

# CONSOLIDATED FUNDING



## **SCHOOL REOPENING TOOLKIT: CONSOLIDATED FUNDING**

Federal grants provide much-needed support to many of our most at-risk schools and students. These funds support many of the supplemental academic and other enrichment activities for many of our historically underserved student groups, as well as funding to support teacher and leader development. Districts are continuing to respond to the recent school closures and the challenges of providing educational services differently. As such, they are continually reviewing available funding, adjusting and revising where needed to meet their most urgent needs. This toolkit provides a checklist, best practices, and information on braiding and blending to maximize funding. It also includes timelines and resources that will be helpful to districts as they work to utilize available funding to meet their unique needs.

*All information in the document is non-regulatory guidance issued for general informational purposes only. This document is not intended to constitute legal advice. Because local school board policy and unique facts make dramatic differences in analyzing any situation, the Tennessee Department of Education advises each school district to consult with the local school board attorney for specific legal advice regarding the impact of the COVID-19 pandemic on school operations.*

## II. Checklist

### Consolidated Funding Application

**Review the current CFA in ePlan to determine its alignment with prioritized needs.**

The federal funding sources included in the CFA are granted to districts to help meet the additional needs of the most at-risk student groups. The grants included in the CFA are Title I, Part A; Title I, Neglected; Title I, Part D; Title II, Part A; Title III, Part A; Title IV, Part A; Title V, Part B (Rural & Low Income Schools); and IDEA (Part B and Preschool). District and school leaders should ask themselves if the current application meets the needs of their schools, students, and stakeholders.

**Revise the CFA in ePlan as needed to align spending with prioritized needs.**

LEAs are able to revise their CFA in ePlan and submit for approval throughout the fiscal year without penalty. Once submitted by the LEA Authorized Representative, the change status alerts FPO Divisional Oversight Coordinators that the CFA is ready for review. If the FPO Divisional Oversight Coordinator approves the CFA (CPM Regional Consultant Reviewed), then it is approved for the next level of review by grant directors and coordinators.

If the Coordinators deem revisions are needed by the district/agency, the CFA is sent back to district/agency (CPM Regional Consultant Reviewed - Revisions Needed). FPO Divisional Oversight Coordinators provide technical assistance to districts that need to make revisions.

Note: LEAs should review district and school-level plans submitted in ePlan via the InformTN Platform (district and school-level plans) to ensure alignment and to identify any areas where duplication of effort or use of funds may exist.

## II. Best Practices

### Braiding and Blending of Funds

It is imperative that funds are coordinated to provide maximum support to reach our goals. To this end, there is flexibility for LEAs and schools to braid and blend funds from multiple sources to align and fund programs efficiently and effectively. This flexibility allows LEAs to move away from funding programs in isolation to a more comprehensive and strategic funding plan.

Using multiple funding sources in a collaborative manner to support educational initiatives ensures consistency and eliminates duplication of services. **Braiding funds** is a way for LEAs and schools to use multiple federal grants to support various parts of an initiative while maintaining the award-specific identity.

Combining multiple funding sources to support educational initiatives can ensure consistency, eliminate duplication of services, and reduce burden. **Blending funds** allows for more flexibility than braiding funds. In school-wide programs, eligible grants and other resources are combined under a single set of reporting requirements, and the dollars from each individual funding stream lose the original award-specific identity.

### **Five-Step Framework**

The five-step framework below can help simplify the process of identifying how federal funds can be used to support a comprehensive initiative. This framework can be used for any initiative for which a LEA is considering using federal funds.

#### *Access the Needs*

Assess LEA needs, identify barriers to increase student achievement, and implement activities to address those needs. This step helps the LEA prioritize its needs, set goals and strategies, and identify action steps. It is critical to identify and include all stakeholders who should be involved in the decision-making process (academic staff, fiscal/grants staff, teachers, parents, etc.) The identified needs in this step should drive the identified components and costs of activities in the next step. LEAs are encouraged to revisit their identified needs as the COVID-19 pandemic continues to unfold. CORE Regional Offices may provide additional support in revising these needs.

#### *Identify Components and Costs of Initiatives*

Review and break down each initiative to identify the key components and the costs associated with each (i.e., materials, stipends, substitute pay). Federal grants may be able to support some costs but not others. By specifying components early in the planning stages, LEAs have a clearer understanding of the possible federal resources available to support the overall activity.

#### *Identify Federal Grants*

When revising the CFA it is important to determine which federal grants can support the various component costs of each initiative, especially in light of additional relief funding through the CARES Act. Federal grants are intended for specific purposes and can only support certain types of activities and initiatives, depending on the specific requirements of the program. These requirements must be accounted for when determining if a specific federal grant can support a specific cost. For example, federal programs contain:

- Eligibility requirements: Most grants have specific eligibility criteria defining the student or school population that can be served by the program. Costs may only support activities benefiting the population(s) identified in the law.
- Permissible grant activities: Many grants have a “use of funds” section in the statute that outlines the types of costs that can, and in some cases, must be paid with grant funds.
- Spending limits: Some grants permit certain costs to be charged, but only up to a specified amount or percentage. Costs that exceed the limit are not permitted.
- Mandatory set-asides: Some grants require funds to be spent on specific costs or require a designated percentage of funds to be spent on specific activities.
- Fiscal rules: All federal education programs have fiscal rules that impact spending choices such as supplement, not supplant, maintenance of effort, and comparability. It is important to note that a rule with the same name, such as supplement not supplant, may work differently in different programs.

The items above should be reviewed prior to revisions being made in the CFA.

*Determine if Costs are Reasonable, Allocable, Necessary, and Documented*

Determine if the cost is reasonable, allocable, necessary, and documented and will benefit the federal program relevant to the amount funded. All proposed expenditures must be:

- Reasonable: The proposed goods and services are not excessive in cost and are based on prudent and sound purchasing practices.
- Necessary: The goods and services are essential for carrying out the grant program. The need for the goods and services is supported in the needs assessment and district and school plans
- Allocable: The goods and services are specifically for the benefit of the grant and meet the program’s intent and objectives.
- Documented: The LEA must be able to readily document the reasonableness, necessity and allocability of purchases through an established allowability procedure, needs assessment, standard purchasing processes, or LEA policy.

In practice, this means a LEA should be able to:

- Explain how the cost helps fulfill the federal program requirements (for example, how the cost addresses LEA needs and furthers federal program goals); and
- Justify that the amount spent appropriately supports the LEA’s prioritized needs (including being able to show the amount paid constitutes a fair market value).

*Verify Alignment with District and Program Plans*

Ensure that the cost is consistent with ePlan and other relevant program plans. In order to maximize resources, LEAs should review the plans submitted in ePlan via the InformTN Platform (district and school-level plans) to ensure alignment and to identify any areas where duplication may exist. LEAs are encouraged to have a single, comprehensive plan for all students in InformTN—rather than multiple program-specific plans, which do not correlate.

**III. Recommended Schedules and Procedures**

Date	Item
Ongoing	Make needed revisions to FY20 CFA to meet prioritized needs
May 8, 2020	FY21 CFA due in ePlan
June 30, 2020	Deadline to spend FY20 funds
July 1, 2020	FY21 fiscal year begins
July 1, 2020	FY21 CFA must be approved by FPO
July 1, 2020 – ongoing	Make needed revisions to FY21 CFA

## **IV. Resource List**

### **Federal Spending Handbook- Coordinated Spending Handbook for FY21**

#### [Federal Spending Handbook](#)

The purpose of this manual is to help LEA leaders make the most out of the more than \$700 million Tennessee receives each year from the U.S. Department of Education (ED) under the Elementary and Secondary Education Act of 1965 (ESEA), as amended by the Every Student Succeeds Act (ESSA), the Individuals with Disabilities Education Act (IDEA), and the Carl D. Perkins Career and Technical Education Act (Perkins). This money is distributed through individual federal grant programs to the state educational agency (SEA), which releases subgrants funds to LEAs.

### **Consolidated Funding Application Guides**

#### [Federal Funding Handbook](#)

This guide provides ePlan users with instructions and best practices for the accurate completion of the required CFA to ensure the availability of funds to meet the needs of students and stakeholders.

### **Federal Funds Guidance: COVID-19 Closures**

#### [Federal Funds Guidance](#)

In response to the rapidly changing needs of Tennessee LEAs due to COVID-19, please review the following guidance on the continued use of federal funds. This Tennessee Department of Education (department) used guidance from the U.S. Department of Education to develop this resource; it may change over time and will be updated as needed.