



It Takes a City to Ensure Every Student Succeeds

LEA Institute

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Overview of Key Fiscal Changes in ESSA

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Welcome and Goals for This Session

- Provide an overview of ESSA as it relates to key fiscal changes affecting LEAs
- Understand your questions and needs in order to address them through the ESSA planning and implementation process



Agenda: ESSA Updates to LEA Funding

- **Review Key Requirements and Changes under ESEA (public Charters and DCPS)**
 - **Title I, Part A** – Improving the Academic Achievement of the Disadvantaged/ Improving Basic Programs Operated by LEAs
 - **Section 1003** – School Improvement
 - **Title II, Part A** – Preparing, Training, and Recruiting High-Quality Teachers, Principals, and Other School Leaders
 - **Title III, Part A** – Language Instruction for English Learners and Immigrant Students
 - **Title IV, Part A** – Student Success and Academic Enrichment
 - **Title IV Part B** – After School Programs
 - **Title IV, Part C** – Charter Schools Program
- **Review Consolidated Application Timeline and Process**



Key Definitions- Use of Funds

- In many areas of this presentation, you will see some key terms in the discussion of uses of funds.
 - **Necessary** means the use meets the needs of the program.
 - **Reasonable** means that they are purchased at a cost that a prudent person would pay.
 - **Allowable** means that the use is in alignment with the intended purpose of the funds.
 - **Allocable** means that the percent of funding paid out of the program funds is not more than the percent of the item/time used to support the related program activities.



Charter LEA Obligations under ESEA

- ESEA indicates that challenging state academic standards shall apply to all public school students in the state, and that the assessment used to measure the achievement of all public elementary school and secondary school students in the State shall be the same. *(See ESEA Section 1111(b)(1))*
- ESEA indicates that the state shall administer academic assessments to all public elementary and secondary school students in the state. *(See ESEA Section 1111(b)(2))*
- ESEA indicates that the state shall establish a state-determined methodology to identify a category for schools for comprehensive support and improvement. *(See ESEA Section 1111(d))*
- The ESEA states that the provisions of the law regarding challenging State academic standards, State assessments, and the State-wide accountability system applies to all public schools, including public charter schools, and all public school students.



Title I and the SRA Under ESSA

DC's School Reform Act (SRA) was amended with reauthorization of the ESEA

- **The SRA still exempts charter schools** from the following Title I fiscal requirements:
 - Ranking and serving schools by poverty;
 - Required homeless and neglected and delinquent student set-asides;
 - Description of poverty criteria used to select school attendance areas for ranking and serving;
 - Serving children enrolled in private schools; and
 - Providing comparability of services (requirement to ensure that State and local funds to provide services in Title I schools, taken as a whole, are at least comparable to the services provided in schools that are not receiving Title I funds).
- **Maintenance of Effort (MOE) is now required for charter schools- *NEW***
 - DCPS and charter school LEAs must show that either student or aggregate expenditures from last year were at least 90% as high as previous year. OSSE will be providing additional guidance.



Title I, Part A- Education of Disadvantaged

- **Purpose:** provide all children significant opportunity to receive fair, equitable, and high-quality education, and to close educational achievement gaps.
- **State Reservations:**
 - Administration (1 percent)
 - School improvement set-aside increases from 4 percent to 7 percent- **New**
- **Funding formula to LEAs** remains the same as recent years (based on poverty, enrollment, new and expanding charter school data, etc.)
 - New charter schools
 - Enrollment estimate
 - State average rate for poverty
 - Expanding charter schools
 - Enrollment estimate
 - Audited poverty rate
 - Allocations adjusted based on audited enrollment and poverty data the following year



Title I, Part A- Education of Disadvantaged

Required LEA Reservations:

- **Parental Involvement** (Required for allocations above \$500,000)
 - Minimum 1% of allocation
 - 90% must go directly to schools- **NEW** (previously: 95%)
- **Homeless Youth** (DCPS only)
 - Necessary and reasonable amount
- **Neglected and Delinquent Youth** (DCPS only)
 - Necessary and reasonable amount
- **Equitable Services for Private School Students** (DCPS only)
 - Proportionate share
 - LEAs must consult with private school officials regarding use
 - OSSE must notify private school officials of the allocation- **NEW**



Title I, Part A- Uses of Funds

Optional LEA Reservations:

- **Financial Incentives and Awards** (not more than 5%)
- **Early Childhood Education** – Necessary and reasonable amount
- **Public School Choice Transportation** (not more than 5%) – LEAs with Comprehensive and Targeted Support schools only
- **Administration**
 - Necessary and reasonable amount (OSSE applies a 10% threshold and any rate above 10% will receive additional review)

Rank and Serve Changes (DCPS only): *NEW*– Continue to rank schools by poverty % in attendance area, highest-to-lowest, to ensure that students with highest needs are served. Then:

- Must rank/serve all schools with >75% poverty, then may serve below by grade span (same as NCLB).
- **High Schools** – May prioritize remaining funding for high schools with > 50% poverty before other schools which have a poverty percentage between 50 and 75%.



Title I - Supplement, Not Supplant

- **ESSA:** LEA shall demonstrate that the methodology used to allocate State and local funds to each school receiving assistance will ensure that schools receive all of the State and local funds it would otherwise receive if it were not receiving assistance under Title I. **NEW**
- **ESSA:** LEAs cannot be required to:
 - Identify an individual cost or service as supplemental
 - Provide services through a particular method of instruction
- **Timeline**
 - LEAs must comply with new ESSA requirements by December 10, 2017.
 - USED proposed a rule with methodology options but withdrew it January 19, 2017 (before finalizing).
 - USED may provide additional clarifying guidance this year; if not OSSE will assist LEAs with complying with statutory requirement.



Title I, Part A - Uses of Funds

LEA Uses of Funds: The following are now specifically allowed under ESSA:

- Counseling and mental health programs
- Mentoring services
- Access to advanced coursework
- Student behavioral supports
- Recruitment and retention activities for teachers
- Dual enrollment programs

* This list does not include all possible uses of funds.



Section 1003: School Improvement

- Beginning in FFY 17 (SY 2017-2018), OSSE is required to reserve 7% of its Title I, Part A grant to support school improvement activities
- This is an increase from the 4% required under NCLB, which helps to offset ESSA's elimination of NCLB's School Improvement Grant (Section 1003g)
- OSSE will prioritize schools identified for Comprehensive Support and Improvement in the allocation process
- OSSE will be providing additional guidance on these allocations



Title II, Part A – Teachers and Leaders

- **Eliminates 2001 Hold Harmless- *NEW***
 - At the SEA level, ESSA gradually eliminates the NCLB “hold-harmless” provision, which was designed to ensure that LEAs received at least the same amount of funds as in FFY 2001 under previous teacher programs (Section 2101(a)).
 - However, this gradual elimination does not apply to LEAs. Now, if an LEA has a big drop in students served (poverty rate or population), funding may decrease.
- **More Weight Placed on Student Poverty vs. Student Population- *NEW***
 - NCLB formula: 2001 hold harmless amount, then 35% of funds allocated based on LEA population share and 65% based on poverty share.
 - ESSA: no hold harmless. By FFY 2020, weight will shift to 20% population, 80% poverty.
- **LEA Sub-grants: At least 95%**
- **State Administration/Activities: Up to 5% - *NEW***



Title II, Part A – Uses of Funds

LEA Uses of Funds - ESSA maintains significant flexibility, and adds new uses.

- LEAs **must** train teachers for students with disabilities, ELs, gifted/talented.
- LEAs **may** use funds for a wide range of **NEW** uses, including:
 - **Recruitment and retention** - especially in low-income schools with inequitable access to effective teachers
 - **Evaluation systems** based in part on evidence of student achievement, with timely feedback to support educators
 - **Class-size reduction:** now, only “to a level that is evidence based”
 - **Professional development:** now only allowable for high-quality, personalized professional development “that is evidence-based”
 - **Teacher leadership** and feedback to improve teacher working conditions
 - **Early childhood** - including joint professional development with preschool teachers, kindergarten transition, or instruction in early grades
 - **STEM, career and technical education, work-based learning**
 - **Other evidence-based strategies**



Title III, Part A – English Learners

Changes to State Funding Allocations

- **Still true:** Formula based on English learners and immigrant students
- **NEW:** USDE must determine English learners based on number of students taking EL proficiency assessments, Census American Community Survey data, or a combination thereof

State Set-Asides and LEA Allocations

- **State activities:** Up to 5% for SEA activities
- **Direct administration:** Up to 50% of above, maximum \$175,000 administration
- **Optional immigrant reservation:** Up to 15% for eligible entities with significant increase in percent or number of immigrant children
- **Eligible sub-grants:** Remainder of funds allocated to LEAs based on eligible population
- **Eligible entities include:** LEAs alone, in consortia, or in collaboration with higher education, education service entity, CBO, or SEA
- **Consortium:** if allocation would be less than \$10,000, LEAs may join a consortium



Title III, Part A – Uses of Funds

Required uses of funds:

- Effective language instruction
- Effective professional development, including non-EL teachers
- Parent and family engagement- **NEW**

Optional uses of funds:

- Administration: 2% cap – **NEW**- now applies only to administration expenses
- Improving instructional program: curricula, materials, tests, strategies, etc.
- Tutorials or intensive instruction
- Family literacy and outreach
- Preschool
- Postsecondary support
- Educational technology
- Recruiting personnel (only for those with large immigrant increases)
- Other activities



NEW- Title IV, Part A – SSAE

- The new Title IV grant consolidates several programs from NCLB, including:
 - LEA- Physical Education* (NCLB: Title V, Part D, Subpart 1)
 - LEA- School Counseling* (NCLB: Title V, Part D, Subpart 2)
 - SEA- Safe and Drug-free Schools* (NCLB: Title IV, Part A, Subpart 10)
 - Advanced Placement (NCLB: Title I, Part G)
 - Mathematics and Science Partnerships (NCLB: Title II, Part B)
- LEAs may choose to use a portion of their funds to cover expenses in the absence of these previous federal programs (e.g. AP/IB test fees for low-income students)
- OSSE has released guidance on funding for AP/ IB test fees, and may use a portion of its state set-aside for this purpose

* *DC did not receive funding for these programs in FY16*



Title IV, Part A- SSAE

- ESSA created a new formula block grant to states for Student Support and Academic Enrichment (SSAE)
- **Purposes** of this grant are to:
 - Provide all students access to a well-rounded education
 - Improve school conditions for student learning, and
 - Improve the use of technology to improve the academic achievement and digital literacy of all students
- **State funding:**
 - OSSE must distribute 95% of the Title IV, Part A allocation to LEAs
 - OSSE may use 1% for administrative expenses, 4% for supporting LEAs
- **LEA funding:**
 - allocations are based on LEAs' relative share of Title I, Part A funds
 - LEAs which would receive allocations < \$10,000 may form consortia to access their funds
 - LEAs may reserve up to 2% for administrative costs



NEW- Title IV, Part A – Uses of Funds

- **LEAs that receive \$30,000 or more must use funding for each of the following:**
 - **Well-rounded educational opportunities** (at least 20%)
 - College and career guidance and counseling programs, music and arts programs, STEM subjects, accelerated learning (AP/IB) examinations, history, foreign language, environmental education, promoting volunteerism and other activities
 - **Safe and healthy students** (at least 20%)
 - Drug and violence prevention, school-based mental health, supporting a healthy, active lifestyle, preventing bullying and harassment, mentoring and school counseling, school dropout and reentry programs, schoolwide positive behavioral interventions and supports, and other activities
 - **Effective use of technology** (no more than 15% on technology infrastructure)
 - Professional learning tools, technological capacity and infrastructure, academic courses through technology, blended learning, PD technology for STEM subjects, digital learning for students in underserved areas, and other activities
 - **After the minimum percentages, LEAs may use for any other of these purposes**
- **LEAs receiving under \$30,000 may use funding for any of these uses in any ratio**
- **LEAs which would receive an allocation under \$10,000 may join a consortium**



Title IV, Part B – After-School

21st Century Community Learning Centers (21st CCLC) After-School/ Extended Learning Time Programs

- USED is providing guidance on ESSA changes to the program for FY17
- DC will apply for additional federal funds in September, 2017.
- All current 21st CCLC funds are available for continuation grants until June 2017.
- OSSE will provide program updates in spring 2017.



Title IV, Part C – Charter Schools Program

- ESSA moved CSP from Title V, Part B to Title IV, Part C
- OSSE received a 5-year Charter Schools Program (CSP) SEA grant under Title V, Part B of NCLB in 2015
- ESSA changes do not apply to this grant or the subgrants made by OSSE under the current grant
- CSP Dissemination sub-grants are no longer authorized under ESSA. Competitions for the current five year grant (10/1/2015 – 9/30/2020) will continue until the end of the grant period.
- ESSA Title IV, Part C will not apply to CSP sub-grants until OSSE applies for new funding in 2020, at which time OSSE will release new guidance



Consolidated Application

- **Grants Included in Consolidated Application for FFY 2017 (SY 17-18):**
 - Title I, Part A
 - Title II, Part A
 - Title III, Part A
 - **Title IV, Part A- *New***
- **Preliminary Planning Allocations will be Released in July; Timing Pending GANs from USDE**
- **Application Timeline:**

Application	Release	Due Date
Phase I	June 1, 2017	June 30, 2017
Phase II	By July 31, 2017	September 30, 2017
Fully Approved Phase II Application or Potential Re-allocation	N/A	December 31, 2017



Transferability of Funds Under ESSA

- **NEW-** LEAs may now transfer some or all federal funds **from** its allocation of the following federal programs:
 - Title II, Part A – Supporting effective instruction
 - Title IV, Part A – Student support and academic enrichment
- LEAs may transfer these funds **into** any of the following federal programs, for use with these program purposes and requirements:
 - Title I, Part A – Improving basic programs
 - Title II, Part A – Supporting effective instruction
 - Title III, Part A – English language acquisition
 - Title IV, Part A – Student support and academic enrichment
- USED guidance:

<https://www2.ed.gov/policy/elsec/leg/essa/essaguidance160477.pdf>



Next Steps

- LEAs will engage in a readiness walkthrough session to review fiscal and programmatic requirements under ESSA
- In these sessions, we encourage LEAs to identify questions and clarifications needed
- Throughout the day we will be prompting participants to share your thoughts on how OSSE can best support you and your team with this work moving forward



ESSA Readiness Assessment

Purpose: To help LEA leaders assess their readiness to implement key new and/or expanded provisions under ESSA that will be in the 2017-18 release of the Consolidated Application (ConApp).

- The assessment provides an overview of key requirements that will change in the ConApp for the 2017-18 school year, and allows LEAs to rate their readiness to implement these requirements.
- Participants will be provided the upcoming hour and the lunch hour as dedicated time to work through the assessment with members of their LEA teams with support from OSSE facilitators.
- OSSE will use assessment results to identify areas in which LEAs will need more information and guidance during the transition. OSSE requests that LEAs provide a copy of their completed tool by March 30, 2017. LEA results will be used for informational purposes only.



Structure of the Assessment

Rating Levels in Assessment

Color Rating	Description
Green	The LEA is fully ready to implement this requirement.
Yellow	The LEA will be ready to implement this requirement with relatively minor changes to current practice.
Orange	The LEA will need to implement substantial changes to current practice in order to meet this requirement.
Red	No work currently exists in this area. The LEA will need to develop and implement new plans to meet this requirement.

Title I – Part A: LEA plan requirements for the receipt of Title I-A funds.				
IA.	ESSA Citation	Requirement	Key Questions	Readiness Rating
A.	§ 1112(a)(1)(A)	Assurance that the LEA plan was developed with timely and meaningful consultation with teachers, principals, other school leaders, paraprofessionals, specialized instructional support personnel, charter school leaders (as applicable), administrators (including administrators of programs described in other parts of this title), other appropriate school personnel, and with parents of children in schools served under this part.	<ul style="list-style-type: none"> What stakeholders are currently involved in the development of the LEA’s plan for this Title program? What does the LEA do to ensure “timely and meaningful consultation” with these groups? 	G Y O R Notes:



Citation and requirement from ESSA



Key questions to consider



Rating scale and space for notes

COHORT 1: ROOM 4ABC		COHORT 3: BALLROOM C	
Academy of Hope Briya Cedar Tree City Arts & Prep Creative Minds Friendship Ideal Academy LAMB	Maya Angelou Nat’l Collegiate Prep Perry Street Prep Roots Washington Global Washington Latin Washington Yu Ying YouthBuild	Achievement Prep Basis DC Bridges Capital City Center City Cesar Chavez DC Bilingual Howard Univ. MS	IDEA LAYC Career Meridian Paul Richard Wright The SEED WMST
COHORT 4: BALLROOM D		COHORT 5: EXECUTIVE BOARDROOM	
Carlos Rosario DC Prep DC Scholars Democracy Prep DC International Eagle Academy Early Childhood EL Haynes	Inspired Teaching Kingsman Academy KIPP DC Monument Academy Sela Somerset Prep St. Coletta	AppleTree Community College Elsie Whitlow Stokes Excel Academy Harmony DC Hope Community Ingenuity Prep Lee Montessori	M. M. Bethune Mundo Verde Shining Stars The Children’s Guild The Next Step Thurgood Marshall Two Rivers
COHORT 2: ROOM 7		DCPS Attendees: Room 6ABC	Education Stakeholder Attendees: Ballroom B
Breakthrough Mont. Goodwill Excel Rocketship	Sustainable Futures Washington Leader.		



Thank you for your
participation!