

Counting Students and Calculating Proportionate Share

DPI Guidelines for ESEA Equitable Services, Part 6

Overview

Part 5 of the *Guidelines* describes the services that are allowed and which students may receive those services. This *Part* explains details for determining the numbers of students (“fund generators”) who will count towards the proportionate shares and how to do the calculations. The NCDPI Resources tab on the [DPI equitable services web page](#) includes a Proportionate Share Calculator that will give results based on a few simple inputs. It includes an option for determining the amounts to be spent for specific schools based on their respective student counts. Proportionate share funds included in the previous-year remaining budgets are not part of the current allotments and are not included in the calculations. Instead, they remain in the previous year’s budgets as described in *Part 4*.

Updated Calculations Based on Planning and Actual Allotments

The upcoming year’s allotment for each PRC will not yet be known when consultations occur. Therefore, districts must use a projected amount for calculation of proportionate share. DPI recommends 85% of the current year’s allotment as one way to make this projection, but a district’s fiscal team may have a more reliable approach based on history. Each PRC’s proportionate share must be updated (re-calculated) when the planning allotment is announced and again with the actual allotment. However, only the allotment is changed for these re-calculations, while the same student counts (both district and private school) used for the initial calculation remain unchanged.

Keeping Private Schools Informed

District staff should explain the calculations at the initial consultation meetings so that each private school principal will know approximately how much a district will spend at their school, based on allotments and on the relevant student counts they share with the district. The district and private school counts can be saved in the Proportionate Share Calculator and shared as an Excel file so that the results may be recalculated by any participating private school principal when the planning and then the actual allotments are known. **At the consultations or shortly afterwards, the district is required to ensure that participating private schools know the amounts the district will use at their schools and how to reliably determine those amounts based on updated allotments.** The district should not wait until its Consolidated application is approved by DPI to share this information.

Transferring and Repurposing of Funds

A current year budget amount (referenced as A or D in the formulas below) is usually equal to the allotment. However, in the rare event that a district is **transferring** funds in from another PRC, the budget amount is equal to the allotment plus the transfer amount. Prior to transferring funds out of a PRC, the district must consult with the affected private schools to consider their views on the matter. Any funds remaining after a portion is transferred out must be subject to the proportionate share

calculations described below and used for public and private schools accordingly. The district may not transfer some funds out and leave a portion to be used only for equitable services.

In rare cases, funds may be **repurposed** due to changes in one or more private schools' participation (see *Part 4*). If these funds are to be used at other participation private schools and at the district schools, they may be entered as the "allotment" in the Proportionate Share Calculator, along with adjusted private school students counts to determine how much will remain available for equitable services and how much will be used at district schools. Districts should maintain records of communications with all affected private schools regarding repurposing of funds.

The Timing of Private School Student Counts

Students counted towards the proportionate share calculation for the upcoming year must be enrolled in the private school when the count is being taken. This occurs during the consultations in late winter or early spring, which is similar to the time frame for the collection of public school student data. *(Changes in student counts during the implementation year will not be used to update the proportionate share calculations, as is done with the updates to the allotments.)* Reasonably recent identification of private school students in relevant subgroups is valid for the calculation during the spring, just as it would be for district students. For example, if a child was identified in the previous fall as a multi-lingual learner, that status would still be the same in the springtime. Likewise, students who were determined to be low-income during the previous summer should still be considered low-income throughout the academic year, just as they would in district schools.

Title I-A: Counting Low-Income Students

The district's low-income student counts that will be included in the Eligible Schools Summary Report (ESSR) during the spring will be used in the Title I-A proportionate share calculations for the upcoming school year.

To count the number of low-income students, ages 5-17, at private schools, a district must rely on the cooperation of the schools, not only in selecting from the methods listed below but also in the collection and safe-keeping of sensitive data. The count can be taken biennially, rather than each year, if the district believes it will yield accurate results. The following methods (or any combination of them) are valid:

- Use the same measure of low income, such as household free/reduced lunch applications, used for public school counts. See [the USDA web page](#) for income eligibility guidelines.
- Use the results of a survey that protects the identities of families of private school students. If 100% of the families do not respond, the district must decide if the returned surveys constitute a representative sample of the school's population. If they do, the results must be extrapolated to determine the low-income count. For example, surveys are sent to all 200 of a private school's families, and 40 surveys are returned with 10 of them indicating low-income. This would indicate that 50 of the school's families are low-income (i.e., 25% of 200, based on 10 out of 40). However, **if the district does not believe the 40 surveys are representative**, it can count the 10 families as low-income and work with the principal to seek another way to determine the number of low-income families from the 160 that did not return the survey.

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- Apply the low-income percentage of each Title I school to the number of private school children who reside in that school attendance area, if it is reasonable to expect that the demographics of children leaving the public school to attend private school match the demographics of the public school they are leaving.
- Use an equated measure of low income correlated with the measure of low income used to calculate public school children.
- Use applications or participation in programs for low-income children, such as scholarships. For example, the income thresholds to qualify for [Tier 1 Opportunity Scholarship \(scroll down\)](#) align with the [USDA thresholds for reduced price lunch](#). Private school principals are not able to see the reported incomes in the scholarship applications, but they can see if a student has been approved for a Tier 1 benefit. A family with Tier 2, 3 or 4 eligibility is not considered low-income for Title I purposes. If a private school principal can report additional students who are not Tier 1 but who are documented as low-income by other means, those students should also be counted for proportionate share calculation.

Districts that are opening or closing schools will have to wait until July to enter data into APEX for ESSR and may not yet know all their Title I-A attendance areas when they hold the initial consultation meetings. In these cases, the district should explain the existing attendance areas and possible changes so that a reasonable approximation of proportionate share may be determined. As soon as the served schools and attendance areas are known, the district should provide updated calculations to the participating private schools.

Title I-A: Formulas and Example

A private school student may generate Title I-A proportionate share from the district in which they live, if the student:

- resides in a Title I-served public school attendance area, regardless of its status as TAS or Schoolwide, and
- is a low-income student, as described above.

<u>Formula</u>	<u>Example</u>
A = Total current year budget amount	A = \$5,000,000
B = Low-income <u>private school</u> K-12 students who live in Title I-served areas	B = 23
C = Low-income K-12 students attending the <u>district's</u> Title I-served schools	C = 7,600
Private School Share = $A \times (B \div [B + C])$	$= 5,000,000 \times (23 \div [7,000 + 23])$ $= \$15,086^*$
<p>* Reasonable administrative costs (direct + indirect) may be paid out of the Title I-A proportionate share and coded to sites 0000 and 0810, as described in <i>Part 4</i>. This is different from the other grants (see below) where the administrative costs are deducted from the budget total prior to the calculation. These costs should not exceed 12% of the proportionate share. Therefore, site 0860 would be expected to contain no less than 88% of the proportionate share.</p>	

Titles II-A, III-A and IV-A: Formulas and Example

The calculations for these grants are unlike Title I-A in three important ways. First, they do not depend on children's financial status or residency. Second, reasonable administrative costs are subtracted from the current year budget amount at the start of the calculation, so that no administrative costs are spent from the resulting proportionate share. Third, only the district in which the school is located will calculate proportionate share and provide services.

<u>Formula</u>	<u>Example</u>
D = Total current year budget amount	D = \$1,500,000
E = Reasonable administrative costs for public and private school programs (see below)	E = \$100,000
F = Participating <u>private school</u> K-12 count (see below)	F = 350
G = <u>District</u> K-12 count at all schools (see below)	G = 20,000
Private School Share = $(D - E) \times (F \div [F + G])$	$= (1,500,000 - 100,000)$ $\times (350 \div [20,000 + 350])$ $= \$24,079$
<u>Reasonable administrative costs (direct + indirect)</u> <ul style="list-style-type: none"> The administrative costs used in the calculation must match the sum of the direct and indirect administrative costs in the submitted budget. During consultations, the budget will likely not be finalized, so an estimated amount is used and possibly updated later. For Titles III-A (PRC 104) and IV-A (PRC 108), <u>direct</u> administrative costs must be limited to 2% of the budget. The total administrative costs to include in the calculation may exceed 2%, because it is the sum of the direct and indirect. District administrators should contact their regional program administrators at the DPI Office of Federal Programs with questions regarding administrative costs. 	
<u>Student counts</u> <ul style="list-style-type: none"> For Titles II-A and IV-A: student count = total K-12 enrollment For Title III-A (PRC 104): student count = identified multi-lingual learners For Title III-A (PRC 111): student count = identified immigrant students For Title I-C (PRC 051) and 21CCLC grants: Contact the OFP federal program administrator. 	

For additional information about equitable services under the Elementary and Secondary Education Act, contact Talbot Troy at 984-236-2797 or talbot.troy@dpi.nc.gov.