to TEA upon request.

For additional information related to Consolidated Administrative Costs, see the Budget Schedule Instructions for the ESSA Consolidated Application.

Q18: What SNS methodology is used for Title I, Part A LEA reservations?

A18: The SNS Methodology for distributing state and local funds to campuses (or valid Statement of Exemption) meets the SNS requirement for Title I, Part A. For funds that are retained at the LEA level, the LEA makes the following assurances as part of its methodology or Statement of Exemption:

- any State and local funds that are retained at the LEA level will be used in a Title I neutral manner; and
- any Title I, Part A funds that are reserved at the LEA level will be used only for Title I, Part A purposes, as indicated in the LEA's approved ESSA Consolidated Federal Grant Application.

Q19: Can a one-time retention stipend be paid out of Title I, Part A funds if the employee is funded out of Title I, Part A and all employees are getting a retention stipend?

A19: If the LEA meets all the steps and requirements noted in the [Title I, Part A Use of Funds document](#) (including documenting an identified need as a result of a comprehensive needs assessment and documenting the activity in the campus improvement plan), it would be considered allowable to use Title I, Part A funds to pay retention stipends to employees that are paid out of Title I, Part A, taking into consideration the following guidance and ensuring that the LEA is able to document how the activity meets the intent and purpose of the Title I, Part A program which is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps. As noted in the Title I, Part A Use of Funds document, the stipend amount should also be reasonable and necessary to carry out the intent and purpose of the Title I, Part A program.

If the stipend would benefit campuses identified as schoolwide program campuses, this would not be a problem, as long as the LEA has a valid SNS Methodology or a Statement of Exemption in place. It would be difficult to document this use of funds for a Targeted Assistance campus and it would not be allowable for anyone providing services to a non-Title I, Part A campus.

For audit and/or random validation purposes, the LEA would need to keep documentation on file that demonstrates that the time and effort requirements are met. Time and effort documentation is required for any type of compensation paid with federal funds, including stipends. An employee paid 100% from grant funds will be covered under the periodic certifications.

A stipend should be paid based on policies and procedures adopted by the board or local authorities. A good example is a board approving a policy to pay a stipend in the amount of \$1000 for all teachers with graduate degrees. The LEA must maintain time and effort documentation that describes a policy/reason adopted by the appropriate authority or the board supporting the stipend for such activities. The document must be signed and dated by the supervisor authorizing the stipend.

Q20: Will there be a training on Supplement, Not Supplant requirements?

A20: There is an SNS Handbook available on the TEA website. In addition, TEA staff will likely present a session on Supplement, Not Supplant at the ACET Fall Conference. Training on SNS may also be available through the regional education service centers.

Q21: Is it true that the Supplement, Not Supplant rule is no longer in place for ESSA?

A21: No. The Supplement, Not Supplant requirement is still a statutory provision under many programs included in ESSA. However, the ESSA statute provides a new method of documenting compliance with the requirement for Title I, Part A. The SNS Methodology requirement for Title I, Part A states that the SNS requirement is met for Title I, Part A if the LEA has a written Title I-neutral method for distributing State and local funds to its campuses, or if the LEA has a valid Statement of Exemption from the Methodology requirement.

Other ESSA programs, such as Title II, Part A and Title IV, Part A, which have an SNS provision in statute, still follow the traditional way of demonstrating compliance with the SNS requirement. According to the traditional presumptions of supplanting, the LEA would be

considered to be out of compliance under the following conditions, unless the LEA has documentation to rebut the presumption:

- Providing Services Required Under State or Local Law;
- Providing Same Services as Those Provided in Prior School Year with State or Local Funds;
or
- Providing the Same Services in Federal and Non-Federal Programs

Q22: Can LEAs reserve Title I, Part A funds for services to homeless students for certification fees that a student will incur at the end of a certification course/program?

A22: It is an allowable use of Title I, Part A funds reserved at the LEA level for Services to Homeless Students to pay for certification fees a student experiencing homelessness will incur at the end of a certification course/program. As with any use of Title I, Part A funds, the LEA would need to follow the steps and requirements noted in the [Title I, Part A Use of Funds document](#).

Two principles govern the use of Title I, Part A funds to provide such services to homeless students. First, the services must be reasonable and necessary to assist homeless students to take advantage of educational opportunities. (ESEA section 1113(c)(3)(A); 2 CFR § 200.403(a)). Second, Title I, Part A funds must be used only as a last resort when funds or services are not available from other public or private sources, such as the USDA’s National School Lunch Program and Breakfast Program, public health clinics, or local discretionary funds (sometimes provided by the PTA) used to provide similar services for economically disadvantaged students generally. (See ESEA section 1115(e)(2)).

Q23: Can core subject campus department heads be paid from Title I, Part A funds?

A23: The LEA would need to ensure that it is following the steps and requirements for Title I, Part A use of funds as per the [Title I, Part A Use of Funds document](#). Although utilizing Title I, Part A funds to pay a teacher’s salary is generally allowable based on the general duties of a teacher and the connection to student academic achievement, the use of funds would need to have been identified in the comprehensive needs assessment and noted in the campus improvement plan. The LEA would need to ensure that all the duties the position would be performing meet the intent and purpose of Title I, Part A, which is to provide all children significant opportunity to receive a fair, equitable, and high-quality education, and to close educational achievement gaps.

Additionally, the services could only be provided for students attending schoolwide campuses as long as the LEA has a valid SNS Methodology or a Statement of Exemption in place. It would be difficult to document this use of funds for a Targeted Assistance campus and it would not be allowable for anyone providing services to a non-Title I, Part A campus.

For audit and/or random validation purposes, the LEA would need to keep documentation on file that demonstrates that the time and effort requirements are met and documentation that supports the funds being charged to Title I, Part A are related to time spent working directly on Title I, Part A activities. It would also be advisable to note the Title I, Part A duties in the job description for audit and/or random validation purposes.