



STATE OF NEW HAMPSHIRE
**American Recovery
and Reinvestment Act**



**TITLE I, PART A
NEW HAMPSHIRE ALLOCATION INFORMATION
APRIL 2009**

Title I, Part A provides financial assistance to LEAs for services that improve the teaching and learning of children at risk of not meeting academic achievement standards, especially those children who reside in areas with high concentrations of children that live in poverty. Title I, Part A funds made available under the American Recovery and Reinvestment Act of 2009 (ARRA) provides new funding to LEAs, with the same intent of support for students and is guided by four principles:

- Spend funds quickly to save and create jobs
- Improve student achievement through school improvement and reform
- Ensure transparency, reporting, and accountability
- Invest one-time ARRA funds thoughtfully to minimize the “funding cliff”

Regular Title I, Part A funds are allocated to LEA’s through four statutory formulas (described below)—Basic Grants, Concentration Grants, Targeted Grants, and Education Finance Incentive Grants that are based primarily on census poverty estimates and the cost of education in each state. The allocation of ARRA funds is in addition to the regular 2009-2010 Title I, Part A allocation and is based on only two of the formulas, Targeted Grants and Education Finance Incentive Grants (EFIG). **LEAs that do not meet the Targeted and EFIG grant criteria will not receive ARRA funds.**

Preliminary 2009-2010 Title I Part A allocations were based on data that was available in March 2009, which included: 2007 Census poverty data; October 2008 enrollment; October 2008 free and reduced lunch counts; October 2008 caseload data for children residing in local institutions for neglected or delinquent children; October 2007 caseload data for foster children and children in families receiving TANF assistance; and 2007 state per-pupil expenditure (SPPE) data. Updated data will be used to determine final 2009-2010 Title I Part A allocations, but the ARRA allocations will not be adjusted.

Basic Grants

Basic Grant funds are calculated through a statutory formula based primarily on the number of children, ages 5 through 17, from low-income families and on each State’s per-pupil expenditures (SPPE) for education. In addition, the formula includes annually collected counts of children in locally operated institutions for neglected or delinquent children, in foster homes, and in families above poverty that receive assistance under the Temporary Assistance for Needy Families (TANF) program. In order to receive a Basic Grant, an LEA must have at least 10 formula children and the number of those children

must exceed two percent of the LEA's total population ages 5 through 17. The statutory formula further requires that no eligible LEA receive less than 85, 90, or 95 percent of the amount it was allocated in the preceding year. This "hold-harmless" guarantee varies according to the percentage of formula children in each LEA.

Concentration Grants

Concentration Grant funds are allocated only to LEAs in which the number of children counted for Basic Grant formula purposes exceeds 6,500 children or 15 percent of the total population ages 5 through 17. The hold-harmless requirement for Concentration Grants guarantees that LEAs will continue to receive funds for four consecutive years even if it is no longer eligible. LEAs failing to meet the eligibility threshold after four years are no longer protected by the hold-harmless provision. New Hampshire, along with other states that have similar approval, uses an alternative poverty data for LEAs with fewer than 20,000 total residents.

Targeted Grants (used in ARRA calculation)

The Targeted Grants formula uses the same data elements as Basic and Concentration Grants. The number of formula children is then adjusted to give greater weight to those LEAs with higher numbers or percentages of formula children. In order to receive a Targeted Grant, the number of formula children in an LEA counted for Basic Grant allocation purposes must be at least 10 and equal or exceed five percent of the LEA's total population ages 5 through 17. The hold-harmless requirement for eligible LEAs works the same as it does for Basic Grants. The variable hold-harmless percentages, however, are based on the unweighted number of children used in the Targeted Grants formula.

Education Finance Incentive Grants (EFIG) (used in ARRA calculation)

Education Finance Incentive Grants (EFIG) are distributed to states based on factors that measure: (a) a state's effort to provide financial support for education compared to its relative wealth as measured by its per capita income and (b) the degree to which education expenditures among LEAs within the state are equalized. Once a state's EFIG allocation is determined, funds are allocated (using weighted count formula that is similar to Targeted Grants) to LEAs in which the number of poor children is at least 10 and at least 5 percent of the LEAs school-age population. New Hampshire, along with other states that have similar approval, uses an alternative poverty data for LEAs with fewer than 20,000 total residents.