



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



**NEW HAMPSHIRE DEPARTMENT OF EDUCATION
PROCESS TO CALCULATE TITLE I ARRA ALLOCATIONS**

Title I regular funds are awarded to the State under four grant categories: (1) Basic, (2) Concentration, (3) Targeted and (4) EFIG (Education Finance Incentive Grant). Each of the four grants have specific district eligibility criteria. The American Recovery and Reinvestment Act of 2009 (ARRA) is distributed using only Targeted and EFIG grants, which both require a higher level of poverty for eligibility than the other two grant types. Therefore, the intent of ARRA funds is to provide additional financial support to those districts with the highest needs based on poverty in order to meet the increasing academic needs of their academically struggling students.

New Hampshire's (NH) Title I allocation formula process is different from other states. New Hampshire, along with several other states, was granted approval by the US Department of Education (US ED) to use an alternate formula when determining eligibility and allocations for small school districts. Districts with at least a population of 20,000 are considered large and NH is required to use the formula counts provided by the US ED.

NH large school districts include: Concord, Derry, Dover, Exeter Regional Coop, Hudson, Keene, Londonderry, Manchester, Merrimack, Nashua, Portsmouth, Rochester, Salem, Timberlane and Winnacunnet.

Overview of NH Title I, Part A ARRA Allocation

The total NH Title I, Part A ARRA allocation is \$30,947,654. Based on federal statute, 4% of this total allocation is set aside for school improvement (Title I, Part A 1003a). An additional 1% of this total is set aside to support State Educational Agency (SEA) administration. The remaining funds are then allocated to the individual districts that are eligible. To be eligible, a district must meet the standards within the Targeted and EFIG formulas. These formulas require that a district have at least 10 children, ages 5 -17, in poverty and 5% of their total student population in poverty.

ARRA Allocation Determination Process

Once the SEA ARRA calculation is determined, the SEA is required to set aside 4% of the funds for the purpose of supporting school improvement. The 4% school improvement total is determined based on the State's total allocation and then deducted proportionately from only ARRA eligible districts that are receiving more ARRA funds than they received in regular Title I, Part A Targeted and EFIG allocation the previous year. Once this 4% set aside is determined, the State then sets aside 1% of the State's total ARRA allocation by proportionately deducting the funds from every eligible district. This 1% is deducted from all districts that receive ARRA funds, regardless of their previous year regular Title I, Part A allocation. These set asides follow the same guidelines used for calculating regular (number of children ages 5-17 in poverty) within a large district (population 20,000 or more), is calculated by adding the 2007 Census poverty count (provided by US ED) with the number of neglected and foster children (provided by the Department of Health and Human Services) in the given district. In a smaller district (population less than 20,000) the number of children in poverty is calculated by using a formula

that weighs the number of children in poverty according to the 2007 Census 25% against the number of children in poverty according to the district's Free and Reduced Lunch Program (weighed 75%) and adds of the number of neglected and foster students (provided by US ED) to the 100% poverty count. Therefore, the Total Formula Count for small districts = $0.25(\text{Census poor children}) + 0.75(\text{students eligible for F\&R}) + (\text{neglected count}) + (\text{foster count})$.

The Percentage Poverty Formula (percentage of children in poverty) within a large district is calculated by dividing the Total Formula Count (as described above) by the 2007 Census age 5-17 population. In the smaller districts the Percentage Poverty Formula is calculated by dividing the Total Formula Count (as described above) by the age 5-17 population according to the small district population formula, $\text{Total District Population} = 0.25(\text{census population}) + 0.75(\text{district enrollment according to F\&R})$.

Once considered eligible, a large district is allocated the amount determined by the US ED calculation and small district allocations are calculated using NH specific approved formulas.

Large district eligibility for Targeted/EFIG stimulus funds is determined as follows:

- A. Counts of neglected children and youth that reside in group homes and institutions located within district boundaries (NHDOE submits to Federal Government).
- B. Counts of foster children who reside in homes within the district (DHHS submits to Federal Government).
- C. 2007 Census Poverty count (number of students in poverty) from the US ED for the given district.
- D. 2007 Census population count for ages 5-17 from the US ED for the given district.

Total Poverty Formula Count (according to US ED required formula) = $A + B + C$
Percentage Poverty Formula (according to US ED required formula) = $(A+B+C) / D$

Example 1: School District A

School District A is considered a large district because their total population is 36,380 as determined by 2007 census data from the US ED.

- A. Counts of neglected and delinquent children and youth in School District A: 0
- B. Counts of foster children in School District A: 9
- C. 2007 census poverty count for School District A: 350
- D. 2007 census population for School District A children ages 5-17: 7,509

Total Poverty Formula Count = $A+B+C = 0+9+350 = 359$
Percentage Poverty Formula = $359/7,509 = 0.0478 = 4.78\%$

Conclusion: School District A has more than 10 students in poverty, but their percentage of poverty is less than 5%. Therefore, School District A does not qualify for the Title I ARRA funds.

Example 2: School District B

School District B is considered a large district because their total population is 23,757 as determined by 2007 census data from the US ED.

- A. Counts of neglected and delinquent children and youth in School District B: 0
- B. Counts of foster children in School District B: 8
- C. 2007 Census poverty count for School District B: 225
- D. 2007 Census population for School District B children ages 5-17: 3,061

Total Poverty Formula Count = A+B+C = 0+8+225 = 233

Percentage Poverty Formula = $233 / 3,061 = 0.0761 = 7.61\%$

Conclusion: School District B has more than 10 students in poverty and their percentage of poverty is greater than 5%. Therefore, School District B does qualify for Title I ARRA funds.

School District B's allocation calculation:

- A. Since School District B is eligible and considered a large district, the US ED allocation formula is used, which states that School District B's preliminary ARRA allocation prior to the state taking out required set-asides is: \$419,119.05
- B. School District B then has to contribute to the 1% SEA admin set aside and the 4% school improvement (1003a) set aside based on their total regular 2009-10 Title I, Part A and ARRA allocations.
Note: This involves a lengthy formula that considers their total preliminary allocations for both regular 2009-10 funds and ARRA as well as the amount that they received last year, making sure that no district receives less funding than they did the previous year.
- C. School District B then receives a Title I, Part A ARRA allocation of \$404,757.02 (\$419,119.05 minus 5% set asides (based on total Title I, Part A and ARRA allocations= \$404,757.02)

Small district eligibility for Targeted/EFIG stimulus funds is determined as follows:

A small district's **total formula count of poor children** is determined in the following manner:

Add together

- A. 25% of the number of poor children determined by the 2007 Census data according to the US ED
- B. 75% of the number of children eligible for *Free and Reduced (F&R) Lunch Meal Program* from the New Hampshire Bureau of Data Management
- C. The number of neglected children who reside in group homes and institutions within the districts (NH DOE submits to Federal Government)
- D. The number of foster children living in homes within the district (DHHS submits to Federal Government).

Total Formula Count = $0.25(\text{Census poor children}) + 0.75(\text{students eligible for F\&R}) + (\text{neglected count}) + (\text{foster count})$

A small district's total **age 5-17 population** is determined in the following manner:

Add together

A. 25% of the number of the district population ages 5-17 determined by the US Census Bureau

B. 75% of the number of children enrolled in the district, as submitted with the *Free and Reduced Lunch Price Meal Program* (New Hampshire Bureau of Data Management)

Total District age 5-17 Population = 0.25(census population) + 0.75(district enrollment according to F&R)

Example 1: School District C

School District C is considered a small district because their total population is 1,764 as determined by the US ED 2007 census.

(1) The number of poor children in School District C determined by the 2007 census data: 16

(2) The number of children in School District C eligible for the Free and Reduced Lunch Meal Program: 6

(3) The number of neglected children who reside in group homes and institutions within School District C: 0

(4) The number of foster children living in homes within School District C: 0

(5) The population of children ages 5-17 living in School District C, determined by the US Census Bureau: 319

(6) The number of children within School District C that are enrolled, according to the Free and Reduced Lunch Price Meal Program: 116

Total Poverty Formula Count = $(0.25 * 16) + (0.75 * 6) + 0 + 0 = 4 + 4.50 + 0 + 0 = 8.50$

Total Number of Students = $(0.25 * 319) + (0.75 * 116) = 79.75 + 87 = 166.75$

Percent Poverty Formula = $8.50 / 166.75 = 0.05097 = 0.51\%$

Conclusion: School District C has a percentage of poverty is more than 5%, but has less than 10 students in poverty. Therefore, School District C district does not qualify for the Title I ARRA funds.

Example 2: School District D

School District D is considered a small district because their total population is 8,915 as determined by the US ED 2007 census.

(1) The number of poor children in School District D determined by the 2007 Census data: 111

(2) The number of children in School District D eligible for *Free and Reduced Lunch Meal Program*: 273

(3) The number of neglected children who reside in group homes and institutions within School District D: 0

(4) The number of foster children living in homes within School District D: 7

- (5) The population of children ages 5-17 living in School District D, determined by the US Census Bureau: 1,335
- (6) The number of children within School District D that are enrolled in the Free and Reduced Lunch Price Meal Program: 1,086

Total Poverty Formula Count = $(111 * 0.25) + (0.75 * 273) + 0 + 7 = 27.75 + 204.75 + 0 + 7 = 239.50$

Total Number of Students = $(0.25 * 1,335) + (0.75 * 1,086) = 333.75 + 814.50 = 1,148.25$

Percent Poverty Formula = $239.50 / 1,148.25 = 0.2086 = 20.86\%$

Conclusion: School District D has more than 10 students in poverty and their percentage of poverty is greater than 5%. Therefore, School District D is qualified for the Title I ARRA funds.

School District D allocation calculation:

- A. School District D is eligible for funds, so a weighted formula provided by the US ED is used to determine School District D's preliminary allocation (for details of the weighted formula see NCLB sec. 1125). Based on the US ED formula, prior to the state taking out required set-asides, School District D's preliminary ARRA allocation was: \$212,258.00.
- B. NH redistributes the sum of all small districts' preliminary allocations statewide by applying the alternate formula described above. The allocation process includes weighted formulas, hold harmless provisions and required contributions to the 1% SEA admin set aside and the 4% school improvement (1003a) set aside based on their total regular 2009-10 Title I, Part A and ARRA allocations.
 Note: This involves a lengthy formula that considers their total preliminary allocations for both regular 2009-10 funds and ARRA as well as the amount that they received last year, making sure that no district receives less funding than they did the previous year.
- C. School District D then receives a Title I, Part A ARRA allocation of \$186,601.96