operated institutions for neglected children, parental involvement, choice-related transportation and supplemental educational services, and professional development as required by law and must account for the Title I funds it spends on those activities. The LEA must then allocate the remaining funds to schools in accordance with section 1113 of the ESEA and §200.78 of the Title I regulations.

E-7 If a school operating a schoolwide program does not consolidate its Title I, Part A funds with other Federal, State, and local funds, what activities may Part A funds support?

As discussed in E-5, the purpose of a schoolwide program is to upgrade the "educational program" of a school as reflected in a comprehensive schoolwide program plan based on data from a comprehensive needs assessment. [Section 1114(a)(1)] Accordingly, Part A funds must be used to address specific educational needs of the school identified by the needs assessment and articulated in the plan. All children in the school may participate in activities funded with Title I, Part A funds (consistent with the school's comprehensive schoolwide program plan), and the school does not need to demonstrate that those activities are supplemental to ones that would otherwise be provided by the school. [Section 1114(a)(2)(A)] Use of Title I, Part A funds in this situation would be governed by the cost principles in OMB Circular A-87. Because Title I, Part A funds are not consolidated with other Federal, State, and local funds, the school and LEA must account for and track the Title I, Part A funds separately, identifying the activities that the Part A funds support.

E-8 May Title I, Part A funds in a schoolwide program school be used for basic operational expenses such as building maintenance and repairs, landscaping, and custodial services?

As discussed in E-5, Title I, Part A funds (as well as consolidated Federal funds) must be used to address the <u>educational</u> needs of a school identified by the needs assessment and articulated in the comprehensive plan. [Section 1114(a)(1)] Accordingly, they may not be used for non-educational activities such as building maintenance and repairs, landscaping, and custodial services.

When Title I, Part A funds are consolidated with State and local funds as described in E-2 and E-3, they lose their identity; thus, it is impossible to know on what specific activities Part A funds are spent. However, to meet the supplement not supplant requirement as it relates to a schoolwide program, an LEA must ensure that each school operating a schoolwide program receives all the State and local funds it would otherwise need to operate in the absence of Federal funds [Section 1114(a)(2)(B)], including State and local funds necessary to provide for routine operating expenses such as building maintenance and repairs, landscaping and custodial services. Thus, even though Title I, Part A funds are included in the consolidated pool of resources available to the school that may support, for example, building maintenance and repair, landscaping, or custodial services, there must also be sufficient State and local funds in that consolidated pool to cover non-educational activities.