

Title I, Part A Excess Carryover Waiver Procedure

Background

Section 1127 of the Elementary and Secondary Education Act limits the amount of Title I, Part A funds that a local educational agency (LEA) may carry over from one fiscal year to the next. The law states not more than 15 percent of the funds allocated to a local educational agency for any fiscal year under Title I, Part A (but not including funds received through any reallocation under this subpart) may remain available for obligation by such agency for one additional fiscal year. The 15% limit is calculated at the end of the first quarter. If the LEA exceeds the 15% carryover limit, the State educational agency may, once every 3 years, waive the percentage limitation if:

- The agency determines that the request of a local educational agency is reasonable and necessary; or
- Supplemental appropriations for Title I, Part A become available.

The percentage limitation does not apply to any LEA that receives a Title I, Part A allocation less than \$50,000 in the fiscal year.

Purpose

This procedure clarifies the approval process for Title I excess carryover waivers.

Procedure

In October of each year, after the excess carryover amounts have been calculated, the Consolidated Federal Programs (CFP) team will create a list of LEAs which will include the total carryover amount, the excess over the 15% allowed, and a record of the waivers received in the past. Affected LEAs will receive a letter notifying them of the situation.

LEAs who have not received a waiver in the last 3 fiscal years will have two options:

1. The LEA can request a waiver in writing to the State Director of Title I. The request must include:
 - a. The reason for the excess carryover;
 - b. A management plan that states how the LEA will avoid exceeding the 15% carryover limit in the future; and
 - c. The Superintendent's signature.

The waiver request must be submitted at least 15 calendar days after receipt of the notification of carryover.

2. The LEA can notify the State at least 15 calendar days after receipt of the notification of carryover that they will forfeit the amount of Title I funds that exceed the 15%.

In extraordinary circumstances, an LEA may find they have exceeded the 15% carryover limit more than once in a three year period. Vermont has been granted Ed-Flex authority and as such may grant waivers to certain restrictions in the law if the result is improved academic achievement of students. LEAs that have already exceeded the carryover limit once in the previous three years have two options:

1. The LEA can request an Ed-Flex waiver of the restriction of the carryover limit. The request must include:
 - a. The reason for the excess carryforward and why the previous management plan did not sustain success within the three year period;
 - b. A new management plan that states how the LEA will avoid exceeding the 15% limitation in the future;
 - c. A plan of how the excess carryover will be spent in the current fiscal year to improve student academic achievement in line with Title I requirements and the LEA's Continuous Improvement Plan; and
 - d. Agreement to submit monthly reports to the Secretary on the LEA's progress in implementing the plan; and
 - e. Superintendent and LEA Board Chair signatures.

The Ed-Flex waiver request must be submitted at least 15 calendar days after receipt of the notification of carryover. If the waiver is granted, then the LEA may not request a waiver again for three fiscal years and excess carryover will be automatically forfeited and reallocated to other LEAs in accordance with the State's reallocation procedure.

2. The LEA can notify the State at least 15 calendar days after receipt of the notification of carryover that they will forfeit the amount of Title I funds that exceed the 15%.

The submitted waiver requests will be reviewed by the CFP team and any clarifying issues will be resolved. The final decision to grant a waiver will be made by the Secretary of Education. Approval of waivers is not guaranteed. LEAs will be notified of the decision of the Secretary of Education by November 30th.