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July 16, 2012

TO: Chief School Administrator
Charter School Lead Person
State Agency Office of Education Director

FROM: Anne Corwell, Director
Office of Grants Management

SUBJECT: FY 2013 *No Child Left Behind (NCLB)* Allocation Notices

In preparation for the 2012-2013 school year, the New Jersey Department of Education (NJDOE) is releasing the district's/agency's Fiscal Year (FY) 2013 *No Child Left Behind (NCLB)* Consolidated Formula Subgrant allocations for all applicable programs as listed below. **Please Note:** While the NJDOE anticipates these grant awards will remain in effect for the FY 2013 *NCLB* project year, unless the federal budget deficit is reduced significantly, the *Budget Control Act* goes into effect on January 3, 2013. Such an occurrence would result in the sequestration of federal funding, which would result in a significant reduction in these *NCLB* grant awards at mid-year in 2012-2013 (see attachment for further details).

Beginning with the FY 2013 grant year, allocation notices will be made available on the NJDOE Homeroom website via *NCLB* Allocation Notices link on July 9, 2012. The link for NJDOE Homeroom is <http://homeroom.state.nj.us/>. If necessary, district web user administrators can add web user accounts or authorize existing web user accounts for access to the *NCLB* Allocation Notices link.

The following federal grant programs are included on the district's/agency's *NCLB* allocation notices:

- Title I, Part A: *Improving Basic Programs Operated by Local Education Agencies*
- Title I, Part D: *Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent or At-Risk*
- Title II, Part A: *Teacher and Principal Training and Recruiting Fund*
- Title III, Part A: *Grants and Subgrants for English Language Acquisition and Language Enhancement*
- Title III, Part A: *Immigrant*

A description of the information listed on the allocation notices, clarifying specifics on the grant programs, and details regarding the application submission are highlighted in the accompanying attachment.

The FY 2013 *NCLB* application is expected to be available on the EWEG system in mid July 2012. In an effort to assist districts in developing well considered implementation plans, which support the Consolidated Formula Subgrant, program specific planning information, nonpublic school documentation, and other pertinent worksheets and planning documents have been updated based on the statutory and regulatory requirements that were waived through the NJDOE's approved *ESEA* Flexibility Waiver Application. These documents are available on the NJDOE Web site at <http://www.nj.gov/njded/grants/entitlement/nclb/>.

Please be advised that the FY 2013 *NCLB* Consolidated Subgrant Application submission due date is tentatively scheduled for **Friday, August 31, 2012**. **Please note:** Districts/agencies that submit their respective *NCLB* applications in substantially approvable form through the EWEG system by the due date may begin to allocate the *NCLB* funds as of September 1, 2012.

If you have any questions, or require additional information regarding the FY 2013 *NCLB* allocation notices, please contact the Office of Grants Management (OGM) at (609) 633-6974.

We wish you success in the development of the FY 2013 *NCLB* application and encourage your continuing efforts to coordinate these federal programs with your other federal, state, and local programs to improve the academic achievement and learning of all New Jersey students.

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Attachments

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NCLB Directors

County Superintendents

NCLB Advisory Council

LEE Group

Garden State Coalition

New Jersey Public Charter Schools Association

Advisory Committee for Nonpublic Schools

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File



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Allocation and Program Information

Sequestration:

Please Note: As defined by the Congressional Budget Office, **sequestration** is an enforcement mechanism by which the President orders the cancellation of budgetary resources in amounts sufficient to eliminate a deficit. In this case, a **budget sequester** occurs when funds that would otherwise be spent under current law are reserved, and are used instead for deficit reduction.

The *Budget Control Act* is comprised of two possible illustrations under which federal spending could be sequestered.

- **Deficit Reduction Sequester:** a result of the failure to enact legislation that reduces the budget deficit by at least \$1.2 trillion over the next ten years, which would begin January 3, 2013. The deficit reduction sequester effects all non-exempt (not mandatory) federal programs with equal savings coming from defense spending and non-defense spending.
- **Discretionary Sequester:** a result of Congress exceeding any of the annual discretionary spending caps set by the *Budget Control Act*. Then, all non-exempt discretionary programs would be sequestered in the present fiscal year by an equal amount sufficient to reduce total appropriations to the cap specified in the *Budget Control Act*.

If the Joint Select Committee does not report a reduction in the budget deficit and Congress has not enacted legislation to reduce the budget deficit by more than \$1.2 trillion dollars, then the *Budget Control Act* goes into effect on January 3, 2013. This essentially translates to a possible reduction of up to 9% of the NJDOE's federal funds for FY 2013. Consequently, districts are strongly advised to include in their planning, contingencies for how they would handle such a reduction at mid-year in 2012-2013.

If sequestration occurs, the NJDOE will revise the FY 2013 *NCLB* allocations, which could significantly affect programs and services. Other areas that could be impacted include, but are not limited to: required reserve amounts for priority and focus schools; transferability funds; and consolidated administrative costs.

Allocation Notice Explanation:

The summary allocation notice lists the district's/agency's allocation amount for each *NCLB* program. Individual allocation notices provide details about each allocation as described below:

FY 2013 Formula Allocation

Calculations for each title are based on federal guidance and use projected charter school data. Final allocations for FY 2013 will be recalculated once the actual charter school data is available. Any upward or downward adjustment will be reflected in the district's/agency's FY 2014 *NCLB* allocation notices.



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FY 2013 Charter School Set Aside

These amounts reflect funds allocated to the charter schools and are based on projected data. Final allocations will be calculated once actual charter school data are available. Any upward or downward adjustments resulting from these final allocation calculations for FY 2013 will be reflected in the FY 2014 *NCLB* allocation notices. If a charter school closes or does not open, allocated funds will be reallocated back to the “sending” local educational agency (LEA) and will be reflected in the FY 2014 allocations.

FY 2012 Allocation Adjustment

These amounts reflect increased or decreased amounts that were calculated in the FY 2012 adjusted formulas. These amounts are specified separately on the FY 2013 allocation notice and include adjustments from FY 2012 for both the LEA and nonpublic schools.

Total FY 2013 Allocation

These totals identify **all funds** that are available for expenditure in FY 2013.

Maintenance of Effort:

The FY 2013 Maintenance of Effort adjustments for affected districts are not reflected in this allocation notice. The United States Department of Education (USDE) has given the New Jersey Department of Education (NJDOE) permission to make these adjustments in the next year to provide LEAs an opportunity to appeal, if needed, and to reduce burdensome changes to application budgets. Maintenance of Effort adjustments to the *NCLB* allocations will be made at the time of the adjustments to the FY 2013 allocation and will be shown on the FY 2014 allocation notices.

Important Information:

The FY 2013 *NCLB* project period begins on September 1, 2012. Program activities must commence at the beginning of the project period or when the district’s/agency’s application is received in substantially approvable form, whichever is later. Districts/agencies will receive e-mail notifications through the EWEG system when their applications have been received in substantially approvable form. Non-receipt of funds cannot delay the provision of services.

Program Specific Information for Each Title

Title I, Part A:

New for FY 2013: Given the provisions contained in the NJDOE’s approved, *ESEA* Flexibility Waiver Application, the school in need of improvement (SINI) and district in need of improvement (DINI) designations will no longer apply. Instead, districts’ schools will be designated in one of the following four categories: **Priority**; **Focus**; **Reward**; or **Other**. Since the SINI and DINI designations no longer apply, districts that previously had SINI designations will no longer be required to reserve 10% of a served school attendance center’s public allocation for SINI professional development services.



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Districts that previously had the DINI designations will no longer be required to reserve 10% of the total, Title I grant award for DINI professional development services. For districts serving the following categories of schools: **Title I Priority Schools, only; Title I Focus Schools, only; or Title I Priority and Focus Schools, the districts must reserve 30% of the total Title I, Part A grant award for Priority/Focus School Intervention services, to be developed in cooperation with the school and district administration and Regional Achievement (RAC) team, and approved by the Executive Director of the RAC.**

For a Title I district with served Title I Priority and Focus Schools, the district is required to submit a School Improvement Plan (SIP) to their respective Regional Assistance Center (RAC) for review by the RAC team and approval by the Executive Director for that RAC, prior to disbursement of Title I funds. The SIPs must outline the mutually agreed upon interventions and Annual Measurable Objectives (AMOs) for which the school, district, and RAC team will be held accountable.

For a Title I district with Title I schools operating approved Title I schoolwide programs (SW) that are not Priority and Focus schools, the district is required to submit a Title I SW plan as an electronic upload to the *NCLB* Consolidated Subgrant Application. In addition, Title I districts with Title I schools operating approved Title I SW programs that are not Priority and Focus schools, must upload a 'School Budget Summary for Title I Schoolwide Programs' using the Excel budget sheets posted at: www.nj.gov/education/grants/entitlement/nclb/.

If updates occur to the Title I Schoolwide Plan after the *NCLB* application is submitted and approved, these updates must be uploaded as electronic attachments to the *NCLB* amendment application at a later date. The Title I Schoolwide Plan template and forms for the above referenced Title I schools currently are available on the New Jersey Department of Education (NJDOE) Web site at <http://www.nj.gov/njded/grants/entitlement/nclb/>.

In accordance with *NCLB* §1122 (c) Title I, hold harmless applies to LEAs, depending upon their poverty rates as follows: 95 percent hold harmless for LEAs with a minimum 30 percent poverty; 90 percent hold harmless for LEAs with poverty rates between 15 percent and 30 percent; and 85 percent hold harmless for LEAs below 15 percent poverty. Additionally, adjustments are made for transfers to vocational and charter schools.

Title I allocations are calculated by the USDE based on estimates of the United States Census Bureau data (enrollment and poverty) as required by federal legislation. **Please note:** *Income Year 2000 Census* data were used for FY 2012. For districts with resident populations of less than 20,000 ("small" LEAs), the NJDOE is using an alternative method (using state enrollment and at-risk data) approved by the USDE. This option reduces the negative impact of USDE allocations on "small" LEAs in New Jersey.



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Eligibility for Title I funds is determined each year. Since actual enrollment and at-risk data are unavailable for first year charter schools and charter schools with significant enrollment increases, projections are used to determine eligibility and allocations for these charter schools. After actual data are obtained in October 2012, these charter schools may become ineligible or have their allocations significantly reduced. Affected charter schools that lose eligibility will be notified of their change in status. Affected charter schools with significantly reduced allocations also will be notified as soon as the impact of the change is determined.

Title I, Part D: State agencies (SAs) and eligible LEAs must upload the specific Title I, Part D program plan to the *NCLB* Consolidated Subgrant Application using the templates provided at: <http://www.nj.gov/njded/grants/entitlement/nclb>. The Subpart 1 form is submitted by SAs and the Subpart 2 form is submitted by LEAs. **Please note:** LEAs are required to collaborate with the juvenile detention center in the formulation of the program plan for Subpart 2, which must reflect the mandated formal agreement between the LEA and the facility.

Title II, Part A: For the FY 2013 *NCLB* application, if the LEA intends to budget less than the total amount of funds for professional development budgeted in FY 2002 for both the Eisenhower Professional Development and CSR programs, the LEA must use that FY 2002 amount to calculate the professional development Hold-Harmless amount for nonpublic schools. The FY 2013 allocation notice for Title II, Part A will provide the required nonpublic school percentage.

Please Note: According to USDE guidance, developing an evaluation system for teachers and/or principals is not in itself an allowable use of Title II, Part A funds; however, developing such systems that inform decisions on professional development, promotion, retention, compensation, and tenure is an allowable use of program funds. Please note the following information:

- If the evaluation system is not tied to an allowable, Title II, Part A activity, then the purchase and use of the system is not an allowable use of Title II, Part A funds.
- In all instances, Title II, Part A funds must supplement and not supplant state/local funds (see Sec. 1120A(b)(1) IN GENERAL).
- Title II, Part A funds cannot be utilized for student-specific activities (i.e., collecting student data on an evaluation system purchased with Title II, Part A funds).

Given the above, Title II, Part A funds may be utilized for the development of teacher and principal evaluation systems, as long as these systems are integral to the implementation of one or more of the following allowable uses as defined in the Title II, Part A regulations:

- Section 2123(a)(3)(A)(B): Permits LEAs to support activities that ensure teachers are able to use challenging State academic content standards and student academic achievement standards, and State assessments, to improve instructional practices and improve student academic achievement. An evaluation system could play a role in such an effort.



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- Section 2123(a)(4)(A) through (D): Permits for the development and implementation of mechanisms to assist LEAs and schools to effectively retain highly qualified teachers and principals. An evaluation system that could feed into a program for teacher and principal retention would be such a mechanism.
- Section 2123(a)(5)(C): Permits LEAs to use funds to reform tenure systems. An evaluation system could play a role in determining which teachers earn tenure.
- Section 2123(a)(5)(D): Permits LEAs to develop, merit-based performance systems and strategies to provide differential and bonus pay for teachers in high-need academic subjects such as reading, mathematics, and science, and teachers in high-poverty schools and districts. An evaluation system could serve as a means for determining which educators were eligible for increased performance-based pay.
- Section 2123(a)(6): Permits LEAs to develop and implement professional development programs for principals that enable the principals to be effective school leaders and prepare all students to meet challenging State academic content and student academic achievement standards. An evaluation system could assist LEAs in assessing the professional development needs of principals and could help steer principals toward professional development that addresses such needs.
- Section 2123(a)(8): Permits LEAs to develop teacher advancement initiatives that promote professional growth and emphasize multiple career paths and pay differentiation. An evaluation system could play a role in such an effort.

Title III – Limited English Proficient (LEP):

For the 2012-2013 school year (FY 2013), nonpublic school students will receive Title III services based on the number of LEP students who have been identified for and are receiving English as a second language instruction under the Chapter 192 program as of **October 15, 2011**. This information has been reported by nonpublic schools for the 2012-2013 school year in the 2013 Nonpublic School Enrollment Data Collection and subsequently verified by the public school district. Public school districts must ensure that the nonpublic schools within their jurisdiction provide Title III services in accordance with the federal regulations.

Use of Title III funds for the ACCESS for ELLs Test:

For the FY 2013 (2012-2013 school year), districts that accept Title III funds **may allocate up to \$12.00 per student** for the purchase of the ACCESS for ELLs test.

Consortium Requirement: Districts and charter schools must qualify for a grant of at least \$10,000 to qualify for Title III-A funds. If the LEA's allocation is less than \$10,000, the LEA may form a consortium with another district(s) to meet the \$10,000 base amount, or refuse the grant award.



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Districts that enter into a consortium must develop a Memorandum of Understanding (sample provided on the NJDOE Web site at: <http://www.nj.gov/education/grants/entitlement/nclb/> or alternative arrangement that outlines how the consortium will meet the Title III requirements, including the following:

- Ordering and administering the ACCESS for ELLs Test;
- Title III Annual Measurable Achievement Objectives (AMAOs);
- Parental notification to parents of participating LEP students; and
- Participation in an improvement plan if the consortium as a whole, or individual districts within the consortium fail to meet Title III AMAOs for two consecutive years.

The fiscal agent of the consortium is responsible for ensuring that consortium members fulfill their fiscal and programmatic responsibilities as subgrantees under Title III.

Please note: Title III (LEP) and Immigrant allocations **cannot** be combined to meet the \$10,000 minimum requirement.

Title III Immigrant:

Eligibility for Title III Immigrant funds is limited to LEAs that meet the following criteria:

- Based on the 2012 Student Immigrant Count, have 20 or more public and/or nonpublic school immigrant students in the district's jurisdiction; and
- Have demonstrated a 2 percent or greater increase in the percentage of immigrant children and youth enrolled in the public and nonpublic schools in the district in comparing the 2012 immigrant student count with the average immigrant enrollment reported to the Department of Education in 2010 and 2011.

Note: Please be advised that Title III Immigrant funds may be available to a district even if the district has less than a \$10,000 Title III allocation and declines Title III funds. This funding is contingent upon the State's receipt of federal *No Child Left Behind* Title III Immigrant funds.



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Application Information

The FY 2013 *NCLB* consolidated subgrant application is a fully electronic application, submitted through the Electronic Web-Enabled Grant (EWEG) system.

- In order to submit the FY 2013 *NCLB* consolidated subgrant applications electronically, districts must access the EWEG system through the New Jersey Homeroom Page at <http://homeroom.state.nj.us/>. Completed applications must be submitted as follows:
 - The *NCLB* application is submitted online through the EWEG system.
 - If applicable, the Title I Schoolwide Plan; Title I, Part D, Subpart 1; or Title I, Part D, Subpart 2 will be uploaded as attachments to the application.
 - Districts must establish their consortium information directly through the EWEG system by accessing the Consortium Administration link on the Formula Grant screen and entering all required information.
 - Copies of Board Resolutions or extracts of Board minutes must be submitted to the Office of Grants Management if the Board authorization date occurs after the application submission date.
 - Copies of the signed Nonpublic School Participation Refusal forms must be submitted to the Office of Grants Management (OGM) at the following address:

New Jersey Department of Education
Office of Grants Management
Application Control Center
P.O. Box 500
Trenton, NJ 08625-0500
Att: *NCLB* Consolidated Formula Subgrant

- **Please note:** the Affirmation of Consultation with Nonpublic School Officials form and the Title I Nonpublic Assurance form are not required to be submitted to the Office of Grants Management (OGM). Rather, the LEA must maintain a copy of these forms in its records and provide copies to the NJDOE upon request.