This e-bulletin describes grant “set-aside” provisions—amounts statutorily designated for specific purposes—under Title I, Part A of No Child Left Behind. The second part of this e-bulletin includes important information to districts about allocating funds when there are Title I schools within the district identified for school improvement, corrective action, or restructuring. Lastly, details on the required district set-asides when the district itself is identified for improvement are included. Compliance with each provision of a federal program is a requirement of receiving the funds. Districts need to be able to demonstrate through its records and within the NCLB Application, that it has met all set-aside requirements.

**Title I, Part A, Improving Basic Programs Operated by Districts**

Before allocating Title I, Part A funds to individual schools, the district designates or sets aside a portion of this entitlement “off-the-top” for certain required and optional purposes. This is conducted via the NCLB Consolidated Application. Compliance with each provision of a federal grant program is a requirement of receiving the grant award. The district will need to be able to demonstrate through its records and within the NCLB Application, that it has met all set-aside requirements.

**The following represent the required set-asides for districts receiving Title I funds:**

- **Parental involvement activities for public and private school students. ($§1118)**
  - **Set-aside:** Not less than one percent of district allocation (applies only to districts receiving allocations > $500,000).
  - **Notes:** Districts receiving Title I funds must set-aside a portion for parent involvement for public and private school students. The set-aside Title I, Part A funds must be used to conduct programs and activities to involve parents in the planning and implementation of the Title I, Part A program, including promoting family literacy and parenting skills. Each district and each public school receiving Title I, Part A funds must develop a written parent involvement policy. Parents of children receiving Title I, Part A services must be involved in the development of the parent involvement policies, the decisions regarding how these set-aside funds are allotted for parental involvement activities and evaluation of the policy annually. Not less than 95 percent of the total one percent set-aside must be
distributed to Title I, Part A buildings unless the buildings voluntarily
decide some or all of the amount should be administered by the district.

- **Resource:** See e-bulletins 02-08 and 03-08 for more information on
parent involvement plans, funding, and notification requirements.

- **Equitable Services to Private School Students** (§1120(a))
  - **Set-aside:** Amount determined by the proportionate share of the number
of eligible private school students and public school students residing in a
Title I participating attendance areas.
  - **Notes:** Districts must provide Title I, Part A services for eligible children
attending private schools, their teachers, and their families that are
comparable to those provided to eligible public school children, their
teachers, and their families. The Title I, Part A services for private school
students must be developed through timely and meaningful consultation
with officials of the private schools. The public school district may provide
these services directly or through contracts with public and private
agencies, organizations, and institutions. The administration and control
of Title I, Part A funds, and title to materials, equipment, and property
purchased with these funds, is the responsibility of the school district.
The cost of administering the private school program services is separate
and is not to be included to satisfy the equitable expenditures calculation.
  - **Additional set-aside:** A portion of this set-aside must be used for parental
involvement activities for parents of private school students participating
in the Title I, Part A program. This amount is calculated based on the
proportion of private school children from low-income families residing in
participating public school attendance areas, in relationship to the sum of
the number of public and private school children from low-income families
residing in participating Title I, Part A attendance areas.
  - **Resource:** See e-bulletins 04-09 and 05-09 for more information on
calculating the equitable portion for students attending private schools
and consultation requirements.

- **Equitable Services to Homeless or Neglected Children** who do not attend
Title I, Part A schools. (§1113(c)(3)(A), §1115(b)(3))
  - **Set-aside:** Amount necessary to provide comparable services to children
in buildings receiving Title I, Part A funds.
  - **Notes:** Homeless or neglected children attending any school in the
district are eligible for Title I, Part A services. Districts must reserve the
amount of Title I, Part A funds necessary to provide services to homeless
or neglected (but not delinquent) children who do not attend Title I, Part A
buildings comparable to those services provided children in buildings
receiving Title I, Part A funds. Title I, Part A services to homeless
children include providing educationally-related support services to
children in shelters and other locations where children may live. Title I,
Part A services to neglected children include providing educationally-
related support services to children in shelters and other locations where
children may live. Title I, Part A funds may not be used to provide
services that are otherwise required by law to be made available, like
transportation for homeless students to and from their school of origin, but
may be used to coordinate or supplement such services. Title I, Part A
funds may not be used to provide services that are otherwise required by
law to be made available but may be used to coordinate or supplement such services.

- **Resource:** See e-bulletin 01-09 for more information on calculating the set-aside funds for homeless students.

- **Priority School**
  - A school among the lowest five percent of Title I schools in the State based on the achievement of the “all students” group in terms of proficiency on the statewide assessments that are part of the SEA’s differentiated recognition, accountability, and support system combined, and has demonstrated a lack of progress on those assessments over a number of years in the “all students” group; a Title I-participating or Title I-eligible high school with a graduation rate less than 60 percent over a number of years; or a Tier I or Tier II school under the School Improvement Grants (SIG) program that is using SIG funds to implement a school intervention model.
  - **Up to 20 percent** of the LEA’s Title I allocation is set aside for Priority School(s).

- **Focus School**
  - A Title I school that has the largest within-school gaps between the highest-achieving subgroup or subgroups and the lowest-achieving subgroup or subgroups or, at the high school level, has the largest within-school gaps in graduation rates; or a Title I school that has a subgroup or subgroups with low achievement or, at the high school level, low graduation rates.
  - **Up to 10 percent** of the LEA’s Title I allocation is set aside for Focus School(s).

Set-Aside Requirements when a school(s) has been identified for improvement (ARCHIVED)

A district in which one or more schools have been identified for school improvement is subject to additional required set-asides. However, the district cannot reduce allocations to schools identified for school improvement, corrective action or restructuring by more than 15 percent as a result of the 20 percent set-asides for these purposes.

The following represent the required set-asides for districts with schools receiving Title I funds that are identified for school improvement:

- **Public School Choice (PSC) and Supplemental Educational Services (SES) (§1116)** *
  - **Set-aside:** Amount equal to 20 percent of district’s Title I, Part A allocation (unless all requests can be satisfied with a lesser amount).
    - Minimum of 5 percent for transportation for PSC.
    - Minimum of 5 percent for SES.
    - Remaining 10 percent for either or both.
  - **Notes:** When a school has been identified for school improvement, the district must provide the students enrolled in that school with the option to transfer to another public school served by the district that has not been identified for school improvement and provide or pay for the cost of transportation for
participating students. In the first year of identification, districts are required to spend an amount equal to 20 percent of the district Title I, Part A allocation, unless a lesser amount is needed. If resources are insufficient to meet all requests for the cost of transportation or if the first choice of all requesting transfers is not available, the district must give priority to the lowest achieving children from low-income families. If the school moves to the next improvement level and is required to offer SES in addition to PSC, then the district is required to spend an amount equal to 20 percent of the district’s Title I, Part A allocation for the combined purposes of transportation for PSC and SES. Of the 20 percent maximum, an amount equal to five percent of the district’s allocation must be spent for PSC transportation, if needed to meet requests, and an amount equal to 5 percent of the district’s allocation must be spent for SES, if needed to meet requests. An additional 10 percent (the remainder of the maximum 20 percent set-aside) of the district’s allocation must be spent on either or both, if needed to fulfill all requests for services.

- **Resource:** See e-bulletin 01-08 for more information on calculating the set-aside funds for homeless students.

- **Professional Development to Address Cause of Identification for SCHOOL Improvement** ($1116(3)(A)(iii))
  - **Set-aside:** 10 percent of building allocation (for buildings identified for school improvement.)
  - **Notes:** For each fiscal year that a school is identified for school improvement, the school must spend not less than 10 percent of its Title I, Part A building allocation for the purpose of providing to the school’s teachers, paraprofessionals and principals high-quality professional development. This professional development must directly address the academic achievement problem(s) that caused the school to be identified for school improvement. An amount equal to 10 percent of the building’s allocation, but not necessarily Title I, Part A funds, must be used for this purpose.

- **Professional Development to Address Cause of Identification for DISTRICT Improvement** ($1116(c)(7)(A)(iii))
  - **Set-aside:** 10 percent of district allocation
  - **Notes:** When a district is identified for improvement, it must reserve not less than 10 percent of its Title I Part A funds for high-quality professional development for instructional staff that is specifically designed to improve classroom teaching. The district must continue to reserve funds for this purpose during each fiscal year it is identified for improvement. The district may include in this 10 percent total the Title I, Part A funds that schools within the district reserve for professional development when they are in school improvement status.

For districts and schools in improvement, the Title I program requires set-asides at the district and building levels for professional development. In these cases, although the type of activity for which each set-aside is used is the same, the activity of each must be separately tracked.