



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

July 30, 2018

Dear McKinney-Vento and Title I, Part A State Coordinators:

This letter provides responses to the following questions that States have raised about changes that the Every Student Succeeds Act (ESSA) made to the requirements in section 1113(c)(3) of the Elementary and Secondary Education Act of 1965 (ESEA) applicable to the reservation of Title I, Part A (Title I) funds by a local educational agency (LEA) to serve homeless students:

- 1) Does the ESEA require an LEA to reserve Title I funds under section 1113(c)(3) if all schools in the LEA are Title I schools?
- 2) Does the ESEA require an LEA to reserve a specific amount of Title I funds to serve homeless students under section 1113(c)(3)?

Background

The ESSA made the following changes regarding the Title I homeless reservation (the exact statutory language is included in Attachment 1):

- Removed the language specifying that the reservation be used to serve homeless students who do not attend participating Title I schools;
- Made explicit that an LEA may determine the reservation amount based on a needs assessment that takes into consideration the numbers and needs of homeless children and youth in the LEA;
- Clarified that an LEA may use the reservation to provide homeless children and youth with services not ordinarily provided to other (housed) Title I students;
- Codified authority included in appropriations language since FY 2014 that permitted an LEA to use the reservation to fund a local homeless liaison's salary and expenses and to defray the excess cost of school of origin transportation; and
- Stipulated that an LEA must base the reservation (as well as the LEA's required reservation for children in facilities for neglected children, optional reservation for children in facilities for delinquent children, and calculation of the equitable share for services to eligible private school children) on its total allocation prior to any other allowable expenditures or transfers of funds.

The U.S. Department of Education (ED) previously addressed the changes that ESSA made to the homeless reservation under Title I in questions M-4 through M-6 of the Education for Homeless Children and Youth (EHCY) Program Non-Regulatory Guidance (Rev. March 2017) [available at: www2.ed.gov/policy/elsec/leg/essa/160240ehcyguidance072716updated0317.pdf]. Since that time, as noted above, ED has received questions about whether an LEA must reserve

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funds to serve homeless students if all schools in the LEA are Title I schools and the amount of funds to reserve. Responses to these new questions follow. In addition, Attachment 2 shows a modified question M-5 and the addition of the new questions (M-5a and M-6a, respectively).

Questions

- 1) Does the ESEA require an LEA to reserve Title I funds under section 1113(c)(3) if all schools in the LEA are Title I schools?

Yes. Regarding applicability of the homeless reservation to an LEA that has all Title I schools, prior to the changes made by the ESSA, the ESEA required that an LEA reserve funds necessary “to provide services comparable to those provided to children in [Title I schools] to serve homeless children and youths *who do not attend [Title I] schools*, including providing educationally related support services to children in shelters and other locations where children may live.” (Emphasis added.)

The ESSA amendments to this section removed the italicized language. As a result, the statute no longer speaks to using this reservation for homeless students who are not attending Title I schools. Instead, the ESEA now more generally requires an LEA to reserve Title I funds necessary to provide educationally related support services to homeless children and youths regardless of whether they attend a Title I school. In other words, this required reservation applies when all schools in an LEA are Title I schools (including Title I schoolwide schools) and when an LEA has Title I schools and non-Title I schools.

If an LEA has a mixture of Title I and non-Title I schools, an LEA may use this reservation to provide regular Title I services to homeless students attending non-Title I schools, as well as to provide homeless students with services not ordinarily provided to Title I students, regardless of whether the homeless students attend Title I or non-Title I schools (see ESEA section 1113(c)(3)(C)(ii)). Likewise, if an LEA has all Title I schools, it may use this reservation to provide its homeless students with services not ordinarily provided to other Title I students.

- 2) Does the ESEA require an LEA to reserve a specific amount of Title I funds to serve homeless students under section 1113(c)(3)?

No. The ESEA does not prescribe a specific amount. However, the ESEA requires that the amount be sufficient to provide services to homeless children as described above. Although not required, if only a small number of homeless students are identified in an LEA, an LEA may wish to use a districtwide per pupil amount for homeless students if this approach yields a reservation amount that is sufficient for the LEA to meet these requirements. When a greater number of students are identified as homeless, LEAs may find it helpful to use past years’ enrollment and cost data on expenditures to determine the next year’s reservation.

Additionally, as authorized under ESEA section 1113(c)(3)(C)(i) and described more fully in question M-6 of the EHCY guidance, an LEA may use a needs assessment to determine the reservation amount. Finally, as noted above, the homeless reservation may be used to provide homeless children and youths with services not ordinarily provided to other Title I students,

including to fund a local liaison’s salary and expenses and to defray the excess cost of school of origin transportation. LEAs may therefore consider these costs as well when calculating the amount of the Title I homeless reservation.

Thank you for your work to implement Title I and McKinney-Vento in your State. As you are well aware, State educational agencies (SEAs) play a critical role in helping LEAs to implement these changes consistent with the ESEA. Given this important responsibility, we have been encouraged to see coordination within SEAs between the McKinney-Vento State Coordinators and Title I program staff, especially in ensuring that homeless students receive the Title I services to which they are entitled. If you have further questions about this message or suggestions of how our offices can support your work in this area, please contact your OSS and OSHS program officers at OSS.[Statename]@ed.gov (e.g., OSS.Idaho@ed.gov) and HomelessEd@ed.gov.

Sincerely,

/s/

Paul Kesner
Acting Director, Office of Safe and
Healthy Schools

/s/

Patrick Rooney
Deputy Director, Office of State Support

Attachments

Other than statutory and regulatory requirements included in the document, the contents of this guidance do not have the force and effect of law and are not meant to bind the public in any way. This document is intended only to provide clarity to the public regarding existing requirements under the law or agency policies.

Attachment 1: Section 1113(c)(3) of the ESEA

(3) RESERVATION OF FUNDS.—

(A) IN GENERAL.—A local educational agency shall reserve such funds as are necessary under this part, determined in accordance with subparagraphs (B) and (C), to provide services comparable to those provided to children in schools funded under this part to serve—

- (i) homeless children and youths, including providing educationally related support services to children in shelters and other locations where children may live;
- (ii) children in local institutions for neglected children; and
- (iii) if appropriate, children in local institutions for delinquent children, and neglected or delinquent children in community day programs.

(B) METHOD OF DETERMINATION.—The share of funds determined under subparagraph (A) shall be determined—

- (i) based on the total allocation received by the local educational agency; and
- (ii) prior to any allowable expenditures or transfers by the local educational agency.

(C) HOMELESS CHILDREN AND YOUTHS.—Funds reserved under subparagraph (A)(i) may be—

(i) determined based on a needs assessment of homeless children and youths in the local educational agency, taking into consideration the number and needs of homeless children and youths in the local educational agency, and which needs assessment may be the same needs assessment as conducted under section 723(b)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11433(b)(1)); and

(ii) used to provide homeless children and youths with services not ordinarily provided to other students under this part, including providing—

- (I) funding for the liaison designated pursuant to section 722(g)(1)(J)(ii) of such Act (42 U.S.C. 11432(g)(1)(J)(ii)); and
- (II) transportation pursuant to section 722(g)(1)(J)(iii) of such Act (42 U.S.C. 11432(g)(1)(J)(iii)).

Attachment 2: Questions M-4 through M-6 of ED’s March 2017 EHCY ESSA Guidance

M-4. What types of services may an LEA provide to homeless students with funds reserved under section 1113(c)(3)(A) of the ESEA?

Title I, Part A funds may be used to provide a wide variety of services to homeless students. In addition to providing services to assist homeless students in meeting the State’s challenging academic standards, Title I, Part A funds may be used to provide services to homeless children and youths, including those in Title I schools, that may not ordinarily be provided to other Title I students. (ESEA section 1113(c)(3)(C)(ii)). For example, to help homeless students effectively take advantage of educational opportunities, an LEA may use Title I, Part A funds to provide, where appropriate, items or services including, but not limited to—

- Items of clothing, particularly if necessary to meet a school’s dress or uniform requirement;
- Clothing and shoes necessary to participate in physical education classes;
- Student fees that are necessary to participate in the general education program;
- Personal school supplies such as backpacks and notebooks;
- Birth certificates necessary to enroll in school;
- Immunizations;
- Food;
- Medical and dental services;
- Eyeglasses and hearing aids;
- Counseling services to address anxiety related to homelessness that is impeding learning;
- Outreach services to students living in shelters, motels, and other temporary residences;
- Extended learning time (before and after school, Saturday classes, summer school) to compensate for lack of quiet time for homework in shelters or other overcrowded living conditions;
- Tutoring services, especially in shelters or other locations where homeless students live;
- Parental involvement specifically oriented to reaching out to parents of homeless students;
- Fees for AP and IB testing;
- Fees for college entrance exams such as SAT or ACT; and
- GED testing for school-age students.

Two principles govern the use of Title I, Part A funds to provide such services to homeless students. First, the services must be reasonable and necessary to assist homeless students to take advantage of educational opportunities. (ESEA section 1113(c)(3)(A); 2 CFR § 200.403(a)). Second, Title I, Part A funds must be used only as a last resort when funds or services are not available from other public or private sources, such as the USDA’s National School Lunch Program and Breakfast Program, public health clinics, or local discretionary funds (sometimes provided by the PTA) used to provide similar services for economically disadvantaged students generally. (*See* ESEA section 1115(e)(2)).

M-5. In an LEA with Title I and non-Title I schools, are homeless children and youths who attend non-Title I schools eligible to receive Title I, Part A services?

Yes. Under section 1113(c)(3)(A) of the ESEA, an LEA must reserve sufficient Title I funds to provide services to homeless students who attend non-Title I schools that are comparable to those provided to students in Title I schools.

These services may include providing educationally related support services to children in shelters and other locations where homeless children live. Services should be provided to assist homeless students to effectively take advantage of educational opportunities.

In addition to serving homeless children and youths who attend non-Title I schools, the homeless set-aside may be used by an LEA with Title I and non-Title I schools to provide services to homeless students in Title I schools that are not ordinarily provided to other Title I students. (See question M-4.)

M-5a. Does the ESEA require an LEA to reserve Title I funds under section 1113(c)(3) if all schools in the LEA are Title I schools?

Yes. Regarding applicability of the homeless reservation to an LEA that has all Title I schools, prior to the changes made by the ESSA, the ESEA required that an LEA reserve funds necessary “to provide services comparable to those provided to children in [Title I schools] to serve homeless children and youths who do not attend [Title I] schools, including providing educationally related support services to children in shelters and other locations where children may live.” (Emphasis added.)

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If an LEA has a mixture of Title I and non-Title I schools, an LEA may use this reservation to provide regular Title I services to homeless students attending non-Title I schools, as well as to provide homeless students with services not ordinarily provided to Title I students, regardless of whether the homeless students attend Title I or non-Title I schools (see ESEA section 1113(c)(3)(C)(ii)). Likewise, if an LEA has all Title I schools, it may use this reservation to provide its homeless students with services not ordinarily provided to other Title I students.

M-6. How should an LEA determine the amount of funds to reserve for comparable services under Title I, Part A?

Funds reserved for comparable services under section 1113(c)(3)(A)(i) of the ESEA may be determined based on a needs assessment of homeless children and youths in the LEA, taking into consideration the number of homeless children and youths identified by the LEA and their unique needs. This needs assessment may be the same as the needs assessment conducted by the LEA in applying for local McKinney-Vento subgrant funds. (ESEA section 1113(c)(3)(C)(i)).

M-6a. Does the ESEA require an LEA to reserve a specific amount of Title I funds to serve homeless students under section 1113(c)(3)?

No. The ESEA does not prescribe a specific amount. However, the ESEA requires that the amount be sufficient to provide services to homeless children as described above. Although not required, if only a small number of homeless students are identified in an LEA, an LEA may wish to use a districtwide per pupil amount for homeless students if this approach yields a reservation amount that is sufficient for the LEA to meet these requirements. When a greater number of students are identified as homeless, LEAs may find it helpful to use past years’ enrollment and cost data on expenditures to determine the next year’s reservation.

Additionally, as authorized under ESEA section 1113(c)(3)(C)(i) and described more fully in question M-6, an LEA may use a needs assessment to determine the reservation amount. Finally, as noted above, the homeless reservation may be used to provide homeless children and youths with services not ordinarily provided to other Title I students, including to fund a local liaison’s salary and expenses and to defray the

excess cost of school of origin transportation. LEAs may therefore consider these costs as well when calculating the amount of the Title I homeless reservation.