



UNITED STATES DEPARTMENT OF EDUCATION

OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

July 11, 2023

Dear Chief State School Officer:

The U.S. Department of Education (Department) is committed to supporting States, local educational agencies (LEAs), teachers, and school leaders to provide every student with a high-quality, equitable, and accessible education. As a part of this commitment, we are focused on implementing strategies that help address inequities in access to resources throughout our Nation's education system to improve academic and other education-related outcomes. As described in the Department's strategic plan, a growing body of research on resource equity suggests that students from low-income backgrounds, students of color, and other historically underserved students attend schools with less of the resources they need to be successful compared to their peers, including less funding, less experienced teachers, and less access to advanced coursework.¹

Last year, in partnership with nine States, the Department piloted a monitoring protocol on two related resource equity provisions under Title I, Part A (Title I) of the Elementary and Secondary Education Act of 1965 (ESEA)—(1) the requirement for States to periodically review resource allocation in LEAs serving a significant number of schools identified for comprehensive support and improvement (CSI), targeted support and improvement (TSI), and additional targeted support and improvement (ATSI) and (2) the requirement that CSI and ATSI plans both identify and address local resource inequities.

This targeted monitoring effort helped the Department understand current practices, opportunities, and challenges when implementing these provisions. This letter outlines recommendations based on the Department's pilot and provides additional resources, tied to each recommendation, that may be helpful to States now that ESEA school improvement designations have resumed after most States received a waiver of accountability and school identification requirements for the 2020-2021 school year due to the COVID-19 pandemic.

A. State Resource Allocation Review

Requirements

A State must periodically conduct a resource allocation review to support school improvement in each LEA in the State serving a significant number of schools identified for CSI, TSI, and ATSI (ESEA section 1111(d)(3)(A)(ii)). A State has discretion in meeting this requirement, including in determining what it means to “periodically” conduct a resource allocation review, what resources to include in the review, and how to define whether an LEA is serving a “significant” number of identified schools.

Please note that a State must itself conduct the review. A process where the State requires an LEA to review resource allocation (e.g., completing a self-assessment protocol provided by the State or

¹ Page 98 of <https://www2.ed.gov/about/reports/strat/plan2022-26/strategic-plan.pdf>.

performing its own analysis for purposes of school support and improvement plans) without any further review by the State would *not* meet requirements. Resource allocation reviews also provide an opportunity for a State to establish definitions for terms such as “resource” or “inequity” across its implementation of program requirements to incorporate local equity considerations.

Recommendations

As we work to support students’ academic recovery and mental health needs, including planning to sustain successful American Rescue Plan-funded initiatives, it is vital that States carefully evaluate resource allocation in LEAs serving high-need schools. In addition, reviewing resource allocation at the local level and in partnership with communities is a critical tool for increasing equity. All States should have their allocation review process in place by this point. As States continue to improve these resource allocation review procedures, we offer several recommendations for consideration:

1. Determine LEAs serving a “significant” number of identified schools by using a threshold that includes a percentage and/or a number.
2. Consider a broad variety of factors when defining “resources” that includes both financial and non-financial resources (e.g., staffing, access to coursework) from local, State, and Federal sources.
3. Align the timing for conducting a resource allocation review with the State’s school identification timeline such that a review is being conducted at least every three years.
4. Integrate the resource allocation review into existing processes for monitoring, school improvement, and budgeting.
5. Compare financial and non-financial resource allocation data both across and within LEAs.
6. Analyze State-identified resources alongside disaggregated student demographic information and outcome measures, including measures in the State’s accountability system, to determine whether resources are being distributed equitably.
7. Engage with diverse stakeholders such as LEA leaders, educators, community members, family members, students, and other education stakeholders, during the resource allocation review process to support strong implementation.
8. Provide the results of the review to the LEAs and work with them to take action to address the results of the review.
9. Publicly post the results of the resource allocation review and the tools the State used to conduct its review.

B. Identifying and Addressing Resource Inequities in CSI and ATSI Plans

Requirements

Among other requirements, support and improvement plans for CSI and ATSI schools must identify resource inequities (which may include the inequities identified through the State’s resource allocation review and a review of LEA and school-level budgeting) to be addressed through implementation of the improvement plan (ESEA section 1111(d)(1)(B)(iv) and (2)(C)).² CSI plans are developed by the LEA, in partnership with stakeholders (including principals and other school leaders, teachers, and parents) and are approved by the school, LEA, and State (ESEA section 1111(d)(1)(B)). ATSI plans are developed by the school in partnership with stakeholders (including principals and other school leaders, teachers, and parents) and are approved by the LEA (ESEA section 1111(d)(2)(B) and (C)).

² See Table 1. Support and Improvement Plan Requirements and Exit Criteria, by School Identification Category within the *Memo to States Regarding Consolidated State Plan Amendments for the 2022-2023 School Year*, available at <https://oese.ed.gov/files/2022/12/State-Plan-Memo-for-2022-2023-School-Year-to-post.pdf>.

Recommendations

While many States included in our targeted monitoring provided evidence that CSI and ATSI plans identify resource inequities, only two demonstrated that CSI and ATSI plans met the ESEA requirement to *both identify and address resource inequities*. We offer the following recommendations for your consideration to support LEAs and schools in developing CSI and ATSI plans that meet all required components, including identifying and addressing resource inequities:

1. Develop or update CSI and ATSI plan templates to explicitly include identification of resource inequities and how they will be addressed.
2. Implement clear processes for reviewing CSI plans to ensure each plan meets all requirements, including identifying and addressing resource inequities, and develop guidance that encourages LEAs to mirror this State-level work in the review of ATSI plans.
3. Provide guidance or technical assistance to LEAs and schools on identifying and addressing specific, measurable resource inequities.
4. Support LEAs and schools in selecting, implementing, and evaluating specific strategies that address identified resource inequities within a CSI or ATSI plan.

We remain committed to supporting you through our technical assistance partners. The Department's Comprehensive Center Network (CCNetwork), consisting of the National Comprehensive Center and 19 Regional Comprehensive Centers (RCCs) that each support one or more States, provides capacity-building support to States and LEAs. A State may request support from its RCC in meeting ESEA requirements, including these Title I resource equity provisions. Contact information for each RCC and resources from the CCNetwork are available at <https://compcenternetwork.org>.

As further described in the enclosure, the CCNetwork, in partnership with Edunomics Lab, recently launched a tool that is useful for the two Title I resource equity provisions: *School Spending & Outcomes Snapshot (SSOS): Supporting Conversations on Equity and School Improvement* (<https://compcenternetwork.org/ssos>). This tool includes data visualizations and questions for States, LEAs, schools, and education stakeholders to explore spending and outcomes data. This information can be used to advance thoughtful conversations among LEA and school communities about the equitable distribution of resources and how spending patterns may be related to student outcomes or school performance.

Thank you for your partnership to confront inequities and ensure all students have access to the resources needed for a high-quality education. If you have any questions or need additional information, please contact OESE.TitleI-A@ed.gov.

Sincerely,

/s/

James F. Lane, Ed.D.
Principal Deputy Assistant Secretary
Delegated the Authority to Perform the
Functions and Duties of the Assistant Secretary
Office of Elementary and Secondary Education

Enclosure

cc: State Title I, Part A Directors

Recommendations on State Resource Allocation Review and Identifying and Addressing Resource Inequities in CSI and ATSI Plans

A. State Resource Allocation Review (ESEA section 1111(d)(3)(A)(ii))

Recommendation 1: Determine LEAs serving a “significant” number of identified schools by using a threshold that includes a percentage and/or a number.

For example, two monitored States defined an LEA with more than 10 percent of its schools identified for CSI, TSI, or ATSI as having a significant number of identified schools. By using a percentage, the State ensures that it is including small or rural LEAs that have fewer schools but would still benefit from the State’s resource allocation review and support for school improvement. One State that implemented a 10 percent threshold to define “significant” also established an alternate threshold to include LEAs with at least two identified schools to account for large LEAs with multiple identified schools.

Recommendation 2: Consider a broad variety of factors when defining “resources” that includes both financial and non-financial resources (e.g., staffing, access to coursework) from local, State, and Federal sources.

School and LEA spending information is an essential resource to examine as part of the State’s review process. Until recently, analyzing school-level funding across the Nation was not possible. The Every Student Succeeds Act amended the ESEA to require, for the first time, States to publish per-pupil expenditure information for every public school. The Department has coordinated efforts to improve availability of these data. Over the last four years, the Office of School Support and Accountability (SSA) in the Department’s Office of Elementary and Secondary Education (OESE) has annually reviewed State and local report cards for this requirement. The National Center for Education Statistics has conducted the School Level Finance Survey since 2014 (https://nces.ed.gov/ccd/data_slfs.asp). Finally, the Institute for Education Sciences provided funding towards a joint effort by Georgetown University’s Edunomics Lab and the Massive Data Institute to create a database, called NERD\$, which includes school spending information from State and local report cards and websites (<https://edunomicslab.org/nerds/>).

However, if a State were only to examine financial resources as part of its review, it might overlook inequities among staffing, instructional, or other resources. For example, when comparing resources for a school identified for support and improvement or its LEA to other schools or LEAs, the per-pupil expenditures may be comparable and yet there may be significant differences in the rates at which low-income and minority students are taught by ineffective, out-of-field, or inexperienced teachers.

Accordingly, as part of its resource allocation review, each State should consider examining the following resources:

- *Per-pupil expenditures from Federal, State, and local sources*, either as reported on the State and local report cards under ESEA section 1111(h)(1)(C)(x) or in more detailed data collected by the State or LEA. Because Federal funding typically only accounts for eight percent of

public school funding nationally,³ it is recommended that States include State and local funds in their resource allocation reviews.

- *Rates at which “low-income students and minority students [are] taught... by ineffective, inexperienced, or out-of-field, teachers”* as determined by the State and the LEA under ESEA sections 1111(g)(1)(B) and 1112(b)(2), respectively.
- *Access to specialized instructional support personnel*, such as those defined in ESEA section 8101(47), including school counselors, school social workers, school psychologists, other qualified professional personnel, and school librarians, and the ratio of students to these staff.
- *Access to and participation in comprehensive and rigorous coursework, including advanced or accelerated coursework*, either as reported on the State and local report cards under ESEA section 1111(h)(1)(C)(viii) or in other data collected by the State or LEA (e.g., advanced coursework, arts education, foreign language coursework, preparation for postsecondary transition opportunities).
- *Rates of access to and participation in preschool programs for elementary school students*, using either required State and local report card information under ESEA section 1111(h)(1)(C)(viii) or other data collected by the State or LEA, including dual language and dual-immersion programs.
- *Any other educational resource information* (e.g., access to out-of-school time programs, including high-quality afterschool and summer learning; access to instructional materials or technology, including multilingual materials; instructional time, including the amount and how it is used; physical infrastructure information on school facilities; disparities in discipline practices) available to the State or LEA that the State determines would be helpful to examine as part of its review.

Recommendation 3: Align the timing for conducting a resource allocation review with the State’s school identification timeline such that a review is being conducted at least every three years.

States are encouraged to conduct resource allocation reviews at least once every three years to support school improvement in each cohort of LEAs with identified schools. Furthermore, if a State conducts its resource allocation review shortly after it identifies schools for CSI, there are two important benefits. First, this timing allows LEAs included in the State’s review to use the results to inform the development of school support and improvement plans, particularly for identifying and addressing resource inequities in CSI and ATSI plans, as required by ESEA section 1111(d)(1)(B)(iv) and (2)(C). In addition, the State may use the results to inform its technical assistance efforts and support for school improvement, including to ensure that LEAs and schools have sufficient resources to attain and sustain their school improvement goals. Under ESEA section 1111(d)(3)(A)(iii), a State is *required* to provide technical assistance to LEAs serving a significant number of CSI, TSI, and ATSI schools.

³ 2021-302 Revenues and Expenditures for Public Elementary and Secondary Education FY 19 available at: <https://nces.ed.gov/pubs2021/2021302.pdf>.

Recommendation 4: Integrate the resource allocation review into existing processes for monitoring, school improvement, and budgeting.

Over the last few years, three of the Department’s Comprehensive Center Network’s (CCNetwork) Regional Comprehensive Centers (RCCs) have worked with four States to review resource allocations. That work has demonstrated that, for these resource allocation reviews to be meaningful and not merely compliance-driven, the reviews should be integrated into broader efforts or processes in the State. Three States included in SSA’s targeted monitoring integrated their resource allocation reviews into existing procedures. For example:

- One State uses its annual comprehensive review process for LEAs, which includes 10-20 LEAs the State selects for monitoring based on a risk rating that accounts for school performance. During monitoring, the State reviews documentation submitted by the LEA that describes the current allocation of leadership, staffing, curricular, and financial resources within the LEA. The State then provides feedback to the LEA on the strengths of its allocation processes and recommendations to support improvement. The State provides several analytical tools to the monitored LEAs to facilitate their submission of evidence and their engagement with the feedback. For example, the State provides a public data dashboard to conduct comparisons across LEAs using a feature to “select comparable districts,” to visualize longitudinal trends over five years of available data in spending, staffing, enrollment, and student performance, and to investigate staffing levels or per-pupil spending.
- Another State integrates its resource allocation review process into its existing processes for differentiated monitoring and support, which already includes a review of funding and staffing resources. By integrating this work into the State’s on-going monitoring efforts, the LEA and school can use the results of the resource allocation review to take meaningful action by amending the support and improvement plans or the LEA’s consolidated application for Federal funds.
- A third State annually collects each LEA’s staffing allocation policies; the State’s examination of this staffing information informs the State’s resource allocation reviews. The same State also embeds its resource allocation review process in its broader school improvement efforts, which consist of a step-by-step process that LEAs and schools use to conduct a needs assessment and develop school improvement plans under the ESEA.

Recommendation 5: Compare financial and non-financial resource allocation data both across and within LEAs.

The State-level review permits State leaders to work both to address resource inequities that exist across LEAs and to support LEA leaders to address resource inequities that exist within an LEA.⁴

Looking across LEAs, a recent analysis by The Education Trust indicates that, on average, LEAs with the most students of color receive 16 percent less State and local revenue than LEAs with the fewest students of color; high-poverty LEAs receive five percent less State and local revenue than low-poverty LEAs; and LEAs with the most English learners receive 14 percent less State and local

⁴ The Department acknowledges that a number of States and LEAs are under court orders regarding the equitable distribution of funds or other resources across and within LEAs; this recommendation for a State’s resource allocation review should not be construed to alter or otherwise impact these court orders.

revenue than LEAs with the fewest English learners.⁵ A State may use this type of analysis to inform its actions to address resource inequities across LEAs (e.g., awarding of school improvement funds under ESEA section 1003, or refining State funding systems).

Looking within LEAs, the State can examine how resources per pupil or rates of access to different resources differ for schools identified for support and improvement compared to other schools in the LEA to determine if there are any inequities that exist between schools within the LEA. For example, one monitored State examined differences in average teacher salaries, differences in per-pupil spending, and the correlation between proficiency in mathematics and reading and per-pupil spending. Another State analyzed the physical infrastructure of schools in the reviewed LEA. It noted most schools in the LEA have deficiencies in the quality and utility of their facilities. A State may support an LEA's use of the State's analytical tools or databases or external tools to identify resource inequities across schools, particularly schools identified for CSI, TSI, or ATSI, within the LEA.

Recommendation 6: Analyze State-identified resources alongside disaggregated student demographic information and outcome measures, including measures in the State's accountability system, to determine whether resources are distributed equitably.

To support school improvement, it is important for a State to analyze resources alongside student outcome measures (e.g., indicators in its State system of annual meaningful differentiation) and other contextual factors (e.g., percentages of economically disadvantaged students, students from major racial and ethnic groups, children with disabilities, English learners, students experiencing homelessness, and students in foster care) to best understand and meet the resource needs of schools. For example, schools serving high percentages of students with disabilities or English learners may have different resource needs than schools serving lower percentages of such students. For an example of how to conduct these analyses, States may look at a tool recently launched by the CCNetwork, in partnership with Edunomics Lab: *School Spending & Outcomes Snapshot (SSOS): Supporting Conversations on Equity and School Improvement*, which includes data visualizations and questions for States, LEAs, schools, and education stakeholders to explore spending and outcomes data (<https://compcenternetwork.org/ssos>). This information can be used to advance thoughtful conversations among LEA and school communities about the equitable distribution of resources and how spending patterns may be related to student outcomes or school performance.

Recommendation 7: Engage with diverse stakeholders such as LEA leaders, educators, community members, family members, students, and other education stakeholders during the resource allocation review process to support strong implementation.

For example, one monitored State first shared its initial analyses from the resource allocation review with the LEA's superintendent with instructions on how to share the results of the review with district and school leaders. After sharing the initial analyses, the State then utilized a discussion protocol for a guided conversation about the results of the review with LEA and school leaders, including, at a minimum, the following personnel: superintendent, finance officer, Federal programs officer, and principal(s) of schools identified for CSI, TSI, or ATSI.

⁵ "Equal is Not Good Enough: An Analysis of School Funding Equity Across the U.S. and Within Each State" available at: <https://edtrust.org/resource/equal-is-not-good-enough/>. We cite this report for its school finance data regarding State and local revenue but do not endorse any views, opinions, or conclusions expressed in this report, nor does the Department control or guarantee the accuracy, relevance, timeliness, or completeness of any information included in this report.

Additionally, the State or LEA may plan engagement activities with other education stakeholders, such as community and family members, to discuss the results of the review and potential actions that may be taken. Families are critical stakeholders, and LEAs could benefit greatly from their feedback. For an example of the types of questions that could be explored, please see the “Questions to Explore” in the SSOS tool available here: <https://compcenternetwork.org/ssos>.

Recommendation 8: Provide the results of the review to the LEAs, and work with them to take action to address the results of the review.

For example, one State included in the targeted monitoring shared the results of its review and hosted follow-up meetings with LEA and school leaders at three, six, and 12 months using a follow-up protocol. The same State provided these examples of changes made following its recent resource allocation review: (1) the State revised its formula for allocating funds to LEAs under ESEA section 1003; and (2) one LEA was exploring implementing a weighted student funding formula to provide additional resources to students with greater needs. Another State encouraged an LEA to consider changes to its weighted student funding formula to address unequal funds from external sources beyond State and local funds in the LEA.

Recommendation 9: Publicly post the results of the resource allocation review and the tools the State used to conduct its review.

Although the ESEA does not require a State to publish the results of its resource allocation review, the Department recommends that States publicly post the results in order to ensure that LEA and school communities have access to the results to inform spending and other resource allocation decisions and dispel potential misconceptions about the use of resources.

For example, two of the monitored States that integrate resource allocation reviews into comprehensive monitoring of LEAs conduct conversations with each monitored LEA to review the results and publicly post reports summarizing the results. In fall 2022, one State made public a resource allocation analytical tool that visualizes per-pupil expenditures disaggregated by source with other school-level information (e.g., percent free and reduced-price lunch, percent English learner, staff experience, staffing levels, grade range, locale). The analytical tool permits a user to filter the resulting visualization by LEAs and CSI, TSI, or ATSI schools. When publicly posting the results and/or tools, the State should ensure that the information and any visualizations are presented in an understandable format and accessible for all.

B. Identifying and Addressing Resource Inequities in CSI and ATSI Plans
(ESEA section 1111(d)(1)(B)(iv) and (2)(C))

Recommendation 1: Develop or update CSI and ATSI plan templates to explicitly include identification of resource inequities and how they will be addressed.

Some States include a section in support and improvement plan templates where the LEA or school must explicitly identify resource inequities, whereas other States integrated the identification of resource inequities into the needs assessment that an LEA must conduct as part of the development of its CSI plan. If a State’s template incorporates the identification of resource inequities through the needs assessment, the plan template should also clearly include the resource inequities that were identified as part of the needs assessment. In addition, CSI and ATSI plans must also describe how implementation of the plan will address the identified resource inequities. This requirement that plans

address identified resource inequities should be reflected in the plan templates and State or LEA review procedures.

Recommendation 2: Implement clear processes for reviewing CSI plans to ensure each plan meets all requirements, including identifying and addressing resource inequities, and develop guidance that encourages LEAs to mirror this State-level work in the review of ATSI plans.

The State, LEA, and school have different responsibilities for developing, approving, and monitoring CSI and ATSI plans:

- An LEA develops the support and improvement plan for each CSI school it serves, which must be approved by the school, LEA, and State. The State must monitor and periodically review implementation of the CSI plans. (ESEA section 1111(d)(1)(B)).
- An ATSI school develops its support and improvement plan, which must be approved by the school and LEA. The LEA must monitor implementation of the ATSI plan. (ESEA section 1111(d)(2)). As part of its oversight of Title I, the State must monitor the LEA's implementation of the ATSI plan requirements, including the LEA's review and approval of ATSI plans and monitoring of plan implementation. The Department recommends that the State include this as a component of its Title I LEA monitoring protocol.

To maintain consistency across support and improvement plans, the Department recommends that States design standard processes or rubrics to evaluate and review CSI and ATSI plans at the State and LEA level, respectively. A standardized process or rubric to review CSI and ATSI plans can help the LEAs and the State ensure that each support and improvement plan meets all requirements. A rubric has the additional benefit of providing consistent feedback to each LEA and school on each requirement and, if the rubric is available to schools and LEAs, provides the opportunity for a school or LEA to self-assess its progress.

If a State or LEA integrates the identification of resource inequities into its needs assessment template, then the State or LEA review procedures should verify that resource inequities are clearly being identified and addressed within the CSI or ATSI plan.

Recommendation 3: Provide guidance or technical assistance to LEAs and schools on identifying specific, measurable resource inequities.

States should consider offering detailed technical assistance to LEAs and schools on how to develop CSI and ATSI plans that meet all ESEA requirements. In order to support LEAs and schools with identifying a specific, measurable resource inequity, the State could provide the LEA and school with:

- A recommended list of resources that the LEA and school should examine in order to identify resource inequities that exist within the school for student subgroups or across schools in the LEA.
- A recommended list of data sources that an LEA may use to inform its needs assessment and school support and improvement plans. Some available data, such as opportunity to learn data, may not be statewide and therefore cannot be used for accountability purposes; however, these

data can be used to inform school support and improvement plans and identification of resource inequities.

- Data organized in a spreadsheet or analytical tool in order to conduct an examination of resource inequities (e.g., the results of the State’s resource allocation review).

Recommendation 4: Support LEAs and schools in selecting, implementing, and evaluating specific strategies that address identified resource inequities within a CSI or ATSI plan.

Multiple States required support and improvement plans to identify resource inequities as part of a needs assessment but did not then connect the identified inequities to the strategies to be implemented as part of the plan, as they are required to do under ESEA. States should consider developing a list of evidence-based strategies or interventions that have been shown to help address common resource inequities in the State. The State could recommend that LEA or school leaders consider specific strategies for how they may:

- Reallocate financial resources within the LEA. For additional support see the “Questions to Explore” for district leaders in the SSOS tool on the CCNetwork webpage: <https://compcenternetwork.org/ssos>.
- Provide State-organized professional development opportunities that respond to identified needs from educator evaluations to support schools with high numbers of ineffective, out-of-field, or inexperienced teachers as identified under ESEA section 1111(g)(1)(B), particularly for teachers teaching students in the identified schools’ areas of poor academic performance.
- Examine teacher retention and recruitment policies to address disproportionalities in rates of ineffective, out-of-field, or inexperienced teachers (see the Title II, Part A resources webpage: <https://oese.ed.gov/offices/office-of-formula-grants/school-support-and-accountability/instruction-state-grants-title-ii-part-a/resources/#recruitment-and-retention>).
- Supplement current instructional resources with high-quality tutoring programs. For additional support, see:
 - The National Partnership for Student Successes (NPSS) for quality standards and technical assistance in creating, expanding, and scaling these programs. The NPSS is a public-private partnership between the Department, AmeriCorps, and the Everyone Graduates Center at Johns Hopkins University: <https://www.partnershipstudentsuccess.org>.
 - “High Quality Tutoring to Accelerate Learning Webinar Series” developed by IES’ Regional Educational Laboratory Program for additional information about choosing and implementing tutoring programs or approaches: <https://ies.ed.gov/ncee/rel/Products/Event/100202>.
- Use specific evidence-based practices from IES’ What Works Clearinghouse that may help address any identified resource inequities: <https://ies.ed.gov/ncee/wwc>.