{Cheat Sheet} An Overview of Federal Education Funding

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Savvy education marketers know which federal funding sources can be used for their products and services. Schools and districts often overlook federal education funding revenue sources, and your insight can help them find money needed to close the deal.

This second part of my federal education funding series will guide you through the main sources of federal funding for K-12 education. (Take a look at the first part here.) For each funding program, I've included the goals of the program, how funds are awarded and how they can be used by schools, and sample programs covered. To help put this information in context, I've also included examples of how schools may elect to apply funds to purchase products and services, like the ones you sell.

The main sources of federal education funding programs are the Every Student Succeeds Act (ESSA) and IDEA. ESSA funding supplements state and local resources and supports students from low-income families and low-achieving schools. IDEA is the primary federal funding source for students with disabilities and special education.

The main sources of federal funds education vendors should be aware of and familiar with are:

To learn more about each of these programs, take a look at the chart below. Use the information to identify potential sources of funding for your products. You can **Download** and print a copy of this cheat sheet too. (Note that this is not a comprehensive list of federal funding sources, but these are generally the most relevant sources for education businesses.)

Title I, Part A: Low-Income Students
Summary   • The largest federal program aiding elementary and secondary education   • Goal is to supplement (not supplant) state and local funding to ensure students from low-income families succeed academically
How Schools Receive Funds   Funds are awarded based on formulas that consider the number of low-income students and other factors, such as the cost of education in the state. State Education Agencies (SEAs) award funds to Local Education Agencies (LEAs) based on a similar system. LEAs distribute funds to schools with high percentages of low-income students.
How Funds Can Be Used   • Schools with 40 percent or more low-income students can use Title I, Part A funds to support universal **schoolwide** programs.   • Schools with less than 40 percent low-income students must use the funds on **targeted assistance** programs that serve low-achieving students.
Sample Supported Programs   Violence prevention, housing programs, vocational and technical education, job training, nutrition programs, extra instruction in reading and mathematics, special ed, preschool, afterschool, summer programs to extend and reinforce the regular school curriculum, etc.

Example

A Title I school is implementing personalized learning to improve student outcomes. The school utilizes Title I funds to purchase course materials and learning analytic software designed to scaffold instruction based on each student's level of understanding.

Title II, Part A: Teacher Quality

Summary

Aims to improve teacher and principal quality through recruitment and professional development.

How Schools Receive Funds

Funds are awarded based on a formula that accounts for the number of school-aged children in the state and how many are from low-income families. SEAs award funds to LEAs based on a similar formula.

How Funds Can Be Used

- To recruit high quality teachers and staff
- For professional development that increases educators' capacity to implement prevention-related services

Sample Professional Development Categories

Training that supports:students with disabilities or special learning needs, gifted and talented students, language learners, and improving student behavior.

Example

A state makes it a priority to ensure schools are preparing teachers to be well-equipped to lead a classroom. The state allocates Title II, Part A funds for stipends towards training programs that improve teachers' classroom management skills, equitable practices, use of data to guide instruction, etc.

Title III, Part A: English Language Acquisition

Summary

Aims to improve and enhance the education of English language learners (ELLs) and immigrant students by helping them attain English proficiency and meet state academic achievement standards

ELLs have recently received increased attention due to an ESSA mandate that requires states to provide more detailed information to the public on English proficiency progress and academic achievement for ELLs.

How Schools Receive Funds

State formula grants are provided to SEAs based on the number of ELLs reported through U.S. Census data. LEAs are awarded funds based on the number of ELLs that reside in the district.

How Funds Can Be Used

- To increase English language proficiency and student achievement
- To increase the abilities of staff to improve ELL instruction and assessment
- Funds can only be used to supplement (not supplant) programs and initiatives that specifically focus on developing English proficiency

Sample Supported Programs	Language instruction, staff professional development, programs that promote academic achievement, family and community programs, instructional materials and technology for ELLs.
Example	A district wants to improve its English Language Development (ELD) program. The district submits a plan to its SEA for funds to purchase technology and software products designed to increase language acquisition.

Title IV, Part B: 21st Century Community Learning Centers

Summary	- Also called the 21st Century Community Learning Centers program - Goal is to provide academic enrichment opportunities to complement regular academic programs
How Schools Receive Funds	Funds are awarded to SEAs through formula grants based on Title I awards. SEAs must submit applications and involve relevant state agencies (e.g. mental health agency) in their plans. LEAs apply for funds to SEAs through competitive grants. Community-based partners can also apply for funds as long as they coordinate with schools and ensure easy student access to their programs.
How Funds Can Be Used	To provide academic enrichment opportunities to help students (particularly from low-income families in low-performing schools) meet state education standards.

Sample Supported Programs	Summer learning, afterschool, counseling, substance abuse and violence prevention, youth development, character development, technology education, art, music, parent and community outreach, etc.
Example	A district makes social and emotional learning (SEL) a priority with the goal of increasing academic achievement and creating a safe and supportive learning environment for students. The district applies to its SEA for funding to purchase SEL curriculum and assessments from an education vendor.

IDEA, Part B: Special Education

Summary	- To support the needs of students with disabilities between the ages of 3 and 21. - All students receiving funds must have an Individualized Education Program (IEP) - Part B is the largest and most often discussed part of IDEA and generally includes 95% of the Act's total funding
How Schools Receive Funds	Each year, states are awarded the amount of funds they received in the base-year (FY1999) of the program. States also receive a share of "new money" — additional appropriated funds that differ in amounts from year to year. LEAs receive formula grant funds and can also apply for competitive grants.
How Funds Can Be Used	- To supplement state and local resources to support students with disabilities, strengthen their education, and improve outcomes for students' ages 3 through 21 - Recipients must comply with IDEA statutory and regulatory requirements.

Sample Supported Programs	Consultants, specialists, support services, coordinating early intervening services, instruction, promising practices, family and community engagement, professional development, technology and software, etc.
Example	A school wants to provide assistive technology to help students with autism. The school submits a grant application to purchase a robot designed to help improve social skills for students with autism.

Target Districts and Schools Based on their Federal Funding Eligibility

Once you have a basic understanding of the main sources of federal education funding that can be used to purchase your products, the next step is to target your sales and marketing communications to recipients of relevant funding programs.

Wouldn't it be nice if you could know exactly which districts and schools have received the federal funding that can be used to purchase your products? Agile Education Marketing's comprehensive database tracks federal funding, school performance and demographics. We do the heavy lifting for you and provide the data you need to target the right districts and schools who have funds available to buy your products. Interested in learning more? Contact Agile today.

About the Author

Verlan Stephens is a Founder and Managing Partner at Agile Education Marketing with more than 30 years of experience compiling, managing and analyzing large information databases. He applies that knowledge and skill to lead Agile's data compilation efforts. He also provides expertise in data trending and market intelligence. Verlan is passionate about helping companies use data to better understand the education market and make research-based decisions around product and business development in the education space. Reach Verlan at vstephens@agile-ed.com.