Title I and High Schools:
Addressing the Needs of Disadvantaged Students at All Grade Levels

By Wayne Riddle

Executive Summary

Title I, Part A of the Elementary and Secondary Education Act (ESEA) authorizes federal aid to local educational agencies (LEAs) for the education of disadvantaged children. Title I-A grants provide educational and related services to low-achieving and other pupils attending pre-K–12 schools with relatively high concentrations of pupils from low-income families. The basic purpose of Title I-A is to supplement state and local funding in these schools sufficiently to enable students who attend them to meet state achievement standards. It is the largest federal program of aid to elementary and secondary education.

For the allocation of funds to states and LEAs, ESEA Title I-A has a separate formula for each of these grants: Basic, Concentration, Targeted, and Education Finance Incentive Grant (EFIG). While portions of each year's appropriation are allocated separately under each of these formulas, once these funds reach LEAs they are combined and used without distinction for the same program purposes. In addition to having different features, the four Title I-A allocation formulas vary with respect to the extent that they focus funds on LEAs with the highest percentages or numbers of children from low-income families. Overall, targeting on higher-poverty LEAs has increased in recent years.

High Schools Are Largely Absent from Title I-A

Unlike almost all other federal elementary and secondary education programs, most Title I-A funds are allocated to individual schools. After serving all schools in an LEA with a percentage of students from low-income families of 75 percent or more, if any funds remain LEAs are to select additional schools to be served in rank order, based on their percentage of students from low-income families. At this stage, LEAs may choose to consider only schools at one or more grade levels—elementary, middle, or high schools. According to the U.S. Department of Education (ED),

> under Title I, elementary schools received 76 percent of the school allocations, considerably more than their share of the nation's low-income students (57 percent). Middle schools received 14 percent of Title I funds and enrolled 20 percent of all low-income students, while high schools received 10 percent of Title I funds and enrolled 22 percent of all low-income students.[1]

Additionally, analyses presented in this paper show that many high-poverty high schools are not classified as eligible for Title I-A. Specifically, almost 1,300 high schools have a percentage of students from low-income families at or above 50 percent, but they are not eligible for Title I-A.

The relatively low share of Title I-A funds being allocated to middle and high schools has resulted from two factors. First, LEAs have tended to use their discretion to focus funds on selected grade levels (after having served all schools with 75 percent or more students from low-income families) to concentrate assistance on elementary and, to a lesser extent, middle schools. Second, both because they tend to serve larger, less homogeneous populations than elementary schools and because older students are less likely to participate in the free and reduced-price school lunch programs even when they are eligible to do so, the reported percentage of pupils from low-income families is lower on average for middle and especially high schools than for elementary schools. Under current policy, an option exists to address the lower rates of students from low-income families—as directly measured—in high and middle schools. LEAs may use "feeder pattern" data to project rates of students from low-income families for middle or high schools based on the rates for the lower-level schools that "feed" students to them. Although rarely used, such feeder pattern projections would increase the number of high schools eligible for Title I-A grants, although this effect might be limited as long as LEAs are allowed to focus grants only on selected grade levels (after having served all schools with 75 percent or more students from low-income families).

Impact of Low Title I-A Participation for Secondary Schools

The low Title I-A participation rates for middle and high schools are of concern both because resources may not be equitably distributed in relation to student need and because under current federal law, corrective actions and other consequences for failure to meet Adequate Yearly Progress (AYP) standards need only be applied to schools that participate in Title I-A. Thus, the ESEA's policies for addressing low performance may be largely overlooking a major sector of K–12 education. In addition, the low rate of designation of high schools as being eligible for Title I-A, whether or not they actually receive Title I-A grants, will likely diminish their participation in other federal education grant programs. For example, eligibility for the Title I School Improvement Grant (SIG) program is currently tied to Title I-A eligibility. Additionally, in the discretionary grant priorities proposed by ED, only schools that receive or are eligible for Title I-A are included in the definition of persistently low-achieving schools.[2]

Policy Options

Options for increasing the rate of participation by high schools in ESEA Title I-A programs include the following:

- require use of feeder pattern projections when calculating the percentage of students from low-income families for high (and middle) schools;
- clarify the Title I-A eligibility threshold for schools;
- reduce the priority low-income student rate threshold for high schools, and possibly lower the threshold for middle schools as well;
- establish a set-aside for high schools within Title I;
- require LEAs to use a share of their Title I-A funds in high schools that is proportional to the share of the LEA's total students from low-income families who are enrolled in high schools; and
- prohibit LEAs from selecting the grade levels to serve after providing grants to all schools at 75 percent or above.

Introduction

Title I, Part A of the Elementary and Secondary Education Act (ESEA) authorizes federal aid to local educational agencies (LEAs), or school districts, for the education of disadvantaged children. Title I-A grants provide educational and related services to low-achieving and other pupils attending pre-K–12 schools with relatively high concentrations of pupils from low-income families. The basic purpose of Title I-A is to supplement state and local funding in these schools sufficiently to enable students who attend them to meet state achievement standards.

A major concern regarding the allocation of funds to schools under ESEA Title I-A is whether an equitable share of funds is being allocated to high schools and, to a lesser extent, middle schools. As will be discussed in more detail later in this report, the share of Title I-A funds used to serve high school students is disproportionately low. This report describes how funds are allocated under Title I-A to states, LEAs, and schools, analyzes the disproportionately low rate of participation by high schools and their students in the program, and reviews a series of options to provide more equitable treatment of high schools and their students under Title I-A in the forthcoming reauthorization of the ESEA.

The ESEA was initially adopted in 1965 as the culmination of efforts throughout the 1950s and early 1960s to initiate substantial levels of federal support to K–12 education. These proposals were initiated in response to pressures on state and local school systems that included the arrival of baby-boom students in the schools, racial desegregation, and a perceived need to increase achievement in mathematics and science in competition with other nations, particularly the former Soviet Union.

Title I-A is the largest federal elementary and secondary education assistance program, with appropriations of $14,492,401,000 in grants to LEAs, plus $545,633,000 in School Improvement Grants (SIG), for Fiscal Year (FY) 2010 (School Year 2010–11). This is in addition to $10 billion in LEA grants, plus $3 billion in SIGs, for FY 2009 and FY 2010, provided under the American Recovery and Reinvestment Act (ARRA), the economic stimulus legislation adopted early in 2009. Since the Title I-A program was initiated in 1965, a total of approximately $266 billion in current dollars (i.e., without adjusting for price-level changes over this period) has been appropriated for it. Title I-A services are provided to (1) more than 90 percent of all LEAs; (2) approximately 52,000 (56 percent) of all public schools; and (3) approximately 16.5 million (34 percent) of all pupils, including approximately 188,000 pupils attending private schools.

The ESEA was most recently reauthorized and amended by the No Child Left Behind Act of 2001 (NCLB), P.L. 107–110, which authorized ESEA programs through FY 2008. Congress has been considering proposals to amend and extend the ESEA since 2007, but no formal legislative action has been taken on reauthorization legislation thus far. In the meantime, as long as funds continue to be appropriated, Title I-A continues to function under the NCLB provisions, as interpreted and implemented by the Obama administration.

The NCLB substantially expanded Title I-A accountability requirements based on student achievement outcomes, requiring participating states (the fifty states, the District of Columbia, and Puerto Rico) to adopt content and pupil performance standards, and assessments linked to these; and to identify, and take specified actions with respect to, low-performing schools and LEAs. The identification of schools and LEAs needing improvement is accomplished primarily through multifaceted state Adequate Yearly Progress (AYP) requirements. These Title I-A accountability requirements apply only to states that receive funds under this program. If a state chose to terminate its participation in Title I-A, none of the

program's accountability requirements would apply to that state. Of course, such a state would lose a significant amount of funding, since Title I-A is the largest federal K–12 education program. In addition, such a state would presumably lose some or all of its funds from several other ESEA programs, under which grants are allocated to states using formulas that are linked to the Title I-A formulas. Currently, all states participate in the Title I-A program.[a]

Uses of Title I-A Funds

There are two basic formats for the provision of Title I-A services at the school level: schoolwide programs and targeted assistance schools. In general, schools where the percentage of students from low-income families is 40 percent or greater may operate schoolwide programs, while other schools receiving Title I-A grants are targeted assistance schools. In a schoolwide program, as the name implies, funds provided under Title I-A plus selected other federal education programs may be used to serve all students in the school. The rationale for this approach is that in a school where such a relatively high percentage of students are from low-income families, all students are likely to be experiencing educational disadvantages. In contrast, in a targeted assistance school, Title I-A funds must be used to provide services only to individual students with the lowest achievement levels. In the 2004–05 school year, 56 percent of schools receiving Title I-A funds operated schoolwide programs, while 44 percent were targeted assistance schools; 70 percent of schools eligible to operate schoolwide programs actually did so.[3]

Typical uses of Title I-A funds in schoolwide programs include the development and implementation of comprehensive strategies intended to improve achievement among all students, or the hiring of additional classroom teachers or aides. In targeted assistance schools, common uses of Title I-A funds include the hiring of specialist teachers to provide additional instruction to eligible students outside their regular classroom, or the hiring of aides to work with eligible students in their regular classroom settings. Professional development for teachers and aides, and efforts to extend learning time (before-school, afterschool, and summer instruction), are major uses of Title I-A funds in both types of programs.

Overall, combining LEA and school level expenditures for 2004–05, 59 percent of Title I-A funds were used for salaries and benefits of instructional staff, 12 percent for instructional materials and equipment, 11 percent for administration, facilities, and transportation, 8 percent for professional development, and 10 percent for other instructional support expenditures.[4]

Allocation of Funds to States, LEAs, and Schools Under ESEA Title I-A

For the allocation of funds to states and LEAs, ESEA Title I-A has four separate formulas: the Basic, Concentration, Targeted, and Education Finance Incentive Grant (EFIG) formulas. While portions of each year's appropriation are allocated separately under these formulas, once these funds reach LEAs they are combined and used without distinction for the same program purposes.

---

[a] As with states, individual LEAs might choose to terminate their participation in Title I-A in order to attempt to avoid implementing the program's accountability requirements. However, even if it received no Title I-A grants, most of these requirements—including the assessment, AYP, and report card requirements—would continue to apply to an LEA if its state continued to participate in Title I-A. LEAs that refused Title I-A funds might be released only from the program improvement, corrective action, and restructuring requirements of Title I-A, since under NCLB states are encouraged to apply such requirements to all LEAs and public schools, but are only required to apply them to LEAs and schools that participate in Title I-A. Actual state policies vary in this respect. In addition, as with states, such an LEA would presumably lose funds under not only Title I-A but also several other ESEA programs under which allocations are based on those under Title I-A.

One rationale for using four different formulas to allocate shares of the funds for a single program is that the formulas have distinct allocation patterns, providing varying portions of allocated funds to different types of states and localities. In addition, some of the formulas contain elements that are deemed to have incentive effects or to be significant symbolically—such as the equity and effort factors in the EFIG formula—in addition to their impact on allocation patterns. Finally, there is a historical explanation for the use of four different allocation formulas: the Targeted and EFIG formulas, in particular, were initially proposed as replacements for the Basic plus Concentration Grant formulas. In other words, each of the Targeted and EFIG formulas was originally intended to be *the* Title I-A formula.

However, as proposals were compromised in the legislative process, these formulas were ultimately established to supplement, but not replace, the Basic and Concentration Grant formulas, and to complement each other. Thus, under the current statute, appropriations for Title I-A equal to the FY 2001 level are to be allocated as Basic and Concentration Grants, while appropriations in excess of this level are to be allocated under the Targeted and EFIG formulas. In practice, for recent years, the amount allocated each year under the Concentration Grant formula has remained constant, the amount allocated as Basic Grants has declined somewhat (as across-the-board budget cuts for Title I-A overall have been applied only to Basic Grants), and remaining funds have been allocated under the Targeted and EFIG formulas on a fifty-fifty basis.

The following discussion describes the characteristics of the Title I-A allocation formulas; the formula factors are summarized in **Table 1**, below.

Table 1. Brief Summary of ESEA Title I-A Allocation Formula Factors

Formula Factor	Basic Grants	Concentration Grants	Targeted Grants	Education Finance Incentive Grants
Population Factor	Children aged 5–17: (a) in poor families; (b) in institutions for neglected or delinquent children or in foster homes; and (c) in families receiving Temporary Assistance for Needy Families (TANF) payments above the poverty income level for a family of four	Same as Basic Grants	Same as Basic Grants	Same as Basic Grants
Population Factor Eligibility Threshold for LEAs	10 or more formula children *and* a school-age child poverty rate of 2% or more	6,500 or more formula children *or* a school-age child poverty rate of 15% or more	10 or more formula children *and* a school-age child poverty rate of 5% or more	10 or more formula children *and* a school-age child poverty rate of 5% or more
Weighting of Population Factor	None	None	At *all* stages of the allocation process, poor and other children counted in the formula are assigned weights on the basis of each LEA's school-age child poverty rate and number of poor school-age children	For allocation of funds within states only, poor and other children counted in the formula are assigned weights on the basis of each LEA's school-age child poverty rate and number of poor school-age children

Formula Factor	Basic Grants	Concentration Grants	Targeted Grants	Education Finance Incentive Grants
Expenditure Factor	State average expenditures per pupil for public K–12 education, subject to a minimum of 80% and maximum of 120% of the national average, further multiplied by .40	Same as Basic Grants	Same as Basic Grants	Same as Basic Grants, except that the minimum is 85% and the maximum is 115% of the national average
Minimum State Grant	Up to 0.25% of total state grants, subject to a series of caps	Same as Basic Grants	Up to 0.35% of total state grants, subject to a series of caps	Same as Targeted Grants
LEA Hold Harmless	85–95% of the previous year grant, depending on the LEA's school-age child poverty rate, applicable only to LEAs meeting the formula's eligibility thresholds	Same as Basic Grants except that LEAs are eligible for the hold harmless for up to four years after they no longer meet the eligibility threshold	Same as Basic Grants	Same as Basic Grants
Stages in Grant Calculation Process	Grants are calculated at the LEA level, subject to state minimum provisions	Same as Basic Grants	Same as Basic Grants	Grants are first calculated for states overall, then state total grants are allocated to LEAs in a separate process
Additional Formula Factors	None	None	None	State effort and equity factors are applied in the calculation of state total grants

General Characteristics of the Title I-A Allocation Formulas

There are several common elements of the four Title I-A allocation formulas:

1. Each has a population factor, which is the same in each of the four formulas. This factor comprises children aged 5–17:

   a. in poor families, as estimated annually by the Census Bureau's Small Area Income and Population Estimates (SAIPE) program and based on the Census Bureau's standard poverty income thresholds (these constitute 96.2 percent of all formula children for FY 2010);

   b. in certain institutions for neglected or delinquent children and youth or in certain foster homes (these constitute 3.8 percent of all formula children for FY 2010); and

   c. in families receiving Temporary Assistance for Needy Families (TANF) payments above the poverty income level for a family of four (these constitute less than 0.1 percent of all formula children for FY 2010).

2. Under each of these formulas, this population factor is multiplied by an expenditure factor, which is based on state average expenditures per pupil (AEPP) for public K–12 education, subject to minimum and maximum levels. For all except the EFIG formula, the minimum is 80 percent and the maximum is 120 percent of the national average. For the EFIG formula, the minimum and maximum are 85 percent and 115 percent. These amounts are further multiplied by a "federal share" of 40 percent to determine maximum authorized grants.

    Due to the expenditure factor, LEAs in high-spending states receive up to 50 percent more per child counted in the Title I-A formulas than LEAs in low-spending states. The rationale for this factor is that it reflects differences in the cost of providing public education, and offers an incentive to increase state and local spending. However, it is a spending index that reflects ability and willingness to spend on public education as well as cost differences; it is not precisely targeted (i.e., it affects all LEAs in a state equally); and the incentive it provides to increase state and local spending for public education is quite small.

3. Each of the formulas has a hold-harmless provision—a minimum annual grant level for LEAs that is calculated as a percentage (85–95 percent, depending on the LEA's poverty rate—i.e., the number of poor and other children counted in the Title I-A allocation formulas as a percentage of the LEA's total school-age population) of the previous year's grant under each formula.

4. The four Title I-A formulas include a state minimum grant level as well: in general, no state is to receive less than approximately 0.25 percent of allocated funds up to the FY 2001 appropriation level, and approximately 0.35 percent of funds above that level.

5. Finally, each formula has a minimum eligibility threshold for LEAs, which is a minimum number of poor and other formula children, or a minimum school-age child poverty rate, in order to be eligible for grants (even hold-harmless amounts) in most cases. The LEA minimum eligibility threshold varies by formula: it is ten formula children and a school-age child poverty rate of 2 percent for Basic Grants, or a 5 percent school-age child poverty rate for the Targeted and EFIG formulas. For Concentration Grants, the LEA eligibility threshold is 6,500 formula children or a 15 percent school-age child poverty rate. With the partial exception of Concentration Grants, if an LEA does not meet the eligibility threshold, the hold-harmless provision does not apply. As a result, a number of LEAs have experienced complete elimination of their grants under some of these formulas from one year to the next, as their school-age child poverty rate declines from marginally above to marginally below 5 percent, the minimum poverty rate for eligibility for Targeted Grants and EFIGs.

Distinctive Elements of the Targeted and EFIG Formulas

In addition to these common elements, two of the Title I-A formulas have the following unique features.

1. For the Targeted Grant formula, as well as the intrastate allocation of funds under the EFIG formula, the poor and other children counted in the formula are assigned weights on the basis of each LEA's school-age child poverty rate and number of poor school-age children. As a result, an LEA would receive higher grants per child counted in the formula, the higher its poverty rate or number. Under the Targeted Grant formula, the weighting factors are applied in the same manner nationwide; poor and other formula children in LEAs with the highest poverty rates have a weight of up to four, and those in LEAs with the highest numbers of such children have a weight of up to

three, compared to a weight of one for formula children in LEAs with the lowest poverty rate and number of such children. In contrast, under the EFIG formula, the degree of targeting (in terms of the ratio of the highest to the lowest weight) varies depending on the value of each state's equity factor (described below). Under both formulas, the higher of its two weighted child counts (on the basis of numbers and percentages) is used in calculating grants for each LEA. In Puerto Rico, a cap of 1.82 is placed on the net aggregate weight applied to the population factor under the Targeted Grant formula.[b]

2. The EFIG formula has two unique factors—an "equity factor" and an "effort factor"—in addition to the population and expenditure factors.

    The "equity factor" is based on a measure of the average disparity in expenditures per pupil among the LEAs of a state called the coefficient of variation (CV), which is expressed as a percentage of the state average expenditure per pupil. (In the CV calculations for this formula, an extra weight (1.4 vs. 1.0) is applied to estimated counts of children from poor families.) In calculating grants, the equity factor is subtracted from 1.30. As a result, the lower a state's expenditure disparities among its LEAs, the lower its CV and equity factor, and the higher its multiplier. Conversely, the greater a state's expenditure disparities among its LEAs, the higher its CV and equity factor, and the lower its multiplier.

    The "effort factor" is based on a comparison of state expenditures per pupil for public elementary and secondary education with state personal income per capita. This ratio for each state is further compared to the national average ratio, resulting in an index number that is greater than 1.0 for states where the ratio of expenditures per pupil for public elementary and secondary education to personal income per capita is greater than average for the nation as a whole, and below 1.0 for states where the ratio is less than average for the nation as a whole. Narrow bounds of 0.95 and 1.05 are placed on the resulting multiplier, so that its effect on state grants is quite limited.

Under the Basic, Concentration, and Targeted Grant formulas, maximum grants are calculated by multiplying the population factor by the expenditure factor for all LEAs meeting the minimum eligibility thresholds. Under all four formulas, maximum amounts are reduced proportionally to the aggregate level of available funds, subject to LEA hold-harmless and state minimum grant provisions.

The EFIG formula differs from the others both in terms of its use of unique formula factors and in being a two-stage formula. First, state total grants are calculated in proportion to each state's total population factor multiplied by its expenditure factor, by 1.3 minus its equity factor, and by its effort factor. Then, these state total grants are allocated to LEAs on the basis of a variation of the Targeted Grant formula, with the degree of targeting (the ratio of the weight applied to formula children in the highest poverty ranges compared to the weight for such children in the lowest poverty ranges) varying in three stages. The stage, or degree of targeting, used for substate allocation varies depending on each state's equity factor: the higher the equity factor (and therefore the greater the disparities in expenditures per pupil among a state's LEAs), the greater will be the degree of targeting on high-poverty LEAs in the intrastate allocation of EFIG funds.

---

[b] This cap was intended to provide that the share of Targeted Grants allocated to Puerto Rico would be approximately equal to its share of grants under the Basic and Concentration Grant formulas for FY 2001.

Targeting on High-Poverty LEAs Under the Four Allocation Formulas

In addition to having different features, the four Title I-A allocation formulas vary with respect to the extent that they focus funds on LEAs with the highest percentages or numbers of children from low-income families. Over 90 percent of the nation's LEAs receive some funds under ESEA Title I-A, largely because the eligibility thresholds for three of the four allocation formulas, as described above, are relatively low. However, the distribution of funds among LEAs with differing numbers or percentages of students from low-income families varies significantly among the four formulas.

One way to evaluate the targeting of funds under Title I-A is to analyze the distribution of Title I-A grants among LEAs grouped by poverty rate quintile. All of the nation's LEAs are sorted according to their school-age child poverty rate, and then divided into five groups, or quintiles. Each quintile contains LEAs with one-fifth of the nation's total estimated number of school-age children in poor families. As shown below in **Table 2**, the share of Title I-A funds allocated to LEAs in various poverty rate ranges varies significantly among the four allocation formulas. Based on FY 2010 allocation data for Basic Grants, the share is similar for each quintile of LEAs, varying only within the very narrow range of 19.2–20.7 percent.

For Concentration Grants, the share of funds allocated to LEAs in each poverty rate range is again similar, with the exception of the lowest poverty quintile, which receives a much lower share (4.3 percent of total grants vs. 22.1–25.3 percent for the other four quintiles). This reflects the comparatively high eligibility threshold for Concentration Grants (a formula child rate of at least 15 percent or 6,500 formula children). Overall, the primary pattern for both Basic and Concentration Grants is relatively constant shares of funds for all quintiles of LEAs meeting minimum eligibility thresholds. In other words, grants per poor and other child counted in the Title I-A allocation formulas are approximately the same for all LEAs meeting the initial eligibility criteria for Basic and Concentration Grants, whether those LEAs have high, average, or somewhat below average school-age child poverty rates.

The pattern of distribution of grants under the Targeted and EFIG formulas is significantly different. Under each of these formulas, the share of total grants increases steadily from the lowest to the second-highest poverty rate quintile, and then is approximately constant, or declines marginally, between the second-highest (fourth) and highest (fifth) quintiles. While this partly reflects the slightly higher eligibility threshold for these formulas in comparison to Basic Grants (a 5 percent vs. 2 percent formula child rate), it primarily results from the structure of these formulas.

Under both the Targeted and EFIG (within-state) formulas, the grant per formula child continuously increases as either the LEA's school-age child poverty rate or its total number of children counted in the Title I-A formulas increases. The share of funds going to LEAs in the fifth quintile (highest poverty rates) under each of these formulas is not higher than the share going to LEAs with the second-highest poverty rates (fourth quintile), primarily because of the strong influence of high numbers of formula children on the allocation of funds,[c] the influence of the expenditure factor,[d] and the cap placed on Targeted Grant formula population weights for Puerto Rico.[e]

---

[c] With the exception of Puerto Rico, LEAs with the largest numbers of school-age children in poor families tend to have higher than average, but not among the highest, school-age child poverty rates.

[d] LEAs with the highest school-age child poverty rates are frequently located in states with relatively low expenditure factors.

[e] As noted earlier, a cap is placed on the aggregate formula child weighting factor for Puerto Rico, reducing the share of Targeted Grant funds allocated to this LEA with a very high poverty rate (the highest poverty quintile).

Overall, the share of funds allocated to LEAs in the top two poverty rate quintiles is substantially higher under the Concentration Grant (49.9 percent), Targeted Grant (49.1 percent), and EFIG (51.0 percent) formulas than under the Basic Grant formula (40.6 percent). As a result, as long as all additional funds (i.e., amounts in excess of the previous year appropriation) continue to be allocated under the Targeted and EFIG formulas, as has been the case each year from FY 2002 to FY 2010, the degree of targeting on high-poverty LEAs for total Title I-A grants would increase. Thus, overall targeting on high-poverty LEAs has increased since the enactment of NCLB.

While noteworthy, at least by historical standards, these shifts are nevertheless relatively marginal. For example, the share of *total* Title I-A funds allocated to LEAs in the two highest poverty rate quintiles rose from 42.3 percent for FY 2002 (when Targeted Grants and EFIGs were first funded and Basic Grants constituted 69 percent of total Title I-A LEA grant appropriations) to 45.7 percent for FY 2010 (when Basic Grants constitute 46 percent of total Title I-A LEA grant appropriations).

A partial reason why increases in targeting, as measured above, are relatively marginal is that allocations under the Targeted and EFIG formulas are highly influenced by the number, as well as the percentage, of formula children in each LEA, while this sort of targeting analysis identifies high-poverty LEAs only in terms of their percentage of formula children. If "high-poverty" LEAs were defined as those with either high percentages *or* high numbers of Title I-A formula children, the estimated increase in targeting would be slightly greater.

Table 2. Share of ESEA Title I-A Funds Allocated to LEAs by LEA Poverty Rate Quintile, FY 2010

Title I-A Formula	Poverty Rate Quintile					
	1	2	3	4	5	
	Poverty Rates Below 13.57%	Poverty Rates at or Above 13.57% but Below 18.84%	Poverty Rates at or Above 18.84% but Below 24.56%	Poverty Rates at or Above 24.56% but Below 30.14%	Poverty Rates at or Above 30.14%	All LEAs
	Percentage Share of Total Grants					
Total Title I-A Grants, FY 2010	16.4%	18.8%	19.1%	23.1%	22.6%	100.0%
Basic Grants (45.5% of FY 2010 appropriations)	20.7%	19.5%	19.2%	20.5%	20.1%	100.0%
Concentration Grants (9.4% of FY 2010 appropriations)	4.3%	22.1%	23.8%	25.3%	24.6%	100.0%
Targeted Grants (22.5% of FY 2010 appropriations)	14.9%	17.8%	18.2%	25.0%	24.1%	100.0%
Education Finance Incentive Grants (22.5% of FY 2010 appropriations)	14.4%	16.7%	17.9%	25.5%	25.5%	100.0%

Note: Table reads (for example): The quintile of LEAs with the highest school-age child poverty rates received 22.6 percent of total FY 2010 ESEA Title I-A grants, 20.1 percent of all funds allocated as Basic Grants for FY 2010, 24.6 percent of Concentration Grants, 24.1percent of Targeted Grants, and 25.5 percent of Education Finance Incentive Grants.

Suballocation of LEA Grants to Schools

Unlike almost all other federal elementary and secondary education programs, most Title I-A funds are allocated to individual schools, although LEAs retain substantial discretion to control the use of a significant share of Title I-A grants at a central district level. On average, in 2004–05, 74 percent of Title I-A funds received by LEAs was allocated to individual schools (a decline from 83 percent in 1997–98), with the remaining 26 percent used for LEA-level activities (5 percent for program administration and 21 percent for LEA-managed services to students and staff of participating schools, such as professional development, transportation related to school choice options, and supplemental educational services provided to students from low-income families who attend schools identified for improvement).[5]

With limited exceptions,[f] LEAs must generally rank their public schools by their percentage of pupils from low-income families. First, they must serve all public schools, whatever their grade level, where the percentage of students from low-income families is 75 percent or more. If funds are insufficient to serve all such schools, then schools are to be selected in rank order, based on their percentage of students from low-income families.

After serving all schools in the LEA with a percentage of students from low-income families of 75 percent or more, if any funds remain available LEAs are to select additional schools to be served in rank order, based on their low-income student percentage. *At this stage, LEAs may choose to consider only schools at one or more grade levels—elementary, middle, or high schools.* All participating schools must generally have a percentage of children from low-income families that is at least as high as the LEA's average,[g] or 35 percent (25 percent in the case of LEAs participating in certain school desegregation programs), whichever of these two figures is lower, although LEAs have the option of setting school eligibility thresholds higher than the minimum in order to concentrate available funds on a smaller number of schools.

There is a degree of ambiguity under the current Title I-A statute regarding the concept of the "eligibility" of schools to participate in the program. Under the provisions of ESEA Section 1113, all schools that have a percentage of students from low-income families at or above the LEA average, or 35 percent, whichever is lower, plus schools covered by the discretionary options in Sec. 1113(b)(1)(B)–(D), may be selected to participate in Title I-A in full compliance with the statute. All of these schools are "eligible" for Title I-A participation and grants in the "plain English" sense that they would be "eligible" to participate in the program. However, there is a subtle, but potentially significant, distinction that can be made between the "LEA average" and "35 percent" criteria. The LEA average criterion is found in Sec. 1113(a)(2), under the heading "Eligible School Attendance Areas," while the 35 percent criterion, in Sec. 1113(b)(1)(A), under "Local Educational Agency Discretion," is an option that LEAs *may* invoke, if they choose to do so.

Until quite recently there has never been a functional need to define the term "eligibility" with complete precision, and the Department of Education (ED) has never done so in a document that is more detailed than the authorizing legislation. However, as described elsewhere in this report, under current policy guidance certain schools that are "eligible for" but do not participate in Title I-A may receive assistance

---

[f] For example, LEAs with enrollment of one thousand or fewer students, or with only one school per grade span, are exempt from these school selection requirements. Also, LEAs may serve schools that are not eligible in the current year if they were eligible to participate in Title I-A during the preceding year.

[g] If the LEA is considering only schools at selected grade levels, they may use either the overall LEA average or the average for the selected grade level(s) as the eligibility threshold.

under the Title I School Improvement Grant program, as well as priority consideration under some ED discretionary grant programs. As a result, the ambiguity regarding the identification of all schools eligible for but not receiving Title I-A grants has become more significant and problematic.[h]

Schools are automatically eligible for Title I-A if they have a percentage of children from low-income families that is at least as high as the LEA's average. Additionally, an LEA may deem a school eligible for Title I-A if at least 35 percent of its children are from low-income families. LEAs have the option of setting school eligibility thresholds higher than the minimum in order to concentrate available funds on a smaller number of schools.

Once schools are selected, Title I-A funds are allocated among them (and reserved for services to eligible private school pupils living in the same school attendance areas) in proportion to their number of pupils from low-income families. In almost all cases, the data used to determine which pupils are from low-income families for the distribution of funds to schools are not the same as those used to identify school-age children in poor families for purposes of calculating allocations to states and LEAs. This is because data are not typically available on the number of school-age children enrolled in a school, or living in a residential school attendance zone, with income below the standard federal poverty threshold. Such "population in poverty" estimates, as used in the standard formulas for allocation of funds to states and LEAs (discussed above), are usually available only for LEAs overall, counties, and states.

Thus, while LEAs may use Census estimates of school-age children in poor families for school selection and allocation, if available, the vast majority of LEAs use available proxies for low-income status. The Title I-A statute allows LEAs to use the following low-income measures: (a) eligibility for free and reduced-price school lunches; (b) eligibility for Temporary Assistance to Needy Families (TANF); or (c) eligibility for Medicaid. LEAs may also develop and use a composite of two or more of these measures— for example, school-age children in families receiving TANF or Medicaid benefits. At the level of individual schools, the most commonly used criterion for determining whether pupils are from low-income families is eligibility for free and reduced-price school lunches. According to the most recent relevant data, approximately 90 percent of LEAs receiving Title I-A funds use free and reduced-price school lunch data—usually alone, sometimes in combination with other authorized criteria—to select Title I-A schools and allocate funds among them.[6]

The income eligibility thresholds for free and reduced-price lunches are higher than the poverty levels used in the allocation formulas to states and LEAs: 130 percent of the poverty income threshold for free lunches, and 185 percent for reduced-price lunches. The percentage of students from low-income families for each public school is usually measured directly, although, as is discussed below, LEAs may choose to measure this percentage indirectly for middle or high schools, based on the measured percentages for the feeder elementary or middle schools that students attended previously.

After data have been compiled on the percentage of pupils from low-income families who are either enrolled in an LEA's public schools or residing in the attendance areas served by such schools, available Title I-A funds are allocated among these schools in rank order, beginning with the schools with the highest poverty rates, until no further funds are available. Again, LEAs may choose to consider only

---

[h] It appears that ED is leaving the determination of which schools are eligible for but not participating in Title I-A to LEAs and SEAs. In reporting on the eligibility of schools to participate in Title I-A in the Common Core of Data, LEAs and SEAs are generally including all public schools at or above the LEA average but including schools below the LEA average but at or above 35 percent only in cases where they invoke the option in Sec. 1113(b)(1)(A). To be sure that all schools at or above 35 percent but below the LEA average are included in SIG eligibility, one might request that ED clarify its policy guidance on this point.

schools of selected grade levels (e.g., only elementary schools) in determining eligibility for grants, as long as all schools at any grade level with 75 percent or more of pupils from low-income families receive grants.

Funds are allocated among schools selected to receive Title I-A grants in proportion to their number of pupils from low-income families, although grants to eligible schools per pupil from a low-income family need not be equal for all schools. LEAs may choose to provide higher grants per child from a low-income family to schools with higher percentages of such pupils (e.g., higher grants per child to a school where 70 percent of pupils are from low-income families than to a school where 40 percent of pupils are from low-income families). If an LEA provides Title I-A funds to any schools with low-income pupil percentages below 35 percent, then it must provide a minimum amount of funds per child from a low-income family—equal to at least 125 percent of the LEA's Title I-A grant per child from a low-income family—to each participating school.

In the 2004–05 school year, an estimated 56 percent of all public schools in the nation received Title I-A grants. This included 82 percent of public schools in the highest quartile with respect to their percentage of pupils in low-income families, declining to 37 percent of schools in the lowest quartile.[7]

Similarly, the share of funds to be used by each recipient LEA to serve educationally disadvantaged pupils attending private schools is determined on the basis of the number of children from low-income families living in the residential areas served by public schools selected to receive Title I-A grants. LEAs may use for this purpose either the same source of data used to select and allocate funds among public schools (i.e., usually free and reduced-price school lunch data) or one of a specified range of alternatives.[i]

Why Is the Share of Title I-A Funds Received by High Schools So Low?

According to ED, "under Title I, elementary schools received 76 percent of the school allocations, considerably more than their share of the nation's low-income students (57 percent). Middle schools received 14 percent of Title I funds and enrolled 20 percent of all low-income students, while high schools received 10 percent of Title I funds and enrolled 22 percent of all low-income students."[8][j] In terms of the proportion of schools at each level that receive Title I-A grants, elementary schools are 80 percent more likely than secondary schools to receive Title I-A grants.[k]

As is shown in Appendix Tables A1a and A1b, in almost every state a substantial number of high schools with relatively high percentages of students from low-income families are reported as not being eligible to participate in Title I-A. For example, as shown in Appendix Table 1b, for the 2008–09 school year there were almost 1,300 high schools in the nation with 50 percent or more of their students from low-income families that are reported as not currently eligible to participate in Title I-A.

---

[i] According to the ED policy guidance document "Local Educational Agency Identification and Selection of School Attendance Areas and Schools and Allocation of Title I Funds to Those Areas and Schools" (p. 16), "To obtain a count of private school children, an LEA may use: (1) The same poverty data it uses to count public school children. (2) Comparable poverty data from a survey of families of private school students that, to the extent possible, protects the families' identity. The LEA may extrapolate data from the survey based on a representative sample if complete actual data are not available. (3) Comparable data from a different source, such as scholarship applications, so long as the income level for both sources is generally the same. (4) Proportional data based on the poverty percentage of each public school attendance area applied to the total number of private school children who reside in that area. (5) An equated measure of low-income correlated with a measure of low-income used to count public school children."

[j] Some LEAs also use Title I-A funds to serve pre-kindergarten students. Overall, only 1–2 percent of Title I-A participants are at this level, and these students will not be discussed further in this document.

[k] Seventy percent of public elementary schools were found to participate in Title I-A, compared to 39 percent of secondary (middle plus high) schools.

Elementary and Middle Schools More Often Selected Than High Schools

The relatively low share of Title I-A funds being allocated to middle and high schools has resulted from two factors. A constraint underlying both of these factors is the limited availability of Title I-A appropriations, which forces LEAs to serve only some of their eligible schools, whatever their grade level. In dealing with this constraint, LEAs have tended to use their discretion to focus funds on selected grade levels (after all schools with 75 percent or more from low-income families are served) to concentrate assistance on elementary and, to a lesser extent, middle schools. This pattern may result from a variety of factors, including: (a) institutional inertia, (b) a desire to reach students before they have an opportunity to drop out of school, or (c) an assumption that services focused on the earlier grades might have greater long-term effects than those focused on middle or high school students. An examination of the latter assumption is beyond the scope of this report, but at the least, it should be mentioned that it overlooks the tendency of the positive effects of many early education programs to "fade out" over time if not supplemented by additional compensatory education services in later grades,[l] as well as the existence of many programs that have proven effective in improving the educational achievement of disadvantaged middle and high school students, whatever the quality of education they received in earlier grades.[m]

Reported Low-Income Student Percentages Are Diluted in High Schools

Second, the reported percentage of pupils from low-income families is lower on average for middle and especially high schools than for elementary schools. There are at least three reasons for this: (1) high schools tend to serve larger, less homogeneous populations than elementary schools; (2) many high school students drop out of school before graduating, and these include a disproportionate share of students from low-income families; and (3) older students are less likely than those in earlier grades to participate in the free and reduced-price school lunch programs, even when they are eligible to do so. These factors are reflected in the average percentage of students receiving free or reduced-price lunches in schools by grade level. For the 2008–09 school year, an average of 49 percent of students in public elementary schools received free or reduced-price school lunches, compared to 44 percent of students attending middle schools, and 36 percent of students attending high schools.[n] As a result, even if LEAs treated schools at all grade levels equally in the selection of schools to participate in Title I-A, substantially fewer high or (to a lesser extent) middle schools would participate in comparison to elementary schools. To the extent that LEAs exercise their discretion to focus Title I-A funds only on certain grade levels, this imbalance is amplified.

The Title I-A program is intended to target resources on LEAs and schools with concentrations of students from low-income families. As was discussed above, in three of the four formulas for allocation of Title I-A funds to LEAs, "concentration" is defined in two different ways—as high percentages *or* high numbers of school-age children from poor families. However, in the allocation of Title I-A funds to schools within LEAs, only the percentage of students from low-income families is considered when selecting which schools will receive grants; the number of students from low-income families in these schools is considered only when determining the amount of funds to be allocated to schools after they

---

[l] See, for example, Arthur J. Reynolds et al., "The State of Early Childhood Intervention: Effectiveness, Myths and Realities, New Directions," *Focus* 1, no. 19 (summer/fall 1997); and Valerie E. Lee and Susanna Loeb, "Where Do Head Start Attendees End Up? One Reason Why Preschool Effects Fade Out," *Educational Evaluation and Policy Analysis* 17, no. 1 (March 1995).

[m] See, for example, James J. Kempel, et al., "The Enhanced Reading Opportunities Study" (Washington, DC: U.S. Department of Education, National Center for Education Evaluation and Regional Assistance, January 2008).

[n] These calculations were based on school-level data from the U.S. Department of Education, National Center for Education Statistics, Common Core of Data (CCD). In making these calculations, public schools serving multiple grade levels, or schools for which no grade was indicated in the CCD, were excluded.

have been selected to participate. This divergence in policy is inconsistent, and it disadvantages larger schools, which may often have larger numbers of students from low-income families even when they have lower percentages of such students. Prior to enactment of the Improving America's Schools Act of 1994 (IASA), LEAs had discretion to define "concentration" in terms of either the number or the percentage of students from low-income families in selecting schools to participate in Title I-A. The IASA provision was adopted to avoid situations in which an LEA might choose to serve a large school with an exceptionally low percentage of students from low-income families ahead of a school with a very high percentage but a marginally smaller number of such students, but the complete elimination of consideration of numbers of students may lead to undesirable consequences as well.

To illustrate this phenomenon, consider an elementary, middle, and high school in the same LEA, each having the national average enrollment size and percentage of students from low-income families. As noted above, the directly measured percentage of students from low-income families would be 49 percent for the elementary school, 44 percent for the middle school, and 36 percent for the high school. The enrollment levels would be 444 students for the elementary school, 578 for the middle school, and 874 for the high school. When considering only the percentage of students from low-income families, the elementary school has the highest "concentration" of such students, followed by the middle school, and, finally, the high school. However, if one were to define "concentration" also by the number of students from low-income families, the order would be reversed, with the high school having the greatest number of such students (318), followed by the middle school (253), and, finally, the elementary school (220).

To address this concern, the priority threshold for high schools and middle schools could be reduced in order to facilitate a more equitable distribution of Title I-A funds across grade spans. Options for doing so are discussed below (see page 23).

An Authorized Alternative Method for Measuring Low-Income Student Percentages in High Schools: The Feeder Pattern

Under current policy, an option exists to address the lower rates of students from low-income families—as directly measured—in high and middle schools. LEAs may use "feeder pattern" data to project rates of students from low-income families for middle or high schools based on the rates for the lower-level schools that "feed" students to them.[o] Given the lower rate of participation by high school students in the free and reduced-price lunch programs, as well as the disproportionately large dropout rates for students from low-income families, such feeder pattern projections might better reflect the demographic composition of high schools than direct measures.

To illustrate such feeder pattern projections, consider the simplified, hypothetical case of an LEA with four elementary schools, each with an enrollment of five hundred students; two middle schools, also with an enrollment of five hundred students each; and one high school with an enrollment of one thousand students. In this highly simplified example, it is assumed that schools at each level have an average percentage of students from low-income families that is equal to the national average for schools at that level—e.g., 49 percent for the elementary schools, 44 percent for the middle schools, and 36 percent for the high schools. The LEA average is 42 percent. However, for the elementary and middle schools, the rates for individual schools vary from this average, as shown in **Table 3**.

---

[o] Note that when an LEA elects to use the feeder pattern, it determines the districtwide average of poverty based on actual poverty data for school percentages of students from low-income families, not projected data.

Table 3. Effects of Feeder Pattern Projections of the Percentage of Students from Low-Income Families for High Schools: A Simplified, Hypothetical Example

Grade Level	School	Percentage of Students from Low-Income Families: Directly Measured	Percentage of Students from Low-Income Families: Feeder Pattern Projections
Elementary School	A	59%	NA
	B	69%	
	C	39%	
	D	29%	
Middle School	E	54%	64%
	F	34%	34%
High School	G	36%	49%

Schools are automatically eligible for Title I if they have a percentage of children from low-income families that is at least as high as the LEA's average. Additionally, an LEA may deem a school eligible for Title I if at least 35 percent of its children are from low-income families.

Therefore, in this simplified example, schools A, B, and E would be automatically eligible for Title I-A grants, because they have percentages of students from low-income families above the district average of 42 percent. Schools C and G are potentially eligible for Title I-A grants, since these schools have percentages of students from low-income families at or above 35 percent.

However, if only the directly measured percentages of students from low-income families were considered, even if the LEA did not choose to focus on a particular grade level, it is most likely that only elementary schools A and B plus middle school E would be served, as they have the highest low-income student rates and it is likely that the LEA would run out of funds before moving on to the next tier (elementary school C and the high school last among potentially eligible schools).

Feeder pattern projections involve the calculation of the average percentage of students from low-income families for the elementary schools previously attended by students attending a middle or high school, and then projecting that rate onto the middle or high school. In the hypothetical example illustrated in Table 3,[p] assume that graduates of elementary schools A and B attend middle school E, graduates of elementary schools C and D attend middle school F, and graduates of all four elementary schools eventually attend the LEA's single high school. Thus, if the LEA estimated rates for the middle schools and high school based on the feeder elementary schools, the projected rates would be 64 percent for middle school E, 34 percent for middle school F, and 49 percent for the high school. This would not guarantee that the high school would be able to participate in Title I-A, especially if the LEA chose not to consider the high school for participation (and all of the LEA's schools were below 75 percent), but it would make it much more likely that the high school, as well as middle school E, could participate if the LEA used feeder pattern projections and treated all grade levels equally.

Implementation of such feeder pattern projections should not involve substantial administrative burdens. In a district with residential attendance zones, the LEA staff would know what percentage of each elementary school's graduates attend each middle school,, and what percentage of each middle school's

---

[p] Feeder pattern projections could also be implemented by projecting elementary school rates of students from low-income families onto middle schools, then projecting middle school rates onto high schools.

graduates attend each high school. In an open enrollment situation, if the district does not already survey middle/high school students to determine what schools they previously attended, it should be straightforward and easy for them to conduct a survey to determine this. Nevertheless, this feeder pattern policy is rarely implemented; the most recent, relevant survey indicates that only 4 percent of LEAs exercise the authority to use feeder pattern projections to calculate the percentage of students from low-income families for high schools.[9]

Impact of the Feeder Pattern: Real-World Examples

Beyond such purely hypothetical cases, it would, of course, be preferable to analyze the potential impact of the use of feeder pattern projections on actual LEAs. Unfortunately, data on the enrollment relationships among elementary, middle, and high schools are not published for LEAs. However, one can perform such analyses based on published data for one category of LEAs—those with multiple elementary (and middle) schools but only one high school, since it can be assumed that students from all of the LEA's elementary schools, if they remain in the LEA (and in school), attend the single LEA high school.

Tables 4 and 5 summarize data from a selection of twenty such LEAs. The LEAs were selected at random except that each of them has a single high school that is not reported as being eligible to participate in Title I-A, while it has multiple elementary schools, at least some of which are reported as being eligible. Each LEA also has one or more middle schools, which may or may not be reported as eligible for Title I-A. These data are for the 2008–09 school year, and are published by the National Center for Education Statistics, U.S. Department of Education (Common Core of Data).[q] The twenty LEAs are identified as simply "A" through "T" in the table, while a note following the table lists the LEAs involved.

Table 4 lists the percentage of each LEA's elementary, middle, and high schools that is reported as being eligible for Title I-A grants. As indicated in this table, in each of the twenty LEAs as much as 100 percent of the elementary and/or middle schools are reported as being eligible for Title I-A, but none of the high schools is reported as being eligible to participate in the program.

Table 5 provides (a) the directly measured percentage of students from low-income families for the LEA's high school; (b) the LEA average percentage of students from low-income families; (c) a projected percentage of students from low-income families for the LEA's high school if based on the feeder elementary schools; (d) the percentage point increase resulting from using the feeder pattern (column c minus column a); and (e) whether the high school would be eligible for Title I-A after application of the feeder pattern projections.

---

[q] The CCD is currently the only source of Title I-A–related data for all public schools in the nation. While the CCD provides very useful data on the percentage of students from low-income families and the reported Title I-A eligibility for each school, its utility would be greatly improved if it were modified in two respects. First, it would be valuable to know not simply whether schools are deemed eligible for Title I-A but also whether the schools actually received Title I-A grants. Second, it would also be very useful to know the exact data used by each LEA to select schools to participate in Title I-A; while in many, perhaps most, cases these data would be the reported percentages of students receiving free or reduced-price lunches (FRPL), in many LEAs other eligible data, or a combination of FRPL with other data, are used.

Table 4. Percentage of Elementary, Middle, and High Schools Reported as Eligible to Participate in Title I-A in Twenty LEAs Containing a Single High School That Is Not Reported as Eligible to Participate in Title I-A

LEA	Percentage of Elementary Schools Reported as Eligible to Participate	Percentage of Middle Schools Reported as Eligible to Participate	Percentage of High Schools Reported as Eligible to Participate
A	61.5%	0.0%	0.0%
B	100.0%	0.0%	0.0%
C	60.0%	100.0%	0.0%
D	100.0%	100.0%	0.0%
E	45.5%	50.0%	0.0%
F	60.0%	50.0%	0.0%
G	100.0%	0.0%	0.0%
H	57.1%	75.0%	0.0%
I	50.0%	0.0%	0.0%
J	66.7%	0.0%	0.0%
K	88.9%	60.0%	0.0%
L	75.0%	100.0%	0.0%
M	75.0%	100.0%	0.0%
N	100.0%	0.0%	0.0%
O	71.4%	0.0%	0.0%
P	61.5%	0.0%	0.0%
Q	60.0%	100.0%	0.0%
R	55.6%	50.0%	0.0%
S	100.0%	100.0%	0.0%
T	75.0%	0.0%	0.0%

Table 5. Illustration of Potential Effects of Feeder Pattern Projections Based on Data for Twenty LEAs Containing a Single High School That Is Not Reported as Being Eligible to Participate in Title I-A

LEA	Directly Measured Percentage of Students from Low-Income Families for the LEA's High School	LEA Average Percentage of Students from Low-Income Families	Projected Percentage of Students from Low-Income Families for the LEA's High School if Based on the Feeder Elementary Schools	Percentage Point Increase Resulting from Using the Feeder Pattern	Would the High School Be Eligible for Title I-A after Application of Feeder Pattern Projections?
A	24.4%	33.4%	37.4%	13.0	Yes
B	64.7%	73.6%	78.6%	13.9	Yes*
C	27.5%	63.1%	42.1%	14.6	Yes
D	28.1%	39.3%	45.8%	17.7	Yes
E	26.4%	38.2%	46.7%	20.3	Yes
F	31.6%	49.2%	61.2%	29.6	Yes
G	25.2%	26.0%	27.0%	1.8	Yes
H	26.2%	31.6%	34.2%	8.0	Yes
I	33.7%	47.1%	53.6%	19.9	Yes
J	11.5%	16.4%	19.8%	8.3	Yes
K	20.2%	26.0%	29.0%	8.8	Yes
L	55.9%	60.9%	63.2%	7.3	Yes*
M	27.6%	38.6%	45.9%	18.3	Yes
N	21.8%	32.6%	38.0%	16.2	Yes
O	10.5%	16.3%	19.9%	9.4	Yes
P	34.1%	46.4%	50.2%	16.1	Yes
Q	15.7%	20.7%	22.4%	6.7	Yes
R	35.5%	46.1%	50.8%	15.3	Yes*
S	35.3%	41.6%	38.0%	2.7	Yes*
T	26.9%	36.2%	42.7%	15.8	Yes

Note: The LEAs included in this analysis are: Auburn City, AL, Sheffield City, AL, Bentonville School District, AR, Naugatuck School District, CT, Appling County, GA, Jacksonville School District 117, IL, Quincy School District 172, IL, Laporte Community School Corporation, IN, Urbandale Community School District, IA, Anderson County, KY, Nelson County, KY, Hobbs Municipal Schools, NM, Moriarty Municipal Schools, NM, Auburn City School District,, NY, Kingston City School District, NY, Choctaw/Nicoma Park, OK, Dubois Area School District, PA, North Hills School District, PA, Shaler Area School District, PA, and Alexandria City Public Schools, VA. Note that there is no correlation between the order in which these LEAs are listed in the preceding sentence and the order in which data based on them are provided in the table.

*In these cases, the high school would already have been potentially eligible under the "35% rule," if the LEA chose to apply it.

As illustrated in Table 5, in every case the directly measured percentage of students from low-income families is lower for the high school than the LEA average (although the difference is very small in the case of LEA G). In four cases (LEAs B, L, R, and S), the high school could be designated as eligible for Title I-A participation based on the "35% rule," but apparently these LEAs did not choose to exercise this

option.[r] In eighteen of these twenty cases (all except LEAs C and S), the use of feeder pattern data would raise the projected percentage for the high school to a level above the LEA average, although in only one case (LEA B) is the projected percentage equal to 75 percent or above, thereby assuring the high school of participation (if LEA funds are sufficient). At the very least, this would make the high schools potentially eligible for Title I-A grants (i.e., the projected percentage of students for the high school would be equal to at least the lower of 35 percent or the LEA average). However, given the ability of LEAs to choose to serve only certain grade levels after serving all schools with a low-income student percentage of 75 percent or above, and limited funds, such use of feeder pattern projections would not, in itself, necessarily result in any of these high schools actually receiving funds. In other words, more widespread use of feeder pattern projections would likely increase substantially the number of high schools potentially eligible to receive Title I-A grants, but would not necessarily increase the number of high schools actually receiving grants to a significant degree unless accompanied by other policy changes and/or a large increase in total funding for the program.

Implications for High Schools

The low Title I-A participation rates for middle and high schools are of concern both because resources may not be equitably distributed in relation to student need and because under current federal law, corrective actions and other consequences for failure to meet AYP standards need only be applied to schools that participate in Title I-A. Thus, the NCLB policies for addressing low performance may be largely overlooking a major sector of K–12 education.

In addition, the low rate of designation of high schools as being eligible for Title I-A, whether or not they actually receive Title I-A grants, will likely diminish their participation in the Title I School Improvement Grant (SIG) program. In addition to Title I-A LEA grants, which are allocated under the formulas described earlier in this report, Title I-A authorizes SIGs that are to be targeted on schools that fail to meet AYP for two consecutive years or more. States must generally reserve 4 percent of their total Title I-A LEA grant appropriations for SIGs, and in recent years, additional funds have been appropriated for this purpose as well. In general, only schools that receive or are eligible for Title I-A LEA grant funds are eligible to receive SIGs.

Additionally, ED has proposed common grant priorities for its discretionary grant programs for FY 2011 and beyond that would in many cases target funding to "persistently lowest-achieving schools."[10] The proposed definition of persistently lowest-achieving schools includes "any secondary school that is eligible for, but does not receive, Title I funds" that meets certain other criteria regarding student achievement levels and graduation rates. If this priority is implemented as proposed, it could exclude a number of low-performing high schools with high percentages of students in low-income families that are not classified as eligible for Title I-A grants.

Finally, it is noteworthy, yet puzzling, that the level of Title I-A funding per student from a low-income family in participating schools is considerably lower in high schools than in middle or elementary schools. According to a recent ED report, among "schools that actually received funding, the average Title I allocation per low-income student was $664 in elementary schools, about 30 percent higher than in middle schools ($502) and more than 40 percent higher than in high schools ($451)"[11] The ED report offers no explanation for this pattern. Potential explanations might include the possibility that high

---

[r] That is, LEAs have the authority to classify a school as eligible for a Title I-A grant if the school has a percentage of students from low-income families at or above 35 percent.

schools are more likely to receive Title I-A grants in LEAs with very high poverty rates, where grants per student from a low-income family are lower for schools at all grade levels, or a pattern of LEAs providing more funds per low-income student to schools with higher reported percentages of students from low-income families, implicitly favoring elementary and middle schools on average.

Possible Options for Increasing the Rate of Participation by High Schools in ESEA Title I-A

Selected options for increasing the rate of participation by high schools in ESEA Title I-A programs are briefly discussed below. The discussion of each option includes background information plus a description of the probable consequences—both positive and potentially (and unintentionally) negative—of implementing the option. While this is not always explicitly stated below, any of these options could be adopted in a form that only affects high schools, or that affects middle plus high schools.

In general, the primary potentially negative consequence of any of these options would be a possible reduction in Title I-A participation on the part of elementary or (less likely) middle schools, if the share of funds allocated to high schools should increase without a substantial increase in total Title I-A funding. This consequence could be ameliorated through inclusion of a provision to limit policy changes to "new funds," allowing LEAs to continue to allocate the current dollar amount (although not the current percentage share) of funds to elementary and middle schools, while increasing high schools' share of future fund increases. At the same time, such a hold-harmless provision would limit the extent to which participation would increase for high schools, absent large increases in total Title I-A appropriations.

1. **Require use of feeder pattern projections when calculating the percentage of students from low-income families for high (and middle) schools.**

    Background: LEAs are now authorized, but not required, to use middle and/or elementary school feeder pattern data to develop projected estimates of the percentage of students from low-income families in high schools. This option is currently exercised by only 4 percent of LEAs. Option 1 would require use of feeder pattern estimates, if higher than directly measured percentages, for high schools.

    Probable Consequences: This could increase the rate of participation by high schools in Title I-A, but the effect could be small if LEAs continue to be allowed to select grade levels for Title I-A programs after serving (to the extent possible) all schools with a low-income student percentage of 75 percent or above. In other words, the only effect might be a marginal increase in the number of high schools meeting the 75 percent threshold for priority participation.

    This would potentially increase the administrative burdens of Title I-A participation by LEAs, although this burden should generally be minor. Also, without a significant increase in Title I-A appropriations, it would likely reduce participation by elementary and/or middle schools to at least a marginal extent, unless current funding levels for these schools were protected by a hold-harmless provision as discussed above.

2. **Clarify the Title I-A eligibility threshold by changing the provision allowing LEAs to deem schools with a low-income student rate at or above the lower of 35 percent or the LEA average from "may" to "shall."**

Background: Currently, schools are automatically eligible for Title I-A if they have a percentage of students from low-income families that is at or above the LEA average. Additionally, LEAs *may* designate any public school with a percentage of students from low-income families at or above 35 percent. Many LEAs do not exercise the 35 percent authority, likely because they run out of funds before reaching schools at or below the LEA average. In the past, there has been little significance for this, because there has been no real import to the designation of a school as being eligible for, but not receiving, Title I-A funds. However, as noted above, such a designation is significant under current policy regarding school eligibility for Title I-A School Improvement Grants as well as ED's proposed priorities for discretionary grant programs.

Probable Consequences: As shown in Appendix A, there are nearly three thousand high schools with a percentage of students from low-income families of 35 percent or above that are not currently classified as eligible for Title I-A. Implementing this recommendation would make them eligible for grants under Title I-A, although it would not guarantee that they would receive funding. Additionally, in many LEAs, this would make more high schools with low graduation rates eligible for SIGs. Another probable result is that the pool of schools eligible for SIGs would be expanded, potentially diluting the size of the award per school. Additionally, if ED's proposed discretionary grant priorities are implemented as proposed, this would make more high schools eligible for federal support.

3. **Reduce the priority low-income student rate threshold for high schools, and possibly lower the threshold for middle schools as well.**

Background: Currently, LEAs must serve (to the extent possible) all schools with a low-income student percentage of 75 percent or more. In some LEAs, there are so many schools with very high rates of students from low-income families that they run out of Title I-A funds before serving all such schools. The 75 percent priority participation provision was adopted under the Improving America's Schools Act of 1994 (IASA) in an effort to increase participation by high schools in the Title I-A program. Prior to adoption of this provision, many LEAs provided no Title I-A services in high schools, regardless of those schools' percentages of students from low-income families. The IASA provision did have an impact—between the 1993–94 and 1997–98 school years, the percentage of public secondary schools with 75 percent or more of their students from low-income families that participated in Title I-A rose from an estimated 61 percent to an estimated 93 percent.[12] Nevertheless, participation by high schools in Title I-A remains disproportionately low, in part because high schools have lower average reported rates of students from low-income families than elementary or middle schools.

Probable Consequences: Depending on the threshold rates selected for (middle and) high schools, the effect of this policy change could be quite substantial. For example, according to data for the 2008–09 school year from the National Center for Education Statistics Common Core of Data, only 9 percent of high schools nationwide had a percentage of students from low-income families (using free and reduced-price lunch eligibility as the criterion) of 75 percent or more, 19 percent had a rate of 60 percent or more, and 29 percent of high schools had a rate of 50 percent or above.

For middle schools, 16 percent had an FRPL rate of 75 percent or more, 30 percent had a rate of 60 percent or more, and 42 percent had a rate of 50 percent or more. Finally, 24 percent of elementary schools had an FRPL rate of 75 percent or more, 39 percent had a rate of 60 percent or more, and 50 percent had a rate of 50 percent or more.[s] If the rationale were to cover approximately equal percentages of schools at each level, one might propose using thresholds of 75 percent for elementary schools (24 percent of elementary schools have a low-income student percentage of 75 percent or above), 65 percent for middle schools (24 percent of middle schools have a low-income student percentage of 65 percent or above), and 55 percent for high schools (24 percent of high schools have a low-income student percentage of 55 percent or above). This would provide priority status to more than nine hundred high schools that are currently not classified as eligible for Title I-A (see Appendix A).

However, without a significant increase in Title I-A appropriations, implementation of this option would likely reduce participation by elementary schools to a substantial degree, depending on the extent to which the threshold is lowered for high (and middle) schools, unless current funding levels for these schools were protected by a hold-harmless provision as discussed above, and the hold-harmless provision would override the revised priority participation provision.

4. **Establish a set-aside for high schools within Title I.**

Background: This option would establish a separate flow of funds under Title I for high schools. Variations of this option include requiring use of a percentage of total Title I-A funds within each state or LEA for high school programs only, or establishing a separate funding stream for high schools as a separate part of Title I. Under the latter variation, high schools should continue to be eligible for regular Title I-A grants, so that the specified funds would supplement, not supplant, grants currently being received by high schools.

Probable Consequences: Under variations reserving a minimum share of Title I-A grants for high schools, the effect would depend on the size of that minimum percentage. Under variations providing for a separate flow of funds under a new part of Title I, the effect would largely depend on the willingness of appropriators to provide funds for the separate program.

Also under the latter options for a flow of funds for high schools separate from current Title I-A grants, there should be no reduction in the share of regular Title I-A funds allocated to elementary schools, as the increased funding for high schools would be appropriated elsewhere. At the same time, if funds to high schools increased under this option for a separate flow of funds, at least some LEAs might exercise their authority to reduce the share of funds high schools receive under Title I-A by focusing grants on elementary and middle schools to an even greater extent than currently.

---

[s] Note: In compiling these data, multilevel schools, non-"regular" schools (e.g., alternative, vocational, and special education schools), and schools with no FRPL data were excluded.

5. **Require LEAs to use a share of their Title I-A funds in high schools that is proportional to the share of the LEA's total students from low-income families who are enrolled in high schools.**

   Background: As discussed above, the share of Title I-A funds used in high schools is disproportionately low, compared to the share of students from low-income families enrolled in high schools.[t]

   Probable Consequences: In a large majority of LEAs, this would likely increase the use of Title I-A funds used to serve high school students.

   Without a significant increase in Title I-A appropriations, this option would likely reduce participation by elementary and/or middle schools to a substantial degree, unless current funding levels for these schools were protected by a hold-harmless provision as discussed above.

6. **Prohibit LEAs from selecting the grade levels to serve after providing grants to all schools at 75 percent or above.**

   Background: Currently, after serving all schools with a low-income student percentage of 75 percent or above (if funds are sufficient), LEAs may choose to serve only schools at selected grade levels. Under this option, LEAs would be required to sort all schools (whatever their grade level) by their percentage of students from low-income families, and serve the schools in rank order, regardless of whether they are elementary, middle, or high schools.

   Probable Consequences: If this option were implemented, participation by high schools in Title I-A would likely increase. However, given the lower average percentages of students from low-income families in high schools compared to elementary and middle schools, the increase might not be large unless accompanied by required use of feeder patterns to project low-income student percentages for high schools (option 1).

   At the same time, without a significant increase in Title I-A appropriations, implementation of this option would likely reduce participation by elementary and/or middle schools, unless current funding levels for these schools were protected by a hold-harmless provision as discussed above.

Finally, it should be noted that the options discussed above are not necessarily mutually exclusive. For example, options 1 and 2 could be adopted in conjunction with any of the other options. However, there is at least one instance where options, as described above, might be duplicative or conflicting (option 4 with 5).[u]

About the author: Wayne Riddle is an independent education policy consultant. Between 1972 and 2009, Mr. Riddle served as a specialist in education policy at the Congressional Research Service, Library of Congress.

---

[t] In its ESEA reauthorization proposal released in early 2007, the Bush administration proposed that Title I-A funding increases be distributed such that "[d]istricts will have to give their high schools at least 90 percent of the high schools' proportionate share of the increased funds." Details on exactly how this policy would be implemented were not published.

[u] One potential disadvantage that might be associated with several of the options above is related to the fact that there is no current limit on the share of Title I-A funds that LEAs may use at the district level, as opposed to individual schools. Funds controlled at the district level are to be used for a variety of administrative activities plus services financed centrally but provided to all of the district's schools participating in Title I-A (an example is professional development services). If LEAs resist a new requirement to increase their use of Title I-A funds in high schools, they might respond, in part, by increasing the share of funds they use at the district (rather than school) level to provide centrally financed services to participating elementary (and middle) schools.

Appendix A

The following tables provide estimates of the number of high schools in each state meeting various threshold percentages of students from low-income families that are, or are not, reported as being eligible to participate in the ESEA Title I-A program. The data are for the 2008–09 school year, and are published in the CCD survey of the National Center for Education Statistics, U.S. Department of Education (data downloaded on November 29, 2010). This analysis includes only "regular" high schools (i.e., "alternative/other," "vocational," and "special education" high schools are excluded). The indicator of "low income" used is students eligible for free or reduced-price student lunches. The analysis includes only high schools that are currently operating, and that have reported data on total student enrollment, students eligible for free or reduced-price lunches, and Title I-A eligibility. Table A1a includes low-income thresholds of 60 percent to 75 percent, while Table A1b includes thresholds of 35 percent to 55 percent.[v] Please note that these estimates are subject to change in CCD data updates subsequent to November 29, 2010.

---

[v] Note that these estimates are based on percentages rounded to whole numbers. Thus, for example, a school would be deemed to have a percentage of students from low-income families of 75 percent or above if the unrounded percentage is 74.5 percent or above.

Table A1a. Number of High Schools, by State, Where the Percentage of Students in Low-Income Families Meets or Exceeds Specified Threshold Levels, with Their Reported Eligibility Status for Participation in Title I-A: Thresholds of 60% to 75%

State	75% + and Eligible	75% + and Not Eligible	70% + and Eligible	70% + and Not Eligible	65% + and Eligible	65% + and Not Eligible	60% + and Eligible	60% + and Not Eligible
Alabama	41	7	43	10	52	17	56	30
Alaska	1	0	2	0	3	0	4	0
Arizona	57	4	75	8	87	12	101	15
Arkansas	25	4	42	9	58	16	72	23
California	169	21	226	30	274	47	314	72
Colorado	4	6	6	9	10	13	10	28
Connecticut	8	5	9	7	11	8	12	10
Delaware	0	0	0	0	0	0	0	0
District of Columbia	8	0	14	0	16	0	16	0
Florida	16	1	28	4	46	4	65	5
Georgia	36	11	50	24	59	44	72	58
Hawaii	0	0	2	0	4	0	5	0
Idaho	3	0	3	0	8	1	18	1
Illinois	51	1	66	1	76	2	81	2
Indiana	6	3	9	3	17	3	23	3
Iowa	0	1	0	1	1	1	1	1
Kansas	12	1	14	1	18	1	26	1
Kentucky	17	0	30	0	47	1	65	1
Louisiana	59	1	74	1	88	2	96	3
Maine*	NA	NA	NA	NA	NA	NA	NA	NA
Maryland	0	2	0	7	0	12	0	17
Massachusetts	17	2	27	4	34	8	40	12
Michigan	45	3	63	4	87	4	99	5
Minnesota	29	1	33	5	36	8	42	10
Mississippi	76	13	79	19	83	26	89	33

State	75% + and Eligible	75% + and Not Eligible	70% + and Eligible	70% + and Not Eligible	65% + and Eligible	65% + and Not Eligible	60% + and Eligible	60% + and Not Eligible
Missouri	4	9	7	15	11	24	14	42
Montana	13	0	14	1	17	1	22	1
Nebraska	3	6	4	8	6	8	8	11
Nevada	0	2	1	2	1	3	1	3
New Hampshire	0	0	0	0	0	0	0	1
New Jersey	7	7	11	14	13	19	18	22
New Mexico	52	2	56	2	60	2	67	3
New York	186	5	220	5	239	5	259	5
North Carolina	2	1	2	8	3	18	4	29
North Dakota	9	1	10	2	12	3	14	3
Ohio	59	20	73	25	88	29	110	41
Oklahoma	33	39	43	60	61	83	74	111
Oregon	11	7	14	10	15	19	15	25
Pennsylvania	42	2	52	3	60	5	69	6
Rhode Island	10	0	11	0	11	0	12	0
South Carolina	26	0	44	0	57	0	65	0
South Dakota	10	0	12	0	12	0	18	0
Tennessee	15	0	29	0	43	0	59	0
Texas	78	9	119	10	176	10	227	10
Utah	5	0	6	0	6	2	6	4
Vermont	0	0	0	0	0	0	1	0
Virginia	0	0	0	1	1	6	1	10
Washington	15	2	17	4	30	6	38	8
West Virginia	0	1	0	2	0	2	0	6
Wisconsin	31	1	40	1	48	1	52	4
Wyoming	0	0	0	0	1	0	1	0
Total	1,291	201	1,680	320	2,086	476	2,462	675

* The Title I-A Eligibility variable is blank for all schools in Maine in the Common Core of Data file used for this analysis.

Table A1b. Number of High Schools, by State, Where the Percentage of Students in Low-Income Families Meets or Exceeds Specified Threshold Levels, with Their Reported Eligibility Status for Participation in Title I-A: Thresholds of 35% to 55%

State	55% + and Eligible	55% + and Not Eligible	50% + and Eligible	50% + and Not Eligible	45% + and Eligible	45% + and Not Eligible	40% + and Eligible	40% + and Not Eligible	35% + and Eligible	35% + and Not Eligible
Alabama	59	43	65	70	66	87	70	118	70	139
Alaska	4	0	9	0	11	0	14	0	16	2
Arizona	115	19	130	23	140	30	155	46	164	56
Arkansas	91	31	113	45	134	60	146	74	156	90
California	357	97	402	126	437	159	465	207	483	239
Colorado	12	40	16	55	16	69	18	83	19	107
Connecticut	13	13	14	14	15	16	16	21	16	27
Delaware	0	0	0	2	0	7	0	10	0	14
District of Columbia	18	0	18	0	19	0	21	0	23	0
Florida	90	6	122	6	167	11	204	12	233	29
Georgia	81	88	86	115	90	149	91	170	91	188
Hawaii	7	0	9	0	16	0	18	1	20	5
Idaho	23	2	28	2	36	3	45	4	57	10
Illinois	89	4	110	7	131	7	157	13	194	22
Indiana	29	3	41	3	56	3	83	9	97	33
Iowa	3	1	8	1	15	1	29	9	37	30
Kansas	43	1	63	1	91	1	120	4	152	8
Kentucky	86	1	102	1	126	1	156	2	164	13
Louisiana	113	4	131	5	141	7	155	16	159	24
Maine*	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Maryland	0	22	0	31	0	39	0	51	0	67
Massachusetts	41	16	45	18	46	20	47	27	48	35
Michigan	137	5	166	6	218	6	263	6	314	8
Minnesota	47	14	49	25	53	43	59	67	65	102
Mississippi	96	47	99	59	102	69	102	74	102	83

State	55% + and Eligible	55% + and Not Eligible	50% + and Eligible	50% + and Not Eligible	45% + and Eligible	45% + and Not Eligible	40% + and Eligible	40% + and Not Eligible	35% + and Eligible	35% + and Not Eligible
Missouri	15	66	20	109	24	163	25	206	25	260
Montana	24	1	32	2	44	3	53	3	65	3
Nebraska	11	15	20	21	24	27	32	45	37	81
Nevada	4	3	5	3	6	5	11	6	12	9
New Hampshire	0	1	0	1	0	1	0	2	2	6
New Jersey	25	28	31	32	35	40	36	44	37	53
New Mexico	73	3	79	3	86	4	99	4	114	5
New York	277	5	303	5	331	5	379	6	412	6
North Carolina	4	44	4	74	4	99	4	140	4	187
North Dakota	16	4	18	8	21	14	26	21	34	32
Ohio	130	46	150	58	173	70	198	80	222	103
Oklahoma	83	146	90	182	96	215	97	247	100	281
Oregon	16	35	17	58	18	84	18	114	19	140
Pennsylvania	80	10	97	12	120	13	146	19	187	43
Rhode Island	13	0	14	0	15	1	15	1	16	1
South Carolina	83	1	96	1	115	3	131	4	136	13
South Dakota	19	0	23	0	30	0	42	0	53	0
Tennessee	81	0	106	0	139	0	172	1	187	4
Texas	306	10	383	10	498	11	587	18	669	45
Utah	6	8	7	11	9	16	10	24	11	36
Vermont	1	0	2	0	2	2	4	3	5	8
Virginia	1	22	1	39	1	62	1	87	1	120
Washington	47	10	62	11	75	15	85	26	103	39
West Virginia	0	13	0	31	0	54	0	75	0	86
Wisconsin	59	5	70	7	87	11	105	25	126	38
Wyoming	1	0	2	1	2	1	2	2	2	8
Total	2,929	933	3,458	1,294	4,081	1,707	4,712	2,227	5,259	2,938

* The Title I-A eligibility variable is blank for all schools in Maine in the Common Core of Data file used for this analysis.

Endnotes

[1] Jay G. Chambers et al., "State and Local Implementation of the No Child Left Behind Act, Volume VI—Targeting and Uses of Federal Education Funds" (Washington, DC: U.S. Department of Education, 2009), p. 48.

[2] 75 Fed. Reg. 47284–47291, August 5, 2010.

[3] Chambers et al., "State and Local Implementation of the No Child Left Behind Act, Volume VI," p. 54.

[4] Stephanie Stullich et al., "National Assessment of Title I Final Report" (Washington, DC: U.S. Department of Education, 2007), p. 16.

[5] Chambers et al., "State and Local Implementation of the No Child Left Behind Act, Volume VI," p. 62.

[6] U.S. Department of Education, "Study of Education Resources and Federal Funding: Final Report" (Washington, DC: Author, 2000), p. 33.

[7] Chambers et al., "State and Local Implementation of the No Child Left Behind Act: Volume VI," pp. 23, 28, and 50.

[8] Ibid., p. 48.

[9] Ibid., p. 133.

[10] 75 Fed. Reg. 47284–47291, August 5, 2010.

[11] Chambers et al., "State and Local Implementation of the No Child Left Behind Act, Volume VI," p. 49.

[12] U.S. Department of Education, "Promising Results, Continuing Challenges: The Final Report of the National Assessment of Title I" (Washington, DC: Author, 1999), p. 117.