

Iowa Department of Education

GENERAL BUDGET

Note: The General Budget form must be completed in order to receive Title I funding; and, as applicable, to receive Title I local neglected funding.

For technical assistance regarding the general budget process, contact the Title I consultant for your particular AEA.

For technical assistance with local neglected education programs, contact the Title I consultant for your particular AEA or Rick Bartosh at richard.bartosh@iowa.gov or 515/281-0368.

All required forms must be completed before the State Title I office will approve the Title I application and release Title I funds for the current school year.

The General Budget form for your district will open and the current school year Title I allocation will be displayed. The General Budget form is designed to provide an **itemized** account of expenditures to be incurred. **Note:** The General Budget should not include any carryover funds that may be available to the district as there is a separate Carryover Budget for applying for those funds.

Note: Local neglected education program funds must be itemized in the Title I General Budget form to reflect total LEA local neglected program expenditures.

The General Budget form allows the user to enter the specific breakdown of Title I expenditures claimed on the budget and, if necessary, to provide a description of expenditures. **Note: Do not attempt to enter any figures in the “Total” fields as the total is automatically calculated as you enter specific expenditure figures.** Round all amounts to the nearest dollar. Be sure the total project budget amount applied for on the Title I General Budget (including any local neglected funds, but **not** carryover funds) does not exceed the new Title I current allocation as noted at the top of the General Budget form. This budget is to reflect **only** the portion of the Title I program that will be paid with **Title I funds** received by your LEA

Any LEA with a Title I School in Need of Assistance (SINA), in Year 1 or 2 of identification, is required to reserve and spend 10% of the SINA building's allocation for professional development in the area of identification (Reading and/or Math). This reserve can be expended in the following ways and must be reflected in the following categories of the general budget:

1. Instruction/1000/Salaries: This would be in the case of a staff member providing professional development to your staff or staff working beyond the contract. This might include sub-salaries to release teachers for professional development.
2. Instruction/1000/Purchased Services/Professional Development: This would be in the case of an outside person providing professional development to your staff.
3. Instructional Staff & Support Services/2200/Purchased Services/In-service or Travel: This would be in the case of sending staff to professional development outside of the district.

The required 10% set-aside for professional development must be spent during the current school year. Any district in need of assistance (DINA), in year 1 or 2 of identification is required to reserve and spend 10% of the district Title 1 allocation for professional development in the area of identification (reading and/or math).

✓ **TIP: Any expenditure covered by local general fund dollars must NOT be included in this budget.**

The General Budget form has as its purpose the providing of detail for each budget expenditure. To assist you with this specific budget development, the following explanation of the Title I Budget will be made by discussing the columns moving left to right across the top of the budget.

FUNCTIONS	OBJECTS						
Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses/Other uses of Funds 800	TOTAL

Functions – Each function number represents a broad series of expenditures used in uniform financial accounting.

Expenditure Accounts – These expenditure categories represent the names of expenditure accounts to be used to classify Title I expenditures.

Objects – Salaries – The salary amounts include all payments for services rendered that will be paid directly by the LEA from Title I funds.

Objects – Employee Benefits – Title I funds may be used to pay Iowa Public Employees Retirement System (IPERS), Federal Insurance Contribution Act (FICA) of salaried Title I employees, and other district benefits. Since the percent of contribution on both the above-mentioned programs may change, proposed expenditures should be based upon the current percent of 7.65% for FICA and 8.93% for IPERS. **The user must itemize the employee benefits by the categories identified on the General Budget form – FICA, IPERS, and Insurance (e.g. workers compensation insurance, medical, dental, disability, life insurance, and unemployment).**

Objects – Purchased Services – Purchased Services includes all payments to be made to other agencies or individuals not on the payroll for specific services performed. The reserve for Supplemental Education Services is included under Instruction, Purchased Services column. **Note:** Equipment repair is considered a purchased services expense.

Objects – Supplies – Approvable amounts for materials and supplies for the Title I project are to be entered in the Supplies column. It is suggested that supplies expenditures be no more than 6% of the entire Title I budget. Expenditures for materials and supplies will be limited to the minimum required to implement and continue Title I activities or services. Examples of supplies are consumable materials, computer software, books, manuals, etc. **Expenditures for Title I supplies to be purchased must be itemized by category as identified on the General Budget form.**

Objects – Property – Approvable amounts for instructional equipment are to be entered in the Property Column. It is suggested that property expenditures be no more than 4% of the entire Title I budget. Expenditures for instructional equipment will be limited to the minimum required to implement and continue Title I activities or services. Examples of items budgeted in property might be computer hardware or furniture. **Expenditures for Title I property to be purchased must be itemized by category as identified on the General Budget form.**

Objects – Other Expenses and Other Uses of Funds – The Other Expenses Column includes other expenditures not classified as Salaries, Employee Benefits, Purchased Services, Supplies or Property. This is the column to use for professional dues and indirect costs and the Homeless Services set-aside.

Objects – Total – This column includes the sum total of amounts recorded in each of the preceding columns.

✓ **TIP: See Function explanations below for proper placement of the costs identified above.**

Explanation of the Functions 1000-4000 requires certain detail related to regulations governing Title I expenses. Each expenditure category is explained as follows:

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Instruction 1000	Certified Salary <input type="text"/>	FICA <input type="text"/>	Travel Between Bldgs <input type="text"/>	Consumables <input type="text"/>	Computers <input type="text"/>	Professional Dues <input type="text"/>	
	Associates Salary <input type="text"/>	IPERS <input type="text"/>	Professional Development <input type="text"/>	Software <input type="text"/>	Local <input type="text"/>	Local <input type="text"/>	
	Sub salary <input type="text"/>	Insurance <input type="text"/>	Estimated SES <input type="text"/>	Title I Books <input type="text"/>	Neglected Description <input type="text"/>	Neglected Description <input type="text"/>	
	Summer School Salary <input type="text"/>	Local Neglected <input type="text"/>	Local Neglected <input type="text"/>	Diagnostic Testing <input type="text"/>	Homeless <input type="text"/>	Homeless <input type="text"/>	
	Local Neglected <input type="text"/>	Neglected Description <input type="text"/>	Neglected Description <input type="text"/>	Local Neglected <input type="text"/>	Homeless Description <input type="text"/>	Homeless Description <input type="text"/>	
	Neglected Description <input type="text"/>	Homeless <input type="text"/>	Homeless <input type="text"/>	Neglected Description <input type="text"/>	Private School <input type="text"/>	Private School <input type="text"/>	
	Homeless Description <input type="text"/>	Homeless Description <input type="text"/>	Homeless Description <input type="text"/>	Homeless Description <input type="text"/>	Priv. School Description <input type="text"/>	Priv. School Description <input type="text"/>	
	Private School Description <input type="text"/>	Private School Description <input type="text"/>	Private School Description <input type="text"/>	Private School <input type="text"/>	Other <input type="text"/>	Other <input type="text"/>	
	Priv. School Description <input type="text"/>	Other <input type="text"/>	Other <input type="text"/>	Other <input type="text"/>	Other Description <input type="text"/>	Other Description <input type="text"/>	
	Other <input type="text"/>	Other Description <input type="text"/>	Other Description <input type="text"/>	Other Description <input type="text"/>			
	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Function 1000 – Instruction – This includes Salaries paid to the employees who have been employed to complete the teaching activities of the Title I program. Title I funds may be used to pay employee benefits under the Iowa Public Employees Retirement System (IPERS) and Federal Insurance Contribution Act (FICA) for salaried Title I teachers and educational associates as these are mandated by law. **Note:** The employer share for IPERS is 8.93%. The 10% reserve may also pay a staff member providing professional development to your staff in a Title I SINA school.

Purchased Services includes amounts for instructional services purchased from other agencies or rental of instructional equipment. It also includes expenses incurred to provide the instructional service of the Title I activity. An example would be the travel expense of a teacher who had teaching duties in two attendance centers during the day. The expense of such travel would be included in the purchased services column. The 10% reserve may be reflected here to pay an outside person providing professional development to your staff in a Title I SINA school. The LEA should also include in the purchased services column, the required reserve for estimated supplemental education services, as appropriate.

The Supplies column includes approvable amounts for materials and supplies for Title I. The Property column includes approvable amounts for instructional equipment. Other Expenses and Other Uses of Funds, includes expenses for professional dues and the Homeless Education Services set-aside. **Note:** The Homeless Education Services set-aside on the Homeless Education form must match the amount entered on the General Budget form.

✓ **TIP: Indirect Costs go under Function 2300.**

Allowable Program Expenditures for Title I Services to Private School Children:

Title I funds are expended to implement academic research-based programs that help students improve their academic achievement in the regular private school classrooms (i.e., reading, mathematics, etc.). Title I program expenditures can include the following:

1. Salaries and fringe benefits for highly qualified teachers directly hired by the LEA;

2. Salaries and fringe benefits for qualified paraprofessionals directly hired by the LEA and supervised by highly qualified public school teachers who are located in the same building;
3. LEA contracts with retired public or private school teachers to teach at the private school during the school day and before or after school;
4. Books, materials, and equipment necessary to implement the Title I program (The LEA retains title to the books, other materials, and equipment purchased with Title I funds. Materials, etc., purchased with Title I funds may be used only by Title I participants. Each item purchased with Title I funds must be labeled "Property of _____ School District." The labels should not be either easily erased or removable.);
5. Extended-day services;
6. Summer programs;
7. Saturday programs;
8. Counseling programs;
9. Computer-assisted instruction (CAI) with non-instructional computer technicians who supervise computer labs, maintain discipline, and escort students to and from class (Their salaries are an administrative cost under Sec 200.77(f) of the Title I regulations and may not be charged to funds generated by private school children from low-income families, which is for instruction.);
10. Home tutoring;
11. Computers and software products.

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
			\$0				\$0
Instructional Staff and Support 2200			Travel Between Bldgs <input type="text"/> Other <input type="text"/> Other Description				
			\$0				\$0

Function 2200 – Instructional Staff and Support Services – Purchased Services includes amounts for inservice and travel. May also include the 10% reserve for sending staff from a Title I SINA building to professional development outside the district.

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
	\$0	\$0	\$0			\$0	\$0
Administration Support Services 2300	Summer School Coord. <input type="text"/> Title I Coord (SEA Approved) <input type="text"/> Clerical Salary <input type="text"/> Other <input type="text"/> Other Description	FICA <input type="text"/> IPERS <input type="text"/> Insurance <input type="text"/>	Audit (if Eligible) <input type="text"/> Other <input type="text"/> Other Description			Indirect Costs <input type="text"/> Other <input type="text"/> Other Description	
		\$0	\$0			\$0	\$0

Function 2300 – Administration Support Services – Salaries and Employee Benefits for the administration of Title I programs cannot be paid from Title I funds. There are two notable exceptions to this rule:

1. When the project is of sufficient size and scope to merit an administrator. **The SEA makes the final decision as to size and scope.**

- When summer school activities are of sufficient size and scope to merit an administrator. Again, the SEA makes the final decision as to size and scope. A letter must be sent to the Title I office stating that the director of the summer school is not otherwise under General Fund contractual obligation to the district.

LEAs that expend more than \$300,000 annually in Federal funds may use Title I funds to pay the expense of an audit that is incurred as a direct result of the Title I program. Since an audit will be made after the close of the fiscal year, it is recommended that funds in the current budget be set aside to pay the cost of the preceding year's program audit. This audit expense would be shown in the Purchased Services column.

Approvable amounts for restricted indirect costs are to be entered on the Title I project budget in the column, Other Expenses and Other Uses of Funds. Indirect Costs are those costs that are not readily identifiable with the activities or contracted services, but are nevertheless incurred for the joint benefit of those activities and programs of the organization. **NOTE:** Indirect cost expenditures must comply with the U.S. Office of Management and Budget Circular A87.

The Iowa Department of Education annually calculates the indirect cost rates for LEAs from data submitted on their certified annual reports. The Iowa Restricted Indirect Cost Plan for LEAs establishes maximum predetermined rates for a given fiscal year. The advantage of an Indirect Cost Allocation Plan and rate is that it is a simplified means for determining a fair share for indirect costs of Federal grants and contracts. For information regarding the indirect cost rate calculation, contact Janice Evans, School Administration Consultant at 515/281-4740 or janice.evans@iowa.gov.

The indirect cost rate percentages for each LEA can be found at the Iowa Department of Education website at <https://www.educateiowa.gov/indirect-cost-rate>. **The restricted indirect cost percentage can be applied only to the amounts of salaries and employee benefits (current and carryover budgets) approved for Title I staff.**

✓ **TIP:** If the indirect cost amount applied for on the budget exceeds the maximum allowed for budgeted salaries and benefits, a RED warning will be received and will need to be corrected prior to proceeding.

Note: For Title I purposes, the given fiscal year indirect cost rate applies to the project established for the school year and remains in place even when project expenditures extend into the next fiscal year.

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
			\$0				\$0
Operation and Maintenance of Plant 2600			Other <input type="text"/> Other Description				
			\$0				\$0

Function 2600 – Operation and Maintenance of Plant – An LEA may apply for off-the-top non-instructional expenditures that have incurred as a result of operating a Title I private school site or a Title I migrant education program. Expenses may include rent; lease of real property; utilities; insurance and maintenance costs.

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
	\$0	\$0	\$0				\$0
Student Transportation Services 2700	Salary <input type="text"/>	FICA <input type="text"/> IPERS <input type="text"/> Insurance <input type="text"/>	School Choice <input type="text"/> Homeless (Optional) <input type="text"/> Other <input type="text"/> Other Description				

Function 2700 – Student Transportation Services – Title I funds may be used to pay the transportation expense of public school students only to Title I activities only when normally scheduled LEA bus service is not available. Examples would include transportation of students between attendance centers, extra bus trips for pre-kindergarten or kindergarten students, and summer school.

The Salaries Column should contain the amount needed to pay the salaries of the bus drivers providing Title I transportation. The Employee Benefits Column would include the employee benefits of the bus drivers. Purchased Services would include any contractual agreement with an outside agency for busing children; the maintenance cost of district buses when they are directly involved in the transportation of Title I students; and off-the-top expenses to transport private school students to public school or neutral site for Title I instructional services. The LEA should also include in the purchased services column, the required reserve for school choice transportation, as appropriate.

SINA Set-Aside for Choice-Related Transportation and Supplemental Education Services

The law establishes joint funding for choice-related transportation and SES. Unless a lesser amount is needed to meet demand for choice-related transportation and to satisfy all requests for SES, an LEA must spend an amount equal to 20 percent of its Title I, Part A allocation. If an LEA spends less than the amount needed to meet its 20 percent obligation, it must meet the required assurances (see SINA set-aside section in this document) before it may use unexpended funds from the 20 percent obligation for other allowable activities.

The rules for school choice are:

- In year 1 of identification for SINA or Delay, a district MUST reserve 20% of district allocation for CHOICE (there is no SES requirement for year 1).
- In year 2 or above of identification for SINA or Delay, a district MUST reserve up to 20% of the district allocation for CHOICE AND SES. It is up to the district how the split is made, but between the two spots on the budget (line 2700 column 300 and line 1000 column 300) the total must be at least 20% of district allocation.

In addition, an LEA that spends less than the amount needed to meet its 20 percent obligation and does not intend to spend the unexpended amount in the subsequent school year must maintain records that demonstrate it has met the criteria above and must notify the SEA that it has met the criteria and intends to spend the remainder of its 20 percent obligation on other allowable activities.

Districts must notify the Iowa Department of Education if they do not intend to spend the total 20 percent set aside. Please contact Susan Selby at susan.selby@iowa.gov for the form, "NOTIFICATION – Unexpended Funds for Choice-Related Transportation & Supplemental Education Services" or access it through this link [\\Ed\data\EDGroup\Title One\Notifications of Unexpended Funds\Notification of unexpended funds 2013.8.29.docx](#).

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
	\$0	\$0	\$0	\$0			\$0
School Nutrition Services 3100	Salary <input type="text"/>	FICA <input type="text"/> IPERS <input type="text"/> Insurance <input type="text"/>	Other <input type="text"/> Other Description	Other <input type="text"/> Other Description			

Function 3100 – School Nutrition Services – Title I funds may be used for providing food and food services only when they are not covered by State or Federal funds received from the Bureau of Nutrition and Health Services of the Iowa Department of Education. The SEA will review each request individually.

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
	\$0	\$0	\$0	\$0			\$0
Parent Community Services (Public) 3301	Salary <input type="text"/>	FICA <input type="text"/> IPERS <input type="text"/> Insurance <input type="text"/>	Other <input type="text"/> Other Description	Other <input type="text"/> Other Description			

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
	\$0	\$0	\$0	\$0			\$0

Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300-599	Supplies 600	Property 700	Other Expenses 800	Total
Parent Community Services (Private) 3302	Salary <input type="text"/>	FICA <input type="text"/> IPERS <input type="text"/> Insurance <input type="text"/>	Other <input type="text"/> Other Description	Other <input type="text"/> Other Description			

Function 3301 and 3302 – Community Services (Parent) Public and Private – Title I funds may be used for activities associated with Parent Involvement. LEAs receiving allocations of \$500,000 or more must reserve 1 percent of the allocation for parent involvement activities, including family literacy and parenting skills. At least 95 percent of the 1 percent reservation must be allocated by formula to Title I funded schools. This reservation needs to be calculated separately from Title I building level allocations. If the district serves private school students, the LEA must correctly calculate and provide for equitable services for private school students regarding parental involvement requirements. If the LEA is required to set aside funds for parent involvement, a proportional amount must be spent for families of private school Title I students. If no set asides, accommodations must be made to include families of private school Title I students in the annual Title I meeting, conferences, and activities such as “Family Literacy/Math Night.” After consultation with private school representatives, the parent involvement requirement can be met either through independent parent involvement activities or in conjunction with the LEA’s activities. If they are done independently, there must be an equitable distribution of funds for these activities. Persons providing Title I services are employed by the LEA. **Note:** Salary does not include instructional time for private school students. The district should have on file the background information for this budget detail expenditure, but would not be required to include this on the electronic application itself. For example: (see WDTF form for calculations)

Parental Involvement Reservation under Section 1118 of ESEA

In **participating** public school attendance areas:

No. of private school children from low-income families	Total no. of children from low-income families	Proportion of Reservation
_____	_____	_____
divided by	=	
Proportion of Reservation	Reservation	for Equitable Services
_____	\$ _____	\$ _____
X	=	

✔ **TIP: If applicable, the 1 percent reservation must be included in the general budget before approval will be given to your application. To remain in full compliance, the required 1% set-aside for parent involvement must be spent during the current school year.**

After all detail is completed, the user should click the **Finish** button. The user must fix all errors appearing in RED. The user must verify the YELLOW warning errors. A yellow highlight is simply a reminder to check your work.

✔ **TIP: Do NOT double-click the Finish button.**

Note: If the indirect cost exceeds the maximum allowed for the salaries and benefits on the budget, a RED warning will be received and will need to be corrected prior to proceeding.

When all information has been entered on the General Budget form, the user may collapse the budget data to see an Expenditure Summary of total budget figures in each category by clicking the **Collapse All** button. The user may also collapse only certain budget rows by clicking at the far left of the budget table.

Amendment Lookup : 0 ▾							
Expand All Collapse All							
Expenditure Accounts	Salaries 100	Employee Benefits 200	Purchased Services 300	Instruction - Supplies 600	Instruction - Property 700	Instruction - Other Expenses / Other Uses of Funds 800	Total \$74,478
Instruction 1000 +	\$74,478	\$0	\$0	\$0	\$0	\$0	\$74,478
Instruction Staff & Support Services 2200 +	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Administration Support Services 2300 +	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Note: The budget table may also be expanded by row by clicking at the far left of the row or in whole by clicking the **Expand All** button. After all errors are corrected, the accuracy of the figures entered on the General Budget form verified, and the user has clicked the **Finish** button, you should receive the “District Finished” status for the General Budget form.

If a need arises to change budget figures prior to clicking the **Submit** button, the user may click the General Budget form on the Title I Home screen and click the **Undo** button on the General Budget form. This action will allow the user to make revisions to the budget as necessary. The user will need to click the **Finish** button and resolve any validation edits before again achieving the “District Finished” status. **Note:** Once the LEA submits the application, no changes can be made at the local level.

✓ **TIP: It is advisable to visit with the Title I office prior to using the Undo option.**

The Title I staff will not proceed with processing your application until all required forms have been completed and the Submit button is clicked. The **Submit** button will not become available until all required forms have been completed.

✓ **TIP: Before the district will be able to submit the application, all of the following forms need to be completed: Assurances, Selection of Schools, General Budget, Homeless Education, Staff Assignments, Title I Narratives, Upload Parent Involvement Policy and Student Compact, General Carryover (as applicable), Equipment Inventory (as applicable), Statement of Agreement (as applicable), Within District Targeting of Funds (as applicable), Delinquent Application (as applicable).**

Note: Forms not completed are indicated by “District not Updated” on the status table of the Title I Home screen.

The Staff Assignments form is required when salary amounts are indicated in the budget. If a staff count is added to the Staff Assignments form, then staff salaries must be added to the budget; and conversely, if a staff salary is included in the budget, then a staff count must be added to the Staff Assignment form. For associated budget types, in this case General and General Carryover, if staff assignments are input for a budget type, then EITHER of the budget’s salary amounts satisfies the salary requirement.

Note: If the district has one or more buildings designated as a school in need of assistance (SINA), the Within District Targeting of Funds (WDTF) form must be completed prior to being granted the ability to certify the budget.

Upon completion of all required forms, the **Submit** button will appear at the bottom of the status table on the Title I Home screen. Clicking the **Submit** button will send an automatic email to notify the SEA that the district has completed the application process.

LOCAL NEGLECTED BUDGET

The local education agency is the fiscal agent for any funds designated to provide Title I service to children in local neglected institutions. Local neglected program costs must be part of the General Budget. If your LEA provides Title I service to a local neglected facility with Title I, Part A local neglected funding, you must designate those costs in the appropriate expenditure categories on the Title I General Budget form.

Note: Local delinquent education program funds are separate from the current allocation and are to be applied for as a separate project on the Delinquent Application, with a separate budget and separate accounting.

When all information has been entered click the **Finish** button and then the **Collapse All** button. After verifying the accuracy of the figures entered on the General Budget Expenditure Summary, click the **Finish** button. **If any error or warning message appears, you must correct or at least verify data that has been entered and click the Finish button again.** **Note:** If you have any required forms not completed, you will not be allowed to submit your Title I application.

If the LEA has carryover funds from the previous year, a separate budget must be completed and certified to reflect the use of the carryover funds.

Click Carryover Budget form or Homeless Education form on the Title I Home screen to be completed next.