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MEMORANDUM

TO: Superintendents, Business Managers, Grant Managers, CFP Team Leaders
FROM: Jesse Roy, Assistant Division Director – Federal Education Support Programs
SUBJECT: Title I Part A Supplement not Supplant Requirement
DATE: June 25, 2019

Purpose

The purpose of this memo is to provide LEAs with information regarding the Supplement not Supplant (SnS) requirement for Title I Part A as revised by the 2015 reauthorization of the Elementary & Secondary Education Act (ESEA Sec. 1118: 20 U.S.C. 6321).

Background

Under No Child Left Behind (NCLB), the Supplement not Supplant requirement for Title I Part A was met by ensuring that individual Title I Part A expenditures did not fall within the three presumptions of supplanting. A Title I Part A supplanting violation was presumed if funds were used to pay for:

1. An activity required by federal, state, or local law;
2. An activity that was paid for with state or local funds in the prior year; or
3. The same services for Title I students that State and local funds support for non-Title I students.

The Every Student Succeeds Act of 2015 (ESSA) forgoes the three presumptions test, moving away from a review of individual Title I Part A expenses to a review of how LEAs allocate State and local funds as a whole. An LEA can no longer be required to identify that any individual cost or service supported with Title I Part A funds is supplemental. Rather, LEAs are now required to demonstrate a methodology for budgeting that ensures that each school receives an amount of State and local funds that is unrelated to whether the school receives Title I assistance. In other words, an LEA's methodology must be "Title I neutral" in that it allocates State and local funds to schools without regard for Title I status. This demonstrates that an LEA did not reduce the State and local funds made available to a school because it is also receiving Title I Part A funds.

In Practice

What this means is that Vermont LEAs must have on file documentation of a "Title I neutral" budgeting methodology that ensures that Title I Part A funds are supplementing, not supplanting, State and local funds. LEAs must be able to demonstrate that their method for allocating State and local funds does not consider whether a school receives Title I assistance.

The US Department of Education released [non-regulatory guidance](#) in June of 2019 suggesting the following ways that an LEA can consider creating a Title I-neutral methodology:

1. Allocation of State and Local Funds Based on Student Characteristics (Weighted Student Funding)
2. Allocation of State and Local Funds Based on Staffing and Supplies
3. Another way, determined by the LEA, that meets the federal requirement

For the purposes of complying with the Title I Part A Supplement not Supplant requirement, an LEA may exclude supplemental State or local funds expended in any school for programs that meet the intent and purposes of Title I Part A when creating and applying their methodology (ESEA section 1118(d)).

Exceptions

Per the draft federal guidance, an LEA meeting the following criteria will not have to meet the Supplement not Supplant test for Title I Part A.

1. LEAs with only a single school.
2. LEAs that have all Title I served schools.
3. A grade span within an LEA that contains only: a single school, non-Title I schools, or Title I served schools (i.e., no methodology is required for this grade span).

Per the federal Office of Elementary and Secondary Education, for the purposes of Supplement not Supplant, the number of grade spans in an LEA should match the basic organization of schools in the LEA (e.g. elementary, middle, high school) with each school logically assigned to one of these groups, regardless of variations or overlap in grade levels served.

Questions

If you have questions or require additional information about the Title I Part A Supplement not Supplant requirements, please contact [Kristine Seipel](#), Title I State Director.