

Schoolwide Programs: Funding and Accounting Decisions, Part I

<https://tea.texas.gov/grants/schoolwidefundingandaccounting1/#allocatingfunds>

Step-by-Step Guidance

This guidance is designed for LEAs with campuses that have already operated Title I Part A schoolwide programs. Most of the funding decisions about schoolwide campuses must be made during the spring, after the LEA creates a preliminary budget of all federal, state, and local funds (planning amounts) that will be available for the following school year. By that time, each campus should have conducted its comprehensive needs assessment and determined its educational needs, and should be finalizing its schoolwide program CIP for the next school year.

If a campus operated a schoolwide program in the previous year, it should also have conducted its annual evaluation of the previous school year and modified its CIP as necessary.

If your campus has not previously operated a Title I, Part A schoolwide programs, you should view the [introductory guidance](#) available online from TEA.

Step 1: Allocating Funds to Each Campus

Based upon the district and campus comprehensive needs assessments, your LEA matches its resources to its prioritized educational needs and allocates funds from each of its federal, state, and local funding sources to each of its campuses for the following school year.

Under federal law, LEAs must demonstrate that campuses eligible to receive Title I, Part A funds comply with the supplement, not supplant requirement to ensure that they do not use federal funds to perform services that would normally be paid for with state or local funds. Compliance with supplement, not supplant is usually determined on a cost-by-cost basis to ensure that each cost charged by a campus to federal funds is supplemental or "extra" in relation to costs charged to state or local funds.

LEAs with campuses that operate Title I, Part A schoolwide programs, however, must demonstrate that they comply with supplement, not supplant in a different way. LEAs with schoolwide campuses must pass a test called the **supplemental funds test**. Instead of demonstrating that **specific costs** are supplemental, the supplemental funds test ensures that LEAs **allocate** funds appropriately to campuses that operate Title I, Part A schoolwide programs.

In a schoolwide program, federal funds must supplement the state and local resources the campus would receive in the absence of federal funds. To pass the supplemental funds test, an LEA must demonstrate that the method it uses to allocate state and local funds to its campuses is applied consistently and does not reduce the allocation of state and local funds to a schoolwide campus because of Title I, Part A funds.

When an LEA passes the supplemental funds test, its campuses can use their funds to improve their entire educational program without having to demonstrate that each expenditure is "supplemental." However, the LEA must maintain documentation that verifies that it passed the supplemental funds test and that it applied the same funding methodology to all of its campuses, including those that do not receive Title I, Part A funds.

The following examples show how an LEA may demonstrate that it has used a fair and consistent method to allocate funds to its campuses and passed the supplemental funds test. Please note that none of the schoolwide campuses in the example districts will choose to consolidate federal, state, and local funds (the full consolidation option). More information about [full consolidation and the supplemental funds test](#) is available online.

Step 1, Example 1

Rokesmith Independent School District has five campuses. In order to pass the supplemental funds test, the district has decided that for the upcoming school year, it will allocate state and local funds to all of its campuses based upon its student-per-teacher ratio, which is 22 to 1, and how much it usually pays for staff and supplies, which is as follows:

- each teacher position = \$60,000
- each principal position = \$80,000
- technology cost per student = \$50
- instructional materials per student = \$61

Hexam Elementary School has 300 students and operates a Title I, Part A schoolwide program. The district will make the following allocation of state and local funds:

Hexam Elementary School Allocation of State and Local Funds (Supplemental Funds Test)		
Funding Category	Calculation	Amount Allocated
Funding for 14 teachers (based upon student-per-teacher ratio)	$14 \times \$60,000$	\$840,000
Funding for 1 principal	$1 \times \$80,000$	\$80,000
Technology costs	$300 \times \$50$	\$15,000
Instructional materials costs	$300 \times \$61$	\$18,300
Total allocation of state and local funds		\$953,300

Wilfer High School has 600 students and does not receive Title I, Part A funds. The district will make the following allocation of state and local funds:

Wilfer High School Allocation of State and Local Funds (Supplemental Funds Test)		
Funding Category	Calculation	Amount Allocated
Funding for 27 teachers (based upon student-per-teacher ratio)	$27 \times \$60,000$	\$1,620,000
Funding for 1 principal	$1 \times \$80,000$	\$80,000
Technology costs	$600 \times \$50$	\$30,000
Instructional materials costs	$600 \times \$61$	\$36,600
Total allocation of state and local funds		\$1,766,600

The district uses the same method for all five of its campuses and therefore passes the supplemental funds test. **The district maintains documentation of its method and its calculations for auditing and monitoring purposes.**

Please note that while this district's calculation model is based upon staffing, the district does not necessarily have to use the allocated funds according to the model. The figures in the calculation model are used to generate a fair and consistent allocation amount, but the district can use its discretion to pay a teacher, for example, more or less than \$60,000.

Step 1, Example 2

Wegg Independent School District has five campuses. In order to pass the supplemental funds test, the district has decided that it will allocate state and local funds to its campuses based upon a weighted per-pupil formula, according to the following:

- standard per-pupil allocation = \$4,000
- additional allocation for each low-income student = \$400
- additional allocation for each limited English proficient student = \$600
- additional allocation for each special education student = \$900

Wren Elementary School has 300 students, which includes 200 low-income students, 100 limited English proficient students, and 20 special education students. The campus operates a Title I, Part A schoolwide program. The district will make the following allocation of state and local funds:

Wren Elementary School Allocation of State and Local Funds (Supplemental Funds Test)		
Funding Category	Calculation	Amount Allocated
Standard funding for all students	$300 \times \$4,000$	\$1,200,000
Funding for low-income students	$200 \times \$400$	\$80,000
Funding for limited English proficient students	$100 \times \$600$	\$60,000
Funding for special education students	$20 \times \$900$	\$18,000
Total allocation of state and local funds		\$1,358,000

Wrayburn High School has 600 students, which includes 450 low-income students, 200 limited English proficient students, and 75 special education students. The campus does not receive Title I, Part A funds. The district will make the following allocation of state and local funds:

Wrayburn High School Allocation of State and Local Funds (Supplemental Funds Test)		
Funding Category	Calculation	Amount Allocated
Standard funding for all students	$600 \times \$4,000$	\$2,400,000
Funding for low-income students	$450 \times \$400$	\$180,000
Funding for limited English proficient students	$200 \times \$600$	\$120,000
Funding for special education students	$75 \times \$900$	\$67,500
Total allocation of state and local funds		\$2,767,500

The district uses the same method for all five of its campuses and therefore passes the supplemental funds test. **The district maintains documentation of its method and its calculations for auditing and monitoring purposes.**

Please note that while this district's calculation model is based upon a per-pupil formula, the district does not necessarily have to use the allocated funds according to the model. The figures in the calculation model are used to generate a fair and consistent allocation amount, but the

district can use its discretion to spend, for example, more or less than \$4,000 on each low-income student.

Please go to the web page [Schoolwide Programs: Funding and Accounting Decisions, Part II](#), for Steps 2, 3, and 4 in this process.