

Title I, Part A

Supplement Not Supplant

Guidance for Illinois Local Education Agencies

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Introduction

The Title I, Part A supplement not supplant (SNS) provision specifies that Local Education Agencies (LEAs) must use Title I, Part A funds to supplement – rather than replace – state and local funding for K-12 education. The provision ensures that Title I schools receive the state and local funds they would otherwise receive were they not eligible for Title I funds. SNS requirements apply to many federal education programs, but this guidance document pertains only to SNS for Title I, Part A programs and Title I School Improvement programs [Section 1003 (e)(2)] under the [Elementary and Secondary Education Act \(ESEA\) of 1965](#), as reauthorized by the [Every Student Succeeds Act \(ESSA\) of 2015](#).¹ ISBE's guidance aligns with [2019 U.S. Department of Education](#) (ED) non-regulatory guidance and outlines the steps LEAs may take to ensure compliance with the Title I, Part A SNS provision. ISBE encourages LEAs to familiarize themselves with ED's guidance, as it addresses many topics not directly included in this document.

Definition and Purpose of Supplement Not Supplant

ESEA Section 1118 (b)(1) mandates that a LEA use funds received under Title I, Part A only to supplement the funds that would, in the absence of Title I, Part A funds, be made available from state and local sources for the education of students participating in programs assisted under Title I, Part A. Compliance with this SNS requirement ensures that students participating in Title I, Part A education programs receive federal funding in addition to and not in place of state and local funding.

Change in SNS Compliance Under ESSA

Under the No Child Left Behind (NCLB) Act of 2001, individual Title I, Part A costs and services were evaluated against three presumptions of supplanting.² Under ESSA, states can no longer require that LEAs identify how individual costs or services supported by Title I, Part A are supplemental. Instead, LEAs document SNS compliance by demonstrating that the methodology they use to allocate state and local resources to schools is Title I neutral.³ That is, LEAs must show that state and local funds are distributed to schools without regard to their Title I status (neutrally). When allocates state and local resources through a methodology that does not consider whether a school will receive Title I, Part A funds, it ensures that the Title I, Part A funds are supplemental to state and local resources. This Resource Allocation Methodology (RAM) reduces the burden placed on LEAs to verify that individual costs or services meet the SNS stipulations and encourages the effective coordination of Title I, Part A funds alongside other resource streams to assist the students most in need.

Title I, Part A SNS Requirement

Resource Allocation Methodology

A Resource Allocation Methodology refers to the procedure a LEA uses to distribute state and local funds across schools. A LEA may have one districtwide methodology that it applies consistently across all schools, or it may develop methodologies that vary based on school type, grade span, school size, etc. Regardless of whether a LEA employs one or more than one methodology, each must be neutral with regard to Title I status.

¹ For the sake of simplicity, we will refer only to Title I, Part A SNS throughout this document. However, all content and compliance information regarding the SNS requirement in this guidance pertains to both Title I, Part A and 1003(a) School Improvement grants.

² Under NCLB, supplanting was presumed if Title I, Part A funds were used for:

- (1) An activity required by federal, state, or local law;
- (2) An activity that was paid for with state or local funds in the prior year;
- (3) The same services for Title I students that state and local funds support for non-Title I students.

³ See page 14 of the [2019 U.S. Department of Education non-regulatory guidance](#) for further details on Title I neutrality.

Exemptions

A LEA is not required to document its RAM for purposes of compliance with Title I, Part A SNS if:

1. The LEA has only one school,
2. The LEA has all Title I schools, or
3. All grade spans are exempt. A grade span is exempt from having a methodology if:
 - a. A grade span has a single school,
 - b. All schools in the grade span are Title I schools, or
 - c. All schools in the grade span are non-Title I schools.

While an exempt LEA is not required to maintain a RAM, it must still adhere to the SNS requirement under ESEA Section 1118(b)(1) and comply with all federal, state, and local laws.⁴ Additionally, LEAs must maintain documentation of exemption. An example of an appropriate statement for exemption can be found in Appendix C. See the table below for possible exemption scenarios:

Example	Exempt/Not Exempt	Reason
Single-Site LEA	Exempt	The LEA only has a single school.
Elementary School Middle School High School	Exempt	Each grade span has a single school.
3 Elementary Schools, all Title I 2 Middle Schools, all Title I 1 High School, Not Served	Exempt	Though there are multiple elementary schools and middle schools, all are Title I. The high school is the only site in its grade span.
2 Elementary Schools, Title I 1 Elementary School, Not Served 2 Middle Schools, Title I 2 High Schools, Title I	Not Exempt	There are both Title I, Part A schools and non-Title I, Part A schools in the elementary category, so the LEA is not exempt. Therefore, the LEA must have a RAM for elementary sites. However, since both the middle school and high school sites are all Title I, the LEA is exempt from maintaining a RAM for middle school and high school sites. ⁵

Suggested Components of a Resource Allocation Methodology

If a LEA is not exempt from maintaining a RAM, it must document the Resource Allocation Methodology used to distribute state and local funding to schools. ISBE suggests that the RAM include the following components:

1. School enrollment and Title status: The LEA should include school enrollment data. In general, LEAs should use the same enrollment data they use to allocate funds each year. This may be based on projections or prior year data. LEAs should also indicate the Title status for each school.
2. Statement of methodology: The LEA should state:

⁴ [U.S. Department of Education 2019 Non-Regulatory Guidance](#), page 20

⁵ The contents of the Exempt/Not Exempt table borrow from pages 11-12 of [the Texas Education Agency's 2023 Supplement, not Supplant Handbook](#).

- a. The type of methodology used (per-pupil, weighted per-pupil, or personnel and non-personnel costs); and
 - b. Whether the allocation method was determined on a districtwide basis or by school category (elementary vs. high school).
3. Criteria used in methodology: The LEA should clarify the criteria used to distribute state and local funds to schools. For example, this may include LEA per-pupil amounts, weights assigned by student characteristic, personnel categories and allocation ratios, etc.
4. Mathematical calculation: The LEA should apply the type of methodology using the criteria outlined previously to demonstrate how it arrived at the total allocations of state and local funds for each school in the LEA.
5. State and local funds excluded from RAM: The LEA should document any funds that meet the criteria outlined for exclusion from the RAM. See below for more details on the funds that may be excluded from the RAM.
6. Assurances: The LEA should include a statement of assurance that state and local funds are allocated in accordance with the resource allocation methodology and that any state and local funds not allocated to schools are used without regard to each school's Title I status.

Please refer to Appendix B for examples of specific Resource Allocation Methodologies.

Resources Not Allocated to Schools

According to ED's guidance⁶, there are two scenarios in which state and local funds may be excluded from the school allocations within a Resource Allocation Methodology:

1. Resources not allocated to schools, such as expenditures for districtwide activities like transportation, may be excluded from school allocations. LEAs do not typically allocate all state and local resources to schools. The specific accounts a LEA chooses to withhold from school allocations will depend on its approach to site-level or centralized costs. However, resources not allocated to schools must still be used in a manner that does not consider Title I status. For example, a LEA may allocate certain pupil support services, such as social work services, on a districtwide basis because its social workers serve more than one school. Costs associated with this service may be withheld from the school allocations within the RAM, but the services must still be allocated in a way that is Title I neutral.
2. Per ESEA Section 1118(d), supplemental state and local funds used for programs that meet the "intent and purpose" of Title I, Part A may be excluded from the supplanting determination. The "intent and purpose" of Title I, Part A is clarified in [34 CFR 200.79](#). In these instances, state and local funds for such programs can be excluded from SNS calculations. For example, an after-school program that supports at-risk youth meets the intent and purposes of Title I, Part A; therefore, such a program could be funded with state and local funds in a non-Title I school while leveraging Title I funds at a Title I school. Per ED's guidance, "this allows a LEA to take a school's Title I status into account if allocating to schools supplemental State and local funds for programs that meet the intent and purposes of Title I, Part A, as permitted by the exclusion."⁷

Funds in both scenarios can be excluded from the formula used to allocate state/local resources to schools, but they must be separately documented to ensure SNS compliance.

RAM Validation – Total Budgeted State and Local Expenditures

In general, the RAM developed by each LEA should align with total budgeted expenditures from state and local sources as identified in the school LEA budget form. Using the LEA budget to validate the RAM ensures that the RAM accurately captures all state and local resources as required by ESSA.

⁶ [U.S. Department of Education 2019 Non-Regulatory Guidance](#), pg. 22

⁷ [U.S. Department of Education 2019 Non-Regulatory Guidance](#), pg. 15.

To identify total budgeted expenditures from state and local sources, LEAs should calculate the sum of planned expenditures from Funds 10, 20, 40, 50, and 80, less any expenditures for community services (Function 3000), capital expenditures outside of Fund 60 (e.g., Object 500), and expenditures from federal sources.⁸

The resulting figure should be compared to total allocations captured within a LEA's RAM. This would be the sum of the LEA's school-level allocations and any state and local funds excluded from school-level allocations. Depending on the allocation method, there will be an acceptable amount of variance between budgeted expenditures from state and local sources and the allocations in the RAM. For instance, if a LEA uses average salary figures in the RAM, the resulting total will differ from budgeted salary expenditures.

LEA Responsibility and Procedures

LEAs must annually assure compliance with Title I, Part A SNS when completing the ESEA of 1965 Amended Application. While ISBE does not require LEAs to submit the RAM, non-exempt LEAs must maintain a well-documented RAM that demonstrates Title I, Part A SNS compliance; exempt LEAs must maintain a Statement of Exemption.

Steps for Acknowledging Compliance or Exemption

LEAs should identify their exemption status before providing an assurance of compliance within the annual ESEA of 1965 Amended Application. On an annual basis, LEAs should determine whether they are exempt from the requirement to maintain a RAM using the exemption criteria outlined on page 3. All LEAs verify compliance by checking and signing the Program Assurances, which includes assurances for Title I, Part A SNS. Depending on a LEA's exemption status, a documented RAM or Statement of Exemption must be maintained locally.

Revisions to a Resource Allocation Methodology

At minimum, LEAs should revisit their RAM annually to confirm that the documented methodology continues to capture how state and local resources are distributed to schools.

Monitoring

The ISBE Federal State Monitoring Department may request a copy of the SNS methodology or Statement of Exemption when reviewing Title I, Part A expenditures. Common monitoring visit findings while examining SNS may include:

- Traditional presumptions of supplanting do not apply to Title I, Part A. A LEA might try to apply them to Title I, Part A.
 - Traditional presumptions may include:
 - Provide same services/activities as those provided in prior school year with state or local funds.
 - Provide same services/activities in federal and non-federal programs.
- Ineligible for exemption. LEAs sometimes apply exemptions incorrectly. See exemptions below.
 - The LEA has only one school,
 - The LEA has all Title I schools,
 - All grade spans are exempt. A grade span is exempt from having a methodology if:
 - A grade span has a single school,
 - All schools in the grade span are Title I schools, or
 - All schools in the grade span are non-Title I schools.

⁸ The procedure outlined here is consistent with ED's definition for Current Expenditures (e.g., costs that support the ongoing operation of schools and LEAs for public education, such as expenditures for staff salaries and benefits, administration, pupil transportation services, and supplies; expenditures for community services, capital outlay, and debt are excluded). Put differently, total budgeted expenditures from state and local sources will capture all accounts included in the per-pupil calculations within the Site-Based Expenditure Report.

The Federal State Monitoring Department may also examine comparability during a monitoring visit.

- Both comparability and SNS examines how LEAs distribute state and local funds and/or resources to schools, but they are separate tests that measure different things. Comparability measures services, SNS examines local fund distribution.
 - Comparability requires that state and local funds are used to provide services that, taken as a whole, are comparable between Title I and non-Title I schools.
 - SNS requires LEAs to distribute state and local funds to schools without taking into account a school's participation in the Title I program.

Though the source of funds for both fiscal tests are similar (i.e., state and local), situations may occur where the LEA satisfies the requirements within one while failing those of the other. For this purpose, ISBE will not use comparability results to meet the SNS requirement.

The following examples provide scenarios in which LEAs may satisfy the requirements of one while violating the requirements of the other.

Example 1 -- Supplement not supplant compliance is met, but comparability is violated: *The LEA demonstrates compliance with supplement not supplant because it can demonstrate that it did not consider the Title I status of schools when distributing state and local funds to schools; however, the LEA does not satisfy comparability requirements because the LEA's non-Title I schools have lower student/instructional staff ratios than its Title I schools.*

Example 2 -- Comparability compliance is met, but supplement not supplant is violated: *The LEA demonstrates compliance with comparability through student/instructional staff ratios; however, the LEA does not satisfy supplement not supplant requirements because additional state/local funding is provided to non-Title I schools for technology purchases but not to Title I schools because the LEA expects the Title I school to pay for those technology purchases with Title I, Part A funds.*

Appendices

Appendix A: FAQ

1. Are there any instances in which LEAs may consider a school's Title I status when allocating resources?

- a. Yes. Per ESEA Section 1118(d), a LEA may consider a school's Title I status when allocating supplemental state and local funds for programs that meet the intent and purpose of Title I, Part A. As such, there are instances in which a program that meets the intent and purpose of Title I, Part A may be funded by Title I, Part A funds at a Title I school and by state or local funds at a non-Title I school. LEAs must ensure that the funds meet both criteria; that is, they must be supplemental **and** used for programs that meet the intent and purpose of Title I Part A as clarified in [34 C.F.R. § 200.79](#). However, there is no statutory definition of "supplemental" state or local fund sources. LEAs are encouraged to review ED's [guidance](#) on this topic (see pages 24-27), which provides sample criteria and several examples. Below, we reproduce one example from ED's guidance.

Example: Assume

- a. Through its methodology, a LEA allocates to only non-Title schools state and local funding to support after-school tutoring for any student who scores below proficient on the state's mathematics assessment.
- b. In its Title I schools, the LEA uses Title I, Part A funds to support after-school tutoring for any student who scores below proficient on the state's mathematics assessments.

This example would not violate the supplement not supplant requirement. Although the LEA is taking into account Title I status when allocating state and local funds through its methodology by only allocating to its non-Title I schools the state and local funds for the tutoring program, tutoring is a supplemental program and it benefits students who, by virtue of being non-proficient in mathematics, are failing to meet the state's mathematics standards. Therefore, the state and local funds supporting tutoring qualify for the exclusion because the program is supplemental and meets the intent and purposes of Title I, Part A pursuant to 34 C.F.R. § 200.79(b).

2. If a LEA's RAM is Title I neutral, may it use Title I, Part A funds on costs that would typically not be allowable under Title I, Part A?

- a. No. The changes to SNS do not alter requirements regarding the allowable uses of Title I, Part A funds. All costs must be reasonable, necessary, and allocable under the rules of the grant.

3. If a LEA's RAM is Title I neutral, may schools use Title I, Part A funds on costs that would previously have violated the supplanting presumptions?

- a. Yes. Per ESEA Section 1118 (b) (3), no LEA may be required to use the three presumptions of supplanting that were traditionally used to determine if a specific use of Title I, Part A funds was supplemental. The RAM requirement replaces the three presumptions (listed as a footnote on page 2); once a Title I neutral RAM is in place, the use of Title I, Part A funds may not be subjected to further SNS testing. While the Resource Allocation Methodology replaces the three presumptions for Title I, Part A SNS compliance, they remain in place for other federal programs. Note that, per No. 2 above, Title I, Part A expenditures must still meet the requirements for allowable use.

Example 1

A LEA has been paying for reading and math intervention software using state and local funds at a Title I school. This year, it wants to shift these costs to Title I, Part A. Provided that the LEA's RAM shows that it

has allocated all state and local funds without regard to Title status, it may use Title I, Part A funds on any expenditure allowable under Title I.

Example 2

A LEA distributes state and local resources to schools using a weighted per-pupil approach without regard to Title status. These allocations typically cover the salary of an instructional coach at each campus. Its middle school campus is designated as Comprehensive under the state's accountability system and is in the first year of implementation. The LEA may move salary costs for the middle school's instructional coach to its 1003 School Improvement grant, provided that the middle school retains the use of the state and local funds that would otherwise have been dedicated to the salary. In this way, the state and local funds can be put to more flexible use.

- 4. A LEA's RAM uses average salary figures when allocating staff to schools. As a result, the sum of the state and local resources in its RAM, including resources allocated to schools and resources withheld from the RAM for districtwide activities, does not match budgeted state and local expenditures. What level of variance is acceptable when comparing state and local resources in the RAM and in the LEA budget?**
 - a. LEAs have flexibility when developing a methodology for allocating state and local funds to schools, including by basing allocations on estimated average costs. Depending on the methods used, there may be considerable variance between the RAM and the total state and local resources included in the LEA budget. For this reason, ISBE does not have a threshold for an acceptable level of variance. However, a LEA should be able to account for those differences and otherwise maintain appropriate documentation to demonstrate that it has allocated state and local resources to schools in alignment with its methodology.
- 5. Can a LEA use a combination of methodologies in its RAM?**
 - a. Yes. A LEA can use multiple methodologies to allocate state and local funds to its schools. For example, LEAs may consider allocating funds differently based on grade span.
- 6. Does a LEA need to develop a new methodology for allocating resources to comply with Title I, Part A SNS requirements?**
 - a. No. LEAs are free to use their existing RAM, provided that it is neutral with regard to each school's Title status. Additionally, if the existing RAM covers all revenue sources, it should clearly differentiate between state and local resources and federal or other resources.
- 7. Should a LEA's RAM be revised to account for changes during the school year that might result in non-compliance?**
 - a. No. Per ED's guidance⁹, a LEA's RAM demonstrates how it will allocate state and local resources to schools. LEAs should make this demonstration only once, ideally during the budget process and in advance of the school year; they are not required to continuously demonstrate compliance throughout the school year. Additionally, a RAM need not account for last-minute changes prior to the school year that might impact compliance. For example, if an experienced teacher resigned or transferred prior to the beginning of the school year, a LEA may replace that teacher with a less experienced teacher without risking non-compliance as long as the school's Title I status is not a factor in the decision.

⁹ [U.S. Department of Education 2019 Non-Regulatory Guidance](#), page 17, FAQ No. 14.

Notwithstanding the above, LEAs should revisit their RAM on an annual basis to ensure that it reflects the most recent approach to allocating state and local resources.

8. Must a LEA submit its RAM to ISBE for approval?

- a. No. Within the ESEA of 1965 as Amended Application in IWAS, LEAs provide an assurance of compliance with SNS (along with other grant provisions). They are not required to separately submit the RAM to ISBE. However, the ESEA requires that states monitor LEAs to ensure compliance. Upon request during the monitoring process, LEAs should be ready to provide documentation of its RAM.

9. If a LEA is exempt from the comparability requirement, is it also exempt from the Title I, Part A SNS requirement?

- a. Not necessarily. Comparability of Service is different from the supplement not supplant requirement and thus exemption is not equivalent. Please see exemptions criteria on page 3 for additional information.

10. In a targeted assistance program, must Title I, Part A funds be used only to serve students who are failing, or most at risk of failing, to meet the state's challenging academic standards?

- a. Yes. Title I, Part A funds may only be used for allowable costs. In a targeted assistance program, Title I, Part A funds may only be used to serve students who are failing, or most at risk of failing, to meet the State's challenging academic standards (ESEA Section 1115(a)).

However, the manner in which a LEA demonstrates compliance is the same, regardless of the type of Title program. Per ESEA Section 1118(b)(3), no LEA is required to identify that an individual cost or service supported under Title I, Part A is supplemental. Additionally, no LEA is required to provide services under Title I, Part A through a particular instructional method or a particular instructional setting in order to demonstrate compliance. Ultimately, LEAs demonstrate compliance with Title I, Part A SNS by having a RAM that is neutral with regard to Title status.

Appendix B: Example Resource Allocation Methodologies

Below are two example LEAs. Each LEA file contains information about the example LEA (number of students per school, served vs. non-served schools), as well as example Resource Allocation Methodologies.

[Example LEA 1](#)

Example LEA 1 has both a weighted student funding example and a staff salaries/supplies methodology.

[Example LEA 2](#)

Example LEA 2 just has a single staff salaries/supplies example but includes different average salaries for each grade span.

Appendix C: Example Statement of Exemption

Statement of Exemption

School Year:

LEA Name:

RCDT:

Title I, Part A Supplement Not Supplant Compliance Requirement

Under ESSA Title I, Part A, the LEA must either demonstrate a valid SNS methodology that is used to allocate state and local funds to schools or have a Statement of Exemption.

Statute: *All LEA shall use federal funds received under this part only to supplement the funds that would, in the absence of such federal funds, be made available from state and local sources for the education of students participating in programs assisted under this part, and not to supplant such funds.*

The LEA, named above, will not be required to demonstrate a methodology for allocating its state and local funds for the reason indicated below:

- ☐ The LEA has only one school.
- ☐ All schools in the LEA are Title I schools.
- ☐ The LEA has only one school in each category (elementary school, middle school, high school).
- ☐ All school categories are exempt, either because all schools are Title I schools, all are non-Title I, or the category has just a single school.

School Name	RCDTS	Grades	Title I [Y/N]

[Attach a list of schools if more space is required.]

Printed Name of Authorized Official

Date

Signature of Authorized Official

Date