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Bulletin No. 02.13

## Topic: Flexible Use of ESEA Program Funds Across Titles (Transferability)

The recently reauthorized federal Elementary and Secondary Education Act (ESEA), also known as the No Child Left Behind (NCLB) Act of 2001, includes under Title VI expanded flexibility to use available funding across identified programs. This bulletin addresses the provision of transferability, available to all local education agencies (LEAs), and the Rural Education Initiative, available to rural school districts. Click [here](#) for a quick view of the differences between transferability and REAP-flex.

### Transferability Authority

Transferability is a provision that allows local education agencies to transfer up to 50 percent of the formula allocations from Title II, Part A — Teacher and Principal Training and Recruitment into Title I, Part A. An LEA may not transfer funds allocated under Title I, Part A, into any other program. Transferred funds are subject to the requirements of the program from which they are transferred.

LEAs with Priority and/or Focus Schools will have the option, under the ESEA Flexibility Waiver, to transfer up to 100 percent into Title I, Part A in order to support schoolwide reforms. However, transfers of funding must not reduce equitable services available to private school students and staff.

The U. S. Department of Education's (USDE) final guidance on transferability can be accessed at

<http://www2.ed.gov/programs/transferability/legislation.html>.

### Transfer Process

Before transferring funds under Transferability Authority, an LEA must:

- Engage in timely and meaningful consultation with private school officials to provide for the equitable participation of private school students and staff (see bulletin on equitable participation by private schools [http://www.dpi.wi.gov/esea/pdf/bul\\_0301.pdf](http://www.dpi.wi.gov/esea/pdf/bul_0301.pdf)).
- Determine which funds are to be transferred (subject to the applicable percentage limitations) and the programs to which the funds will be transferred.
- Make the transfer in the web-based ESEA Application.
- Keep the transferred funds in their original account(s) but maintain documentation that shows how the transferred funds in the original account(s) have been reclassified. In other words, in transferring funds, an LEA does not actually have to move funds from one account to another as long as it maintains adequate documentation to account for the transfer.

Note: Once funds are transferred into Title IA, they remain in the Title IA budget. Transferred funds not liquidated during the current year will be carried over as transferred funds into the next year.

For more information regarding the Transferability Authority, contact Abdallah Bendada at [Abdallah.bendada@dpi.wi.gov](mailto:Abdallah.bendada@dpi.wi.gov) or 608-267-9270.

### Budgeting and Claiming Process

Once the transfer is made and accepted by the LEA's Title I Coordinator in the ESEA application, the LEA may budget transferred funds in their Title I –A budget by simply clicking "Title II-A Transfer Funds"

Budget Menu --> Submit/Lock Budget Page --> Personnel --> Purchased Services --> Non-Capital Objects --> Capital Objects --> Insurance --> Other Objects --> Summary Report --> Submission History --> Title II Transferred Funds Budget Summary

#### Non-Capital Objects Section (400 Objects) - Instructional Budget

Program Type: Private School  Title II-A Transfer Funds

Non-Capital Object: Instructional Media Function: TI Before/After School (Regular Cu

WUFAR & Description: 120000 - Regular Curriculum Local WUFAR Detail:

Estimated Cost: School:

Detailed Description:

Goal:

**Add**

Program Type:	Non-Capital Object	WUFAR-Description	Local WUFAR Code	Estimated Cost	Action
Targeted Assistance	Supplies	219000-Other Pupil Services		\$3,500	<a href="#">Edit</a>
				<b>Total:</b>	\$3,500

Claims for transferred funds are made under the Title II-A budget menu. LEAs should be sure to select the transfer budget from the dropdown.

#### Title Budget Claims History

Budget Type: Title II-A to Title I-A Transfer

Current Status	Report Type	Submittal Date	Approved Date	Report Period Ending Date	Funds Claimed to Date	Action
Approved	Partial Claim	01/11/2013	01/23/2013	11/30/2012	\$0.00	<a href="#">View</a>
Approved	Partial Claim	05/03/2013	05/16/2013	04/30/2013	\$4,860.00	<a href="#">View</a>
Submitted	Final Claim	07/30/2013		06/30/2013	\$5,905.78	<a href="#">Edit</a>

### Rural Education Initiative

The Rural Education Initiative contains a provision called the "Alternative Use of Funds Authority." This provision gives an LEA broader authority in spending applicable funds. It provides flexibility to eligible LEAs to use specific Federal formula funds to support local activities under an array of Federal programs in order to assist them in addressing local academic needs more effectively.

An LEA is eligible for this provision if they have an average daily attendance of less than 600 and locale code of 7 or 8.

Under the provision, Federal formula funds received under these programs are applicable funds:

- (1) Subpart 2 of Part A of Title II (Improving Teacher Quality State Grants);

An LEA with REAP-Flex authority may use all or part of its “applicable funding” for local activities authorized under one or more of the following ESEA programs:

- (1) Part A of Title I (Improving the Academic Achievement of the Disadvantaged);
- (2) Part A of Title II (Improving Teacher Quality State Grants);
- (3) Title III (Language Instruction for Limited English Proficient and Immigrant Students); and
- (4) Part B of Title IV (21<sup>st</sup> Century Community Learning Centers).

Information on Wisconsin’s Title VI, Part B: Rural Education Initiative can be found at:

<http://dpi.wi.gov/fscp/rehmpage.html>

and Federal guidance can be found at:

<http://www.ed.gov/policy/elsec/guid/reap03guidance.doc>

Questions regarding the Rural Education Initiative should be directed to:

Steve Kretzmann  
Bright Beginnings & Family-Community-School Partnership Team  
608-267-9278  
[stephen.kretzmann@dpi.wi.gov](mailto:stephen.kretzmann@dpi.wi.gov)

Specific questions related to this bulletin should be directed to:

Al Virnig, Senior Accountant  
School Management Services  
608-266-2428  
[alan.virnig@dpi.wi.gov](mailto:alan.virnig@dpi.wi.gov)