## THE STATES OF MARIE

## UNITED STATES DEPARTMENT OF EDUCATION

## OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

June 12, 2023

The Honorable Cade Brumley State Superintendent of Education Louisiana Department of Education 1201 North Third Street Baton Rouge, LA 70802-5243

Dear Superintendent Brumley:

The U.S. Department of Education (Department) received your written plan for a reasonable level of tolerance when calculating whether the Louisiana Department of Education (LDOE) has met State maintenance of equity requirements under the American Rescue Plan Act of 2021 (ARP Act). This written plan applies only to a subset of Louisiana's local educational agencies (LEAs).

The ARP Act State maintenance of equity requirements help ensure that State funding supports LEAs with high concentrations of poverty and the students who have been subject to longstanding opportunity gaps in our education system and experienced the greatest impact from the COVID-19 pandemic. These requirements are vital for ensuring that States maintain funding to address the impact of the pandemic on students' education, and for protecting students in high-need and highest-poverty LEAs from disproportionate cuts if reductions in State effort do occur.

The Department determined that it is consistent with the State maintenance of equity requirements to allow a State educational agency (SEA) to calculate whether it has maintained funding equity with respect to its very small high-need and highest-poverty LEAs within a reasonable "tolerance level." The Department's determination is based on the possibility of significant volatility in the calculated per-pupil funding amounts for very small LEAs caused by small changes in student enrollment, which may be unrelated to whether an SEA has achieved the intent of the requirements. (See *Frequently Asked Questions, American Rescue Plan Elementary and Secondary School Emergency Relief Program, Maintenance of Equity Requirements*, July 26, 2022, Question 21(a).)

According to materials provided by LDOE, Louisiana's State education funding formula includes a base allocation for all students as well as weighted funding for students who require additional services. In the context of the funding weights, LDOE asserts that calculated per-pupil funding amounts for its very small LEAs are significantly affected by small changes in enrollment. This makes the per-pupil funding amounts in Louisiana's very small LEAs an imperfect indicator of whether the SEA has achieved the intent of maintaining equity in funding across LEAs. LDOE considers LEAs with memberships of fewer than 1,000 students to be very small. Under this proposed threshold, Louisiana has 52 very small LEAs out of 124 statewide.

For its 52 very small LEAs, LDOE proposes a tolerance of up to a 10 percent decline in perpupil funding. Applying this tolerance would impact three very small LEAs identified by the State as meeting the definition of high-need or highest-poverty in fiscal year 2022; together, these districts served .28 percent of Louisiana's students.

After reviewing LDOE's tolerance proposal and accompanying data, the unique circumstances in the State, and our further State-specific analysis, we have determined that this approach includes a reasonable level of tolerance when calculating whether Louisiana has maintained equity for very small LEAs.

Finally, data provided by LDOE indicate that Louisiana may need to make additional payments to LEAs that experienced disproportionate reductions in per-pupil funding in FY 2022 and that are not captured by this tolerance proposal. Please keep the Department informed as LDOE resolves any supplemental payments.

We appreciate your diligence in developing this proposal. If you have any questions, please contact your program officer at: Louisiana.OESE@ed.gov.

Sincerely,

Laura Jimenez

Laura Jimenez Director, Office of State and Grantee Relations Office of Elementary and Secondary Education