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## **Title I, Part A Supplement, not Supplant (SNS) Requirement: Demonstrating Compliance through a Title I Neutral Budget Methodology**

### **SNS Requirement for Title I, Part A**

Under ESSA, Title I, Part A funds should be in addition to (supplement) and not replace (supplant) State and local funds. An LEA's allocation of State and local funds to schools is examined as a whole to ensure Title I dollars are supplemental, rather than identifying each individual cost as supplemental.

LEAs must demonstrate that the methodology used to allocate State and local funds to schools provides each Title I school with all the money it would receive if it was not served by Title I. The State and local funds made available to a Title I school must not be reduced because the school is also receiving Title I, Part A funds. However, an LEA could allocate more State and local funds to a Title I school.

To demonstrate compliance, an LEA is responsible for documenting this specific methodology of distributing funding and staffing to schools without taking Title I, Part A funds into account.

### **Title I Neutral Budget Methodology**

A sufficient Title I Neutral Budget Methodology should include purchases/cost items that support student academics at the school-level. This may include items such as:

- Staffing (salaries and benefits or staff units/FTE) related to teaching, counseling, administrative, health services, etc.
- Professional development
- Instructional technology
- Supplies or curriculum

A sufficient Title I Neutral Budget Methodology should exclude:

- Centrally administered (LEA-level) resources: staffing, curriculum purchases, professional development, etc.
- Maintenance and utilities
- Student transportation
- Debt service, capital expenditures, building repair costs, bus depreciation, food service, and child nutrition

[Guidance from the US Department of Education](#) specifies that an LEA's Title I Neutral Budget Methodology may also exclude **supplemental State and local funds** (State/local funds above the funding methodology)



used for any program that meets the intent and purpose of Title I-A (Title I-like funds). In other words, although an LEA may not reduce its allocation of State and local funds to a Title I school because the school receives Title I-A money, ESSA requirements allow for a degree of flexibility when it comes to supplemental State and local funds. If an LEA is excluding State and local funds that meet the intent and purpose of Title I-A, please indicate that in the description.

## **Methodology Considerations**

LEAs may use a single methodology, or a variable methodology/multiple methodologies. In other words, LEAs are not required to use the same methodology for each school. The methodology could vary based on:

- Grade-span
- School size
- Student need (ELL, special education, etc.)
- Other factors (excluding Title I status)

LEAs may use the allocation of staffing units, rather than funds, for allocation of all employee related costs. This means an LEA may exclude compensation from their methodology and instead use staff units (FTE).

## **Exclusions from Title I Neutral Methodology**

According to guidance from the US Department of Education, an LEA is fully exempt from the Title I Neutral Budget Methodology requirement if the LEA has:

- Only one school
- Only Title I schools
- Only one building per grade span
  - Example: An LEA with one K-6 building, one 7-8 building, and one 9-12 building is fully exempt.

An LEA is partially exempt from the methodology requirement if the LEA has a grade span that contains only:

- a single school
- all Title I, Part A schools
- all non-Title I, Part A schools

An LEA that is fully exempt from the Title I Neutral Budget Methodology must still maintain records of their exemption status and the reason for their exemption. An LEA may use the [Title I Neutral Budget Methodology Exemption Template](#) for records of their exemption.

An LEA that is partially exempt from the Title I Neutral Budget Methodology requirement must maintain records of the exemption status of the grade spans that are exempt, as well as documentation of the methodology that is used for their non-exempt grade

spans. An LEA may use the [Title I Neutral Budget Methodology Template](#) for their records.

### **Documentation Requirements**

All LEAs should have a process to review their Title I Neutral Budget Methodology or their exemption status annually. LEAs must maintain documentation of their methodology/exemption status and evidence they have followed the documented methodology. LEAs must present evidence of compliance with this requirement to the Vermont Agency of Education upon request.