

## Supplement Not Supplant (SNS): Title I, Part A and LAP

Although both Title I, Part A and LAP have SNS requirements, we need to think of them in different contexts. Title I, Part A SNS requirements look solely at distribution of state and local resources to buildings, whereas LAP SNS requirements analyze LAP funds *only*.

### Title I, Part A

In general terms, Title I, Part A funds should be in addition to (supplement) and not replace (supplant) state and local funds.

LEAs are responsible for documenting that it had a methodology to distribute funding and staffing to schools without taking Title I, Part A funds into account. LEAs will not be submitting their methodology to OSPI for approval. They should have the methodology available for auditing purposes. The LEA should be able to show that it has a method for distributing state and local resources to schools prior to allocating federal Title I, Part A funds. Clear documentation will be important for subsequent audits and program reviews.

Note: Adopting the "NCLB Three Presumptions of Supplanting" is not a sufficient methodology for resource distribution under ESSA.

For the methodology, OSPI is allowing that:

1. LEAs can use the allocation of staffing units, rather than funds, for allocation of all employee related costs. This means it can exclude compensation from their methodology and instead use staff units (FTE).
2. The LEA methodology for distributing state and local resources only applies to charges allowed under Title I, Part A as listed in the OSPI [SAFS](#) accounting manual. Consistent with the accounting manual and the Uniform Grants Guidance, the Title I, Part A costs must be necessary, reasonable and allocable. As such, the methodology for distribution of state and local resources only applies to equivalent Title I, Part A charges. The methodology should address any of the following if allocated at the building level:
  - Teaching
  - Learning Resources
  - Guidance and Counseling
  - Supervision (administrative)
  - Health Related Services
  - Instructional Professional Development
  - Instructional Technology
  - Curriculum
  - Communications (such as translation for parent/family engagement)

Exclusions from the methodology:

Any centrally administered resources: employee-related compensation, curriculum purchases, etc.

- Costs that are Title I, Part A allowable only in limited circumstances:
  - Maintenance & Utilities
  - Student transportation

- Costs that are never allowed under Title I, Part A, either through ESSA or the Uniform Grants Guidance: debt service, capital expenditures, building repair costs, bus depreciation, food service, and child nutrition. It will also exclude costs already obligated for specific building repairs through locally approved capital levies and bonds.

LEA's documentation should explain these three areas:

1. The distribution of state and local staff units and funds to schools for each school year using a methodology that did not take into account a school's Title I, Part A status.

Questions to address in the documentation:

- What was the process used for distributing staff (FTE) for principals, teachers, and paraeducators, etc.?
  - Is there an additional weight or consideration for student factors, such as English language learners, special education, and free and reduced price lunch eligibility?
  - What is the process used to allocate funds for consumable materials to schools?
  - Document exceptions: if the district centralizes certain programs, or locates certain programs at one building, document this.
2. Demonstration that the methodology doesn't reduce funding for Title buildings.
  3. Evidence that they followed their published methodology, e.g., staff allocations, applicable budgets.

**Exemption: LEAs with only one school are exempt from this requirement.**

**Note:** The methodology does not mean that each school will necessarily receive the same staff level or amounts per student. The methodology may have additional amounts based on the needs of the student population, i.e. a weighted methodology. The key for the SNS analysis is that the LEA can document and explain that Title I, Part A was not a factor in how state and local resources were distributed.

## Other Considerations

SNS is one of three fiscal tests:

1. **Maintenance of Effort (MOE)** – LEAs must maintain a consistent floor of state and local funding for free public education from year-to-year.
2. **Comparability** – state and local funds are used to provide services that, taken as a whole, are comparable between Title I and non-Title schools.
3. **Supplement Not Supplant (SNS)** – LEAs must distribute state and local funds to schools without taking into account a school's participation in the Title I program.

It is a common misconception that if an LEA is in compliance with comparability, then it is automatically in compliance with SNS. Although both of these tests look at how the LEA distributes state and local funds to schools, they are separate tests that measure different things.<sup>1</sup>

---

<sup>1</sup> ESSA's Title I, Part A Supplement not Supplant Requirement Presentation by CCSSO August 30, 2017

### **Example 1 – Comparability compliance but not SNS compliance**

- An LEA demonstrates comparability through student/instructional staff ratios, but
- Does not meet SNS because it provides extra state/local money to non-Title I schools for technology purchases, but not to Title I schools because it expects Title I to pay for those technology purchases in those schools.

### **Example 2 – SNS compliance but not comparability compliance**

- An LEA meets SNS because it can demonstrate it did not take Title I status into account when distributing its state/local funds to schools, but
- Does not demonstrate comparability because the LEA's non-Title I schools have lower student/instructional staff ratios than its Title I schools.

The approach (though not the mechanics) of SNS is now more like other fiscal tests, such as MOE and comparability because it is based on funding.

- In other words, how an LEA funds its schools is the inquiry: does the LEA do so in a Title I neutral manner?
- Individual Title I costs are no longer part of an SNS analysis.

### **ALLOWABILITY**

Title I costs must still be allowable under the Title I program.

- At a minimum this means:
- Costs still must only benefit eligible students (eligible students = all students in a schoolwide program and identified students in a targeted assistance program).
- Costs must be permissible under Title I and ESSA generally (note that ESSA clarified the wide uses of funds that can be permissible under the Title I program).
  - Context matters, e.g., a school operating a schoolwide program should be able to demonstrate that a Title I cost is consistent with the school's needs assessment and schoolwide plan.
  - Costs must still be necessary and reasonable.

For more on necessary and reasonable see CCSSO's *A Guide to State Educational Agency Oversight Responsibilities under ESSA: The Role of the State in the Local Implementation of ESSA Programs*:

[http://www.ccsso.org/Documents/2017/ESSA/CCSSO State Authority Over ESSA Programs.pdf](http://www.ccsso.org/Documents/2017/ESSA/CCSSO%20State%20Authority%20Over%20ESSA%20Programs.pdf)

**Excerpt from U.S. Department of Education, *Supporting School Reform by Leveraging Federal Funds in a Schoolwide Program* (2015), page 10**

Assume:

- ✓ 1 teacher per 22 students (\$65,000/teacher)
- ✓ 1 principal/school (\$120,000)
- ✓ 1 librarian/school (\$65,000)
- ✓ 2 guidance counselors/school (\$65,000/guidance counselor)
- ✓ \$825/student for instructional materials and supplies (including technology)

In a school of 450 students, the school would be expected to receive \$2,051,250 in non-Federal resources based on the following calculation:

<b>Category</b>	<b>Calculation</b>	<b>Amount</b>
1 principal	1 x \$120,000	\$120,000
1 librarian	1 x \$65,000	\$65,000
2 guidance counselors	2 x \$65,000	\$130,000
21 teachers	21 x \$65,000	\$1,365,000
Materials, supplies	450 x \$825	\$371,250
Total		\$2,051,250

To meet the [NCLB schoolwide program SNS test, known as the] supplemental funds test, an LEA would need to distribute non-Federal resources according to the assumptions above to all of its schools, regardless of whether a school receives Title I funds and operates a schoolwide program. This example does not, however, suggest that non-Federal funds must be used to support the activities in the table above; rather, Title I funds may be used to support any activity identified by the comprehensive needs assessment and articulated in the comprehensive schoolwide plan.

## Learning Assistance Program (LAP)

The LAP SNS provision began in 2017-18, due to the increase in LAP funding for high poverty schools. Engrossed House Bill 2242 Section 403 states "This funding [LAP High Poverty building allocations] must supplement and not supplant the district's expenditures under this chapter [LAP] for those school buildings." Further, the Legislative Agency Detail note provides additional intent. It states "The High Poverty-Based Learning Assistance Program funding allocations must be distributed to the school building that generates the funding and may not supplant the broader Learning Assistance Program funding."

The guiding principle is that the LAP Base Allocations are distributed to schools based on a clear educational purpose and the LAP High Poverty School Allocation provide additional funds to the school. A LAP High Poverty School Allocation should not replace a LAP Base Allocation. The LAP High Poverty School Allocation is intended to be additional.

The rules and tests for supplanting under Title I, Part A under No Child Left Behind or the Every Student Succeeds Act are different than the LAP supplanting tests.

The state Legislature wrote a specific supplement not supplant provision that only applies to the LEA's expenditures for LAP Base Allocation and High Poverty School Allocation. Unlike Title I, Part A supplanting, the LAP supplement not supplant provision does not consider services funded with general apportionment or federal programs.

The LEA needs to ensure that the High Poverty School Allocation is *an additional amount* for the school. It cannot be *instead* of a LAP Base Allocation. OSPI is not requiring that the LAP Base amount stay static in school year after year. It also recognizes that some schools receiving the LAP High Poverty School Allocation have not previously received LAP funds.

Table 1 on the next page provides four examples. These examples take into account that not all schools in an LEA previously received a LAP Base Allocation and that an LEA may need to reprogram its LAP Base Allocation.

**Example 1 Supplementing:** Apple Elementary School is an example of the LEA adding more the LAP High Poverty School Allocation on top of the LAP Base Allocation.

**Example 2 Supplanting:** Banana School is an example of the LEA explicit supplanting. The LEA has removed the LAP Base Allocation from the Banana School because it is receiving a LAP High Poverty School Allocation. It is not receiving any additional funds. This is not allowed.

**Example 3 Supplementing:** Cherry Middle School is new to LAP for the 2017-18 school year. The LEA previously dedicated LAP to elementary schools and is going to continue to prioritize LAP in elementary schools. Now Cherry Middle School will receive the LAP High Poverty School Allocation. This is not supplanting because there is a clear educational reason for the way LAP Base is distributed.

**Example 4 Supplementing:** Date High School is more complicated. The LEA reduced the LAP Base Allocation to the school because the LEA experienced a LAP reduction. It opted to prioritize K-4 services and reduced allocations to all other programs by 25 percent. This is an example where the LEA has a clear educational purpose for how it distributes its LAP Base Allocation and can justify the change.

**Table 1: Supplement not Supplant Examples with the LAP High Poverty School Allocation**

<b>(A)</b> <b>Example School</b>	<b>(B)</b> <b>2016-17 LAP Base Allocation</b>	<b>(C)</b> <b>2017-18 LAP Base Allocation</b>	<b>(D)</b> <b>2017-18 High Poverty Schools Allocation</b>	<b>(E)</b> <b>2017-18 Combined LAP at the School</b>  <b>Column (C) + Column (D)</b>	<b>(F)</b> <b>2017-18 Net NEW LAP at the School</b>  <b>Column (E) - Column (B)</b>	<b>(G)</b> <b>Is the LAP High Poverty School Allocation supplementing or supplanting the LAP Base Allocation?</b>
<b>Example 1:</b>  <b>Apple Elementary School</b>	\$100,000	\$100,000	\$100,000	\$200,000	<b>\$100,000</b>	<b>Supplementing</b> The LAP High Poverty School Allocation is in addition to the LAP Base Allocation.
<b>Example 2:</b>  <b>Banana Elementary School</b>	\$100,000	\$0	\$100,000	\$100,000	<b>\$0</b>	<b>Supplanting</b> The LAP High Poverty School Allocation replaced LAP Base Allocation. This is not allowed.
<b>Example 3:</b>  <b>Cherry Middle School</b>	\$0	\$0	\$100,000	\$100,000	<b>\$100,000</b>	<b>Supplementing</b> The LAP High Poverty Allocation is in addition to. In this case the LAP Base amount was zero before and continues to be zero for educational reasons because the LEA put LAP Base Allocation only in elementary schools.
<b>Example 4:</b>  <b>Date High School</b>	\$100,000	\$75,000	\$100,000	\$175,000	<b>\$75,000</b>	<b>Supplementing</b> The LAP High Poverty School Allocation is in addition to. In this case, the LAP base amount was reduced because the LEA had a decline in its LAP Base Allocation. It prioritized K-4 over all other programs. It had an educational reason for reducing the LAP Base Allocation.