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To: Administrators, Asst. Administrators, Title I Coordinators, Grant Managers, Business

Managers, and Committee of Practitioners

From: Angie Richter, Assistant Director, Educational Improvement and Support

Amanda Peterson, Director, Educational Improvement and Support

Date: January 7, 2025

Re: New Title I Allocation Process and Release of 2023 Census Data for 2025-2026

The United States Department of Education (USED) has released the 2023 Census Data for review. The data includes the count of children ages 5-17 reported below poverty on the federal census. The USED uses the 2023 Census data to calculate Title I allocations for the 2025-2026 school year. Districts should review the North Dakota Census data and verify the accuracy of the boundary survey information on which the data are based. Districts may email the Small Area Income and Poverty Estimates (SAIPE) Branch at the Census Bureau for further details on how to challenge census data. The challenge period for the U.S. Census data ends on March 17, 2025. See the USED memo for more information.

Each year, North Dakota Department of Public Instruction (NDDPI) determines the eligibility status for Title I funding for the subsequent school year and sends information to each district. Previously, NDDPI used a complex weighted formula, approved as an alternative poverty method by the USED, using data from the census, foster care, and free and reduced lunch numbers to determine Title I eligibility and allocations for those districts with a population under 20,000. This method focused heavily on the National Free/Reduced Lunch Program (NFLP) forms. Over the last several years, NDDPI has consulted with districts and determined that it is appropriate to join with most other states and resume using the USED method to calculate Title I allocations, beginning with the 2025-2026 school year.

Title I Funds: Understanding the USED Method and District Financial Responsibility

The Title I program provides supplemental funding to help low-income schools improve the academic achievement of educationally disadvantaged students. Title I grants are allocated to districts by the USED using a comprehensive approach, considering several factors when calculating Title I allocations. These factors include the U.S. Census Bureau estimates of income and poverty for all states and counties, provided in four different formulas. These estimates are derived from statistical models using census data, household survey data, population, and other poverty data records (taxes, SNAP benefits, etc.). USED's approach aims to provide accurate estimates (not direct counts) of income and poverty for the administration of federal programs and the allocation of federal funds. The Small Area Income and Poverty Estimates (SAIPE) Program (census.gov) can be accessed for additional information.

The School District Review Program (SDRP), a key tool utilized by USED, plays a pivotal role in calculating Title I allocations. It uses census data, specifically focusing on poverty from ages 5-17, not enrollment. Therefore, the SDRP's primary concern is financial responsibility, a critical aspect that guides the calculation of the poverty estimates used to determine the distribution of Title I funding. The SDRP deems a school district financially responsible when it covers the education costs of the students residing within their boundaries, ensuring a fair and equitable distribution of funds.

Financial Responsibility can look like the following:

- Having meaningful consultations regarding student needs and supporting all student needs (regardless of where those students reside) with additional dollars through local service agreements
- Developing local processes or procedures to better serve students with Title I funds through the sharing of personnel and/or evidence-based materials across school districts School Districts that only serve the elementary grade levels (e.g., PK-8, K-5) are considered K-12 elementary school districts for the SDRP (used by USED to calculate Title I allocations). Therefore, these school districts are financially responsible for the education of K-12 students residing in their district. When a school district sends its students to schools outside its boundaries, it is represented as a K-12 elementary school district. The Title I methodology differs from the State foundation aid formula, which follows where the student is educated. Conversely, when a student attends another school outside its boundaries, Title I funds remain where the U.S. Census initially counted that student.

The <u>2024-2025 Allocation Comparison to New Method</u> chart shows the current 2024-2025 Title I final allocations and what the allocations would have been using the USED method. It provides an estimation of the changes the district might expect for the 2025-2026 grant using the USED method for the distribution of Title I allocations. As a reminder, NDDPI usually receives estimated allocations from the USED in late March and final allocations in July.

NDDPI provides general <u>Title I Part A</u> information on how districts may spend Title I funds under the Every Student Succeeds Act. In addition, NDDPI has developed the <u>Funding Your Plan</u> guidance as a key resource for districts to support sustainable efforts that are evidence-based and focused on student outcomes. This guidance should be used in tandem with other guidance.

The release of Census data and Title I eligibility information can be found on the NDDPI website: <u>Title I Funding</u>.

If you have any questions regarding Title I allocations, please contact <u>Angie Richter</u> at (701) 328-2287.