

Federal Funds for Education in Florida

House Education
Appropriations

February, 2005



Types of Federal Funds

- Entitlement
 - Programs in which each application meeting the specific funding requirements receives funding according to a specified formula or procedure with no discretion in modifying the purpose or total calculated amount.
- Discretionary
 - Programs which the grantor may choose to fund based on applications satisfying the grantor's established funding criteria. May be competitive or non-competitive.

Federal Programs: Distribution

- Flow-through to Local Education Agencies (LEAs) - districts, lab schools, FSDB, other agencies
- Can be formula or discretionary
- Typically more than ninety-five percent of total
- Requirements usually parallel requirements of states

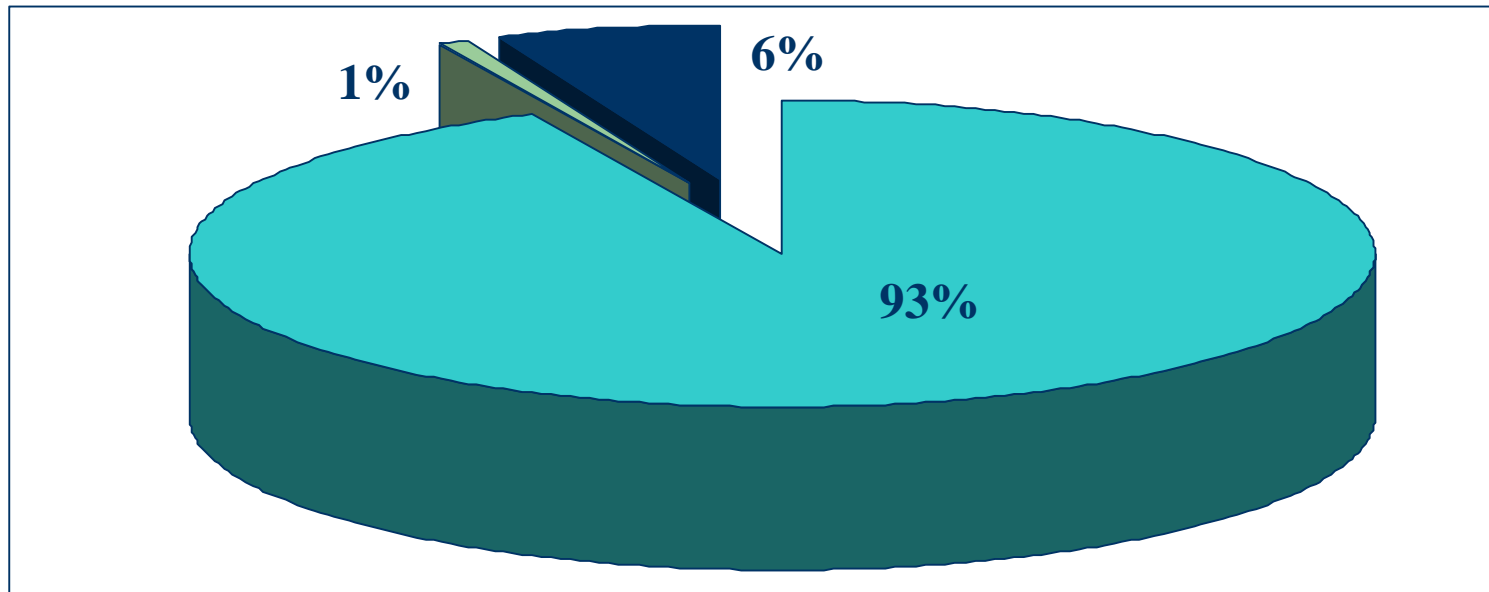
Federal Programs: Distribution

- State Level Discretionary (Technical Assistance)
 - Typically distributed to districts, community colleges, and universities to provide program support on a statewide or regional basis (training, research, etc.)
 - Usually three to five percent of total (can be more or less depending on the program)
 - Distributed as discretionary projects (competitive or non-competitive based on identified priorities)

Federal Programs: Distribution

- State Level Administration (Internal Operating)
 - Usually less than 5% of total award (Title I is 1%)
 - Used for personnel and other expenses associated with administration of the program
 - Used to maintain an infrastructure
 - Full amount allowable not always used for state level administration
 - Any amount not used for administration is used for state level activities or added to flow-through for districts

Federal Programs: Distribution



■ Flow-through

■ Administration

■ State-level TA

Other Budget Considerations

- Funds appropriated annually; however states (and LEAs) have 27 months to use the funds
- Although federal fiscal year is October 1 – September 30, most federal entitlement programs are awarded beginning July 1 and end 27 months later – September 30 (cross state fiscal year)
- Most forward funded – e.g., funds awarded July 1, 2004 were appropriated by Congress in late 2003. President's budget request includes education funds to begin on July, 2006

Direct Federal Grants

- Direct grants to districts, community colleges, and universities
- Most frequently awarded to universities for research
- Highly competitive
- “Earmarks” (\$19,110,000)
- State has no ability to influence awards and program implementation

Growth in Federal Funds for Florida

Elementary/Secondary Level Programs

2001 – 1,170,566,671

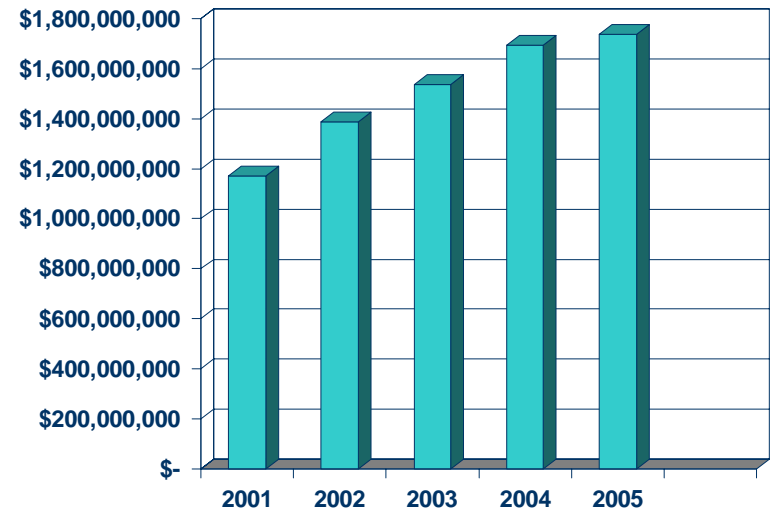
2002 – 1,386,596,011

2003 – 1,538,337,126

2004 – 1,695,070,871

2005 – 1,738,054,697

Increase of 48.5% over 5 years and 2.5 from 2004 to 2005



Changes for 2005-06

- **Title I, Basic: +4.5%**
- Reading First: +1.4%
- Neglected and Delinquent: +2.4%
- **Mathematics & Science Partnerships: +19.7%**
- 21st Century Learning Centers: +1.8%
- State Assessments: +3.5%
- Rural Education: +1.7%
- **Homeless: +5.1%**
- **IDEA, Part B: +5.4%**
- Vocational Education (Perkins): +2%

Changes for 2005-06

- Even Start: -8.7%
- Comprehensive School Reform: -10.8%*
- Educational Technology: -27.5%
- Innovative Programs: -33.1%
- Comprehensive School Reform: -100%*

All other programs had reductions of less than 1%

Changes Proposed for 2006-07

- Eliminate the following programs:
 - Even Start
 - Comprehensive School Reform
 - Enhancing Education Through Technology
 - Safe and Drug-Free Schools
 - Vocational Education
- Substantially reduce the following programs
 - Math and Science Partnerships

Changes Proposed for 2006-07

- Substantially reduce the following programs
 - Math and Science Partnerships
 - Innovative Programs
 - Adult
- New Programs
 - High School Intervention (\$27,464,124)
 - High School Assessments (\$10,553,574)
 - Teacher Incentive Fund (\$23,123,671)

Implications

- For IDEA and Title I, Congress and the President are continuing the commitment to increased funding.
- Expect to see this trend continue as advocates for both programs look toward “full” funding.
- Termination of programs judged to be less than effective or redundant.

Implications (cont.)

- Significant decreases in Innovative Programs (Title V) and Educational Technology (Title II, D)
- Combined these programs will decrease funding to districts by about \$12.3 million
- Both programs can provide funding to all schools – not just Title I
- Innovative Programs funding is some of the most flexible funding districts have – funds many school reform efforts.

Implications (cont.)

- Decrease in Comprehensive School Reform funds will decrease or eliminate altogether funds available to non-Title I schools for school improvement and reform (trend is to reduce funding available for non-Title I schools).

Implications (cont.)

- Decrease in state-wide discretionary funds for Innovative Programs and Educational Technology totals about \$811,462. Funds are currently use to support:
 - Assistance Plus Program (school improvement facilitators, coaches, research-based school improvement models, etc.)
 - Regional Technology Facilitators

Implications

- While there is an overall increase in federal funding to the State, the decreases to specific programs cannot be offset by the increases in others.
 - Title I funds limited to schools with significant numbers of disadvantaged students
 - IDEA funds limited to students with disabilities
 - Math and Science Programs (Title II) are competitive and cannot be targeted school or district-wide reform

Entitlement Programs: Opportunities and Challenges

- Challenges
 - Funds must supplement and not supplant state and local funds
 - Maintenance of effort
 - High level of regulation
 - Meeting local and state needs while ensuring compliance and accountability
 - Little ability to impact the amount of funding

Discretionary Programs: Opportunities and Challenges

- Opportunities
 - Typically support research and development
 - Promote innovation and demonstration
 - Often allow for pilot programs
 - Facilitate partnerships at all levels (federal, state, local, K-12, community colleges, universities, private and public sectors)

Discretionary Programs: Opportunities and Challenges

- Challenges
 - Typically short-term funding (three - five years)
 - Activities must focus on the purposes and priorities for which the funds were allocated
 - Lack of stability
 - Application and implementation processes are labor intensive
 - Not always a good match between needs and availability of funds
 - Funding limited in amount available

Indirect Cost - Definition

Indirect costs represent the expenses of doing business that are not readily identified with a particular grant, contract, project function or activity, but are necessary for the general operation of the organization and the conduct of activities it performs. In theory, costs like heat, light, accounting and personnel might be charged directly if little meters could record minutes in a cross-cutting manner. Practical difficulties preclude such an approach. Therefore, indirect cost rates are used to distribute those costs to benefiting revenue sources.

Direct Costs

- Generally include
 - Salaries and wages; fringe benefits
 - Consultant services contracted to accomplish specific grant objectives
 - Travel of employees
 - Materials, supplies, and equipment purchased directly for use on a specific grant or contract
 - Communication costs identifiable with a specific award or activity

Thank You

