



Title I Formula Fairness

Title I of the Elementary and Secondary Education Act (ESEA) distributes funding to local education agencies (LEAs) to improve the achievement of disadvantaged students. In order to allocate more funding per Title I student to LEAs with higher concentrations of poverty, the current formula weighs the count of eligible students in an LEA. The current weighting system, however, has the unintended perverse effect of diverting funding from higher-poverty LEAs to lower-poverty LEAs, regardless of actual poverty rates. This misallocation stems from the use of two alternative weighting systems. One is based on the percentage of disadvantaged students (“percentage weighting”) and one on the sheer number of disadvantaged students (“number weighting”). Each LEA’s eligible student account is weighted through both scales, and the LEA receives an allocation based on which scale provides the most benefit.

Number weighting gives a big boost in student count to a large LEA even if it has a low percentage of poverty while small LEAs, even with higher poverty rates, get no benefit from number weighting. Since the Title I formula distributes a fixed appropriation, all funds gained by LEAs that benefit from number weighting are at the direct expense of those LEAs that do not. As a result, all small and moderate sized LEAs with high poverty rates receive far less than they would if all Title I dollars were distributed to LEAs based on the concentration of students in poverty (percentage weighting). Some of the highest poverty LEAs are disadvantaged so much by number weighting that they receive less than if there were no weighting system at all. This reality runs counter to Congressional intent and negates the fact that poverty is poverty and all children should be treated equally under the law.

The Rural School and Community Trust is leading the charge on this issue, with the Formula Fairness Campaign (www.formulafairness.com). AESA has endorsed the campaign and advocates for a resolution on Capitol Hill. To that end, the House has introduced legislation that addresses this formula flaw. The All Children Are Equal (ACE) Act would gradually phase out the number weighting system while leaving percentage weighting in place. By reducing the weight factors in the number weighting system by 10 percent per year over four years, the formula becomes balanced and accurately reflects Congressional intent to allocate funding to LEAs with higher concentrations of poverty. Large LEAs with high concentrations of poverty would still benefit from percentage weighting, as would all smaller LEAs with higher percentages of poverty. Correcting this injustice should be a priority and is a simple issue of fairness and equity for all Title I-eligible children.

Talking Points:

1. Urge your Representative to support the ACE Act.
2. Encourage your Representatives and Senators to support changes that would distribute all Title I dollars in a manner consistent with original Congressional intent: based on concentration of poverty.