



NDTAC | Tip Sheet

The Use of Title I, Part D Funds Decision-Making Tip Sheet

September 2018

Introduction

This tip sheet describes the purpose of the Title I, Part D (TIPD) program; how TIPD funding can be used; steps to take when reviewing and approving proposed uses of TIPD funds; and examples of allowable and unallowable uses of funds. Understanding allowable, appropriate, and innovative uses of TIPD funds, and seeing examples of how funds are used in other States, is a common need among TIPD coordinators from State education agencies (SEAs); TIPD State agency (SA) and local educational agency (LEAs) subgrantees; and State and local facilities that receive TIPD funding. This document is designed to help those audiences as they consider different ways they could use TIPD funding to improve services and supports for eligible children and youth. This tip sheet is not intended to be a comprehensive review of all possible uses of funds nor an exhaustive inventory of all prohibited uses. As such, the examples in this document may not apply to specific scenarios from other TIPD programs. This document does not provide guidance from the U.S. Department of Education (ED). If you have questions about possible uses of funds, please contact ED or the National Technical Assistance Center for the Education of Neglected or Delinquent Children and Youth (NDTAC).

Purpose of the TIPD Program

The goals of the TIPD program are to:

1. Improve educational services for children and youth who are neglected or delinquent so they have the opportunity to meet challenging State academic content and achievement standards.
2. Provide these children and youth with services to successfully transition from institutionalization to further schooling or employment.
3. Prevent at-risk youth from dropping out of school and provide youth who have dropped out and children and youth returning from correctional facilities with supports to ensure their continued education.

Considering the TIPD program's purpose, TIPD funds are meant to be dedicated to improving academic and social outcomes for children and youth who are neglected, delinquent, or at risk of school dropout. In general, all of Title I of the *Elementary and Secondary Education Act*, as amended, is guided by the principle of "supplement, not supplant." The spirit of the law, per [Section 1415 of the TIPD statute](#), is that TIPD funds should supplement, not supplant, State or district funding sources. In other words, TIPD funds should not be used to pay for services that can and should be provided by State or school district funds.

It is important that a State's or locality's use of TIPD funds aligns with the TIPD portion of the State's [Every Student Succeeds Act plan](#), other Federal and State requirements and policies, and State and local needs. TIPD is a supplemental program with limited funding; as such, a State's TIPD allocation should be used strategically and in a manner that will positively affect student outcomes.

How TIPD Funds Can Be Used

The TIPD statute and nonregulatory guidance list allowable uses of TIPD funds, which can help State TIPD coordinators review proposed uses of funds within their State and help subgrantees (i.e., SAs and LEAs) and State and local facilities understand how TIPD funds can be used. Following are links to the allowable uses of funds from the statute and nonregulatory guidance:

- **Subpart 1:** [Statute](#) and [nonregulatory guidance](#)
- **Subpart 2:** [Statute](#) and [nonregulatory guidance](#)

Additional examples of allowable and unallowable uses of TIPD funds are also provided in **Addendum A** of this tip sheet. These examples come from questions NDTAC has received regarding the use of TIPD funds. The answers to each of these questions, provided by NDTAC or ED, may not necessarily be directly applicable to every similar use-of-funds determination, as the background information for a potential use of funds must be considered in all situations.

Helping Subgrantees and Facilities Understand Possible Uses of TIPD Funds

SEAs are responsible for helping subgrantees and facilities make sound decisions about how to use TIPD funds. To communicate allowable, appropriate, and innovative uses of TIPD funds, State TIPD coordinators can provide training, technical assistance, and other activities such as:

- Dissemination of materials to potential and current subgrantees and facilities. For example:
- The statute and nonregulatory guidance to convey allowable uses of funds:
 - NDTAC’s [Program Administration Planning Toolkit](#) to help determine whether a proposed use of funds is allowable and appropriate
 - Examples of uses of funds from around the State
 - A list of frequently asked questions about possible uses of funds, compiled by the SEA and subgrantees
- Provision of training on uses of funds before subgrantees submit funding applications
- Delivery of technical assistance to subgrantees to convey requirements, program priorities, and resources

To help potential subgrantees complete funding applications that include uses of funds that will best meet students’ needs, State TIPD coordinators can add guidance and requirements for the use of funds within the application. TIPD coordinators are then responsible for (1) reviewing applications to ensure that proposed uses of funds are both allowable and appropriate; (2) reviewing use-of-funds requests from subgrantees, after funds are awarded, considering current circumstances, outcomes to date, and other factors; and (3) conducting subgrantee monitoring to ensure appropriate uses of funds.

At the subgrantee level, TIPD leads at SAs and LEAs are responsible for understanding use-of-funds requirements and ensuring that funds are being used appropriately by facilities through ongoing communication, capacity building, and local program evaluation. They are also responsible for participating in their SEA’s subgrantee monitoring to ensure requirements are met.

NDTAC's [Program Administration Planning Toolkit](#) includes decision rules to help determine whether a proposed use of TIPD funds is allowable and appropriate in light of Federal, State, and local requirements, laws, and regulations; State plan; and State and local needs. These rules include:

Do the proposed uses comply with Federal requirements regarding the use of TIPD funds?

Do the proposed uses align with goals and objectives of the TIPD part of the State plan?

Do the proposed uses align with the requirements for and the needs expressed (through a needs assessment) in the subgrantee's application?

Do the proposed uses comply with other applicable Federal regulations for the uses of Title I grant funds?

Do the proposed uses of funds comply with applicable State or local laws and regulations?

In addition, there are other factors to consider when determining whether a proposed use of TIPD funds is allowable and appropriate. These factors include:

Will the proposed use of funds would improve outcomes for the students served, and how?

Is the amount of TIPD funds to be spent on this suggested use reasonable given its proportion of the agency's or facility's overall TIPD allocation?

Are there other potential funding sources (e.g., State or district funds) available to pay for the proposed use of funds?

Sometimes a specific proposed use of funds is not mentioned in the TIPD statute or nonregulatory guidance. In this scenario, the SEA has the discretion to determine whether a proposed use of funds is allowable and appropriate, taking the factors above into consideration. **Addendum B** in this tip sheet provides a list of these factors and can be used as a tool by State TIPD coordinators and subgrantee administrators when reviewing proposed uses of funds. If you have specific questions about possible uses of TIPD funds, please contact ED or NDTAC.

Additional Resources

- "Making Sound Use of Funds Decisions," NDTAC: <https://neglected-delinquent.ed.gov/resource/making-sound-use-funds-decisions-title-i-part-d>
- Program Administration Planning Toolkit, NDTAC: <https://neglected-delinquent.ed.gov/resource/title-i-part-d-program-administration-planning-toolkit>
- NDTAC topical call series on innovative uses of TIPD funds: <https://ndcommunities.ed.gov/events/topical-calls>

Addendum A

Examples of Allowable and Unallowable Uses of TIPD Funds

One way that NDTAC has documented examples of uses of TIPD funds is from technical assistance (TA) requests received from State TIPD coordinators. Following are sample TA requests and the response provided by either NDTAC or ED. As stated previously, there may be times when a specific proposed use of funds is not mentioned in the TIPD statute or nonregulatory guidance. In this scenario, the SEA has the discretion to determine whether a proposed use of funds is allowable and appropriate, taking into consideration the questions listed in **Addendum B**.

CAUTIONARY NOTE: The answers provided are not necessarily applicable to every similar use-of-funds determination, as the background information for a potential use of funds (which may not be provided below) must be considered in all situations.

Q: Can an LEA use TIPD Subpart 2 funds for dropout prevention?

A. Per [Section 1424 of the statute](#), a school district may use its TIPD Subpart 2 funds for dropout prevention programs serving at-risk children and youth. The term “at-risk” is defined in [Section 1432 of the statute](#) as “a school aged individual who is at-risk of academic failure, dependency adjudication, or delinquency adjudication, has a drug or alcohol problem, is pregnant or is a parent, has come into contact with the juvenile justice system or child welfare system in the past, is at least 1 year behind the expected grade level for the age of the individual, is an English learner, is a gang member, has dropped out of school in the past, or has a high absenteeism rate at school.”

Q: Can TIPD funds be used to pay for teachers’ salaries?

A: Following are some considerations as you review this proposed use of funds from your subgrantee:

- How would this use of funds align with (1) the TIPD statute and nonregulatory guidance; (2) State and local requirements, priorities, goals, and objectives; and (3) students’ needs?
- How much of the teachers’ time (or how many hours, if not full time) is spent teaching students who are neglected or delinquent (N or D)? Would this time include professional development? What would the teachers be doing for N or D youth for the remainder of the week?
 - For Subpart 1, per [Section 1412 of the statute](#), students must be enrolled in at least 15 hours per week in education programs in adult correctional institutions and at least 20 hours per week in education programs in institutions or community day programs for students who are N or D.
- What subjects do they teach? Are these subjects an educational requirement for the State?
 - For subjects that are an educational requirement in your State, TIPD Subpart 1 money may be used only to supplement, not supplant, an already existing program (e.g., using the funds to pay for a science lab). “Supplement, not supplant” is the spirit of the legislation for Subpart 2, but the requirements are not as explicit. You have the discretion to determine whether this proposed use is allowable and is a good use of funds, taking the following into consideration: (1) the allowable uses of funds outlined in [Section 1424 of the statute](#); (2) priorities from your State plan; (3) the needs of the students; (4) the proportionality of the expenditure; (5) the submitted funding application; and (6) any other State or local requirements.

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- If all funds went to salaries, what would not get covered (e.g., tutoring services, equipment)?

Q: Can TIPD funds be used to pay for professional development?

A: Per [Section H-1 of the nonregulatory guidance](#), a state agency or school district may use its Title I, Part D funds for professional development training teachers, aides, and other staff members who are actively involved in providing Title I services. Further, NDTAC has previously received clarification from ED that the use of TIPD funds for professional development is permissible. As the State TIPD coordinator, you have the discretion to determine whether such use of TIPD funds is reasonable to provide supplementary educational services and supports. Consider a few questions as you make a decision about this request: (1) Do the proposed uses align with the goals and objectives of the TIPD portion of your State plan? (2) Do the proposed uses align with the requirements for and the needs expressed (through a needs assessment) in the subgrantee application? (3) Do the proposed uses comply with other applicable Federal regulations for the uses of Title I grant funds? (4) Do the proposed uses of funds comply with all applicable State or local laws and regulations? (5) Would the proposed use of funds improve outcomes for the students served? How would it do so? (6) What proportion of the overall amount of the TIPD funds would be spent on this suggested use of funds? Is that reasonable given the amount of the TIPD allocation? (7) Are there are other potential funding sources (e.g., State or district funds) to pay for the proposed use of funds?

Q: Is it allowable to use TIPD funds to purchase PowerSchool (a student information system)?

A: Per [Section 1415 of the statute](#) and [Section H-1 of the nonregulatory guidance](#), this does not appear to be an allowable use of funds, as a student information system is a major component of a regular program of instruction. However, this could be allowable if what is being proposed is extending, deepening, or improving an existing student information system funded by the regular program of instruction that will directly benefit neglected, delinquent, or at-risk children and youth. Under TIPD, Subpart 1, it is important to remember the supplement, not supplant guidance (see below). The percentage of a subgrantee's total allocation is also a key question here. Put another way, if such a purchase would use a large portion of the total TIPD allocation, it is important to reflect on (a) what the potential benefits would be, and (b) what other beneficial services or supports would be lost. Another key question is whether such a purchase is aligned with the subgrantee's programmatic plan and specific goals and outcomes. Lastly, what would the costs be over time inclusive of related trainings, mandatory updates to software, and so on? The following questions can help you respond to use-of-funds requests and provide professional development to subgrantees: [Listed here were the same questions from the example above and found in Addendum B.]

Q: Can TIPD funds be used to pay for college courses for students who have already earned a high school diploma or GED?

A: It does not appear that TIPD funds can be used for online college courses for youth who have earned a high school diploma or general equivalency diploma (GED). Per the statute and nonregulatory guidance, TIPD funds can be used only for online college courses if the student is dually enrolled, working toward a high school diploma and gaining college credits simultaneously. Following is text from the statute and nonregulatory guidance about using TIPD funds for college and college-related activities:

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- *Courses for Students With GED*: According to [Section E-2 of the nonregulatory guidance](#), a student age 21 or younger, who is otherwise eligible to receive services under Subpart 1 (see E-1) and who has earned a GED but takes courses that lead to a high school diploma, is eligible to receive Subpart 1 services. Earning a high school diploma would fall within the definition of “regular program of instruction” found in 34 CFR 200.90(b) of the TIPD regulations, which is limited to an educational program not beyond Grade 12.
 - *Dual-Enrollment College Courses*: Section E-2 of the nonregulatory guidance indicates that Subpart 1 funds also may be used for dual-enrollment courses (e.g., purchasing books) in which a student concurrently earns high school and college credit but may not be used for courses that award college credits only.
 - *College Placement Services and Fees*: Section E-2 of the nonregulatory guidance does allow for the use of TIPD funds to pay for college entrance exam fees. Subpart 1 funds may be used for placement services designed to place the youth in a university, college, or junior college program, such as SAT and ACT preparation courses, as well as for fees associated with college applications. However, although TIPD funds can be used to help a youth transition into higher education, paying college tuition is not an allowable expense.
 - *Securing College Loans and Grants*: [Section 1424 of the statute](#) allows for TIPD funds to be used to assist in securing student loans or grants for postsecondary education (e.g., application fee for a scholarship program).

Q: Can TIPD Subpart 2 funds be used to purchase furniture?

A: The TIPD statute ([Section 1424](#)) and nonregulatory guidance ([Section O](#)) list allowable uses of TIPD Subpart 2 funds; neither of these lists, nor those for Subpart 1 ([Section 1415 of the statute](#) and [Section H of the nonregulatory guidance](#)), indicate that furniture is an allowable use of TIPD funds. The following questions can help you respond to use-of-funds requests and provide professional development to subgrantees: [Listed here were the same questions from a previous example and found in Addendum B.]

Q: A facility for neglected children and youth asked if they could pay a license to have a therapy dog for students who reside there and are without families. The facility has said this activity would be therapeutic for the students. Would the expense of paying a therapy dog certification be allowed under TIPD? Would contracting services for therapy dogs be allowed under TIPD?

A: The statute, under [Subpart 2, Section 1424](#), lists general uses of funds for Subpart 2 programs, including “the coordination of health and social services for such individuals if there is a likelihood that the provision of such services, including day care, drug and alcohol counseling, and mental health services, will improve the likelihood such individuals will complete their education.” In addition, the following guiding questions may help you think about the response to this and similar uses of TIPD funds requests: [Listed here were the same questions from a previous example and found in Addendum B.]

Addendum B

Reviewing and Approving Proposed Uses of TIPD Funds

A set of decision rules that can help State TIPD coordinators and TIPD subgrantees determine whether a proposed use of TIPD funds is allowable and appropriate is listed in the following table.

Decision Rule	Response
<p>Do the proposed uses comply with Federal requirements regarding the use of TIPD funds (Subpart 1 or 2)?</p> <ul style="list-style-type: none"> • Subpart 1: Statute and nonregulatory guidance • Subpart 2: Statute and nonregulatory guidance 	<p>Yes or No</p>
<p>Do the proposed uses align with the goals and objectives of the [TIPD portion of your] State plan?</p>	<p>Yes or No</p>
<p>Do the proposed uses align with the requirements for and the needs expressed (through a needs assessment) in the subgrantee application (Subpart 1 or 2)?</p>	<p>Yes or No</p>
<p>Do the proposed uses comply with other applicable Federal regulations for the uses of Title I grant funds?</p>	<p>Yes or No</p>
<p>Do the proposed uses of funds comply with all applicable State or local laws and regulations?</p>	<p>Yes or No</p>
<p>Would the proposed use of funds improve outcomes for the students served? How would it do so?</p>	<p>Yes or No Explanation:</p>
<p>What proportion of the overall amount of the TIPD funds would be spent on this suggested use of funds? Is that reasonable given the amount of the TIPD allocation?</p>	<p>Proportion: Yes or No</p>
<p>Are there are other potential funding sources (e.g., State or district funds) to pay for the proposed use of funds?</p>	<p>Yes or No If yes, list sources:</p>