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CHAPTER 1
DESIGNING ELIGIBLE ATTENDANCE AREAS

1.1.0 General Statement

In 1965, Congress enacted the Elementary and Secondary Education Act commonly known as ESEA. The largest funded component of this act was Title I, designed to provide financial assistance in order to meet the particular education needs of children who were educationally deprived and who resided in areas having high concentrations of children from low-income families. While ESEA Title I has since been amended, the basic "declaration of policy" remains the same as most recently stated in the Education Amendments of 1978 (Public Law 95-561).

In recognition of the special educational needs of children of low-income families and the impact that concentrations of low-income families have on the ability of local educational agencies to support adequate education programs, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following parts of this title) to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs by various means (including preschool programs) which contribute particularly to meeting the special educational needs of educationally-deprived children....(Sec. 101, Public Law 95-561).

Each of the key words or phrases in the declaration of policy expresses the intent of Congress.

● Support of Adequate Educational Programs: Most financing of local educational agencies (LEAs) comes from state or local revenues. However, in areas with large numbers of children from low-income families, state and local monies may not be enough to provide programs which meet the special needs of some children. There are a wide variety of federal, state, and local programs designed to help specific groups of children; Title I ESEA is specifically designed to help "educationally deprived children" from areas with low-income families.

● Special Educational Needs: The word "special" indicates title I funds should not be used to provide regular school services in eligible LEAs. The school district must finance the basic education of all children; title I funds are intended to provide extra services for "educationally deprived children." The word "educational" emphasizes that Title I ESEA is an instructional, not a welfare type, program; however, supportive services related to an educational need may be included in a title I program. The phrase "special educational needs" in Title I ESEA legislation should not be confused with the phrase "special education" as it is commonly used to describe the instructional programs available to handicapped students.

● Educationally Deprived Children: An educationally deprived child is one who is not doing the work expected of children his age and grade level because of economic, social, language, or cultural problems.

● Areas with Concentrations of Children from Low-Income Families: School attendance areas eligible to receive Title I ESEA services are identified and ranked on the basis of family income or related information. With a few exceptions, the eligible attendance areas with the highest percentage or number of children from low-income families are selected to actually participate in the Title I ESEA program; title I appropriations are not large enough to allow all eligible attendance or project areas to participate.

1.2.0 Basic Concepts for Determining Eligible Attendance Areas

Funds for Title I ESEA are included in the education appropriation passed by Congress each year. The National Center for Educational Statistics then determines how much money each state -- and each county within a state -- should receive, based on the number of children from low-income families. The state educational agency (SEA) distributes Title I ESEA funds to eligible school districts in each county based on project applications which include information about the number of children from low-income families in the district and the needs of educationally deprived children. (See Chapter 7.4.3.)

To be eligible to receive Title I ESEA funds, a school district must have at least 10 children in one or a combination of the following categories (116a.10(a)(1)):

1. Children aged 5 to 17 from low-income families, as determined by the Orshansky index which adjusts the poverty level index of the census report according to family size and location (urban/rural).

2. Children aged 5 to 17 from families receiving Aid to Families with Dependent Children, excluding those already counted in #1.
3. Children in locally administered institutions for the neglected or delinquent.
4. Children in foster homes supported by public funds within the country.

Once it has been determined that an LEA is eligible to apply for and receive funds under Title I ESEA, the LEA must show in its title I application which attendance areas within the district are eligible to receive title I services. An attendance area is the geographic area served by a particular school. According to Title I ESEA legislation, an attendance area may be part of the LEA's Title I ESEA program if it has a "high concentration of children from low-income areas." The LEA may use either the number or percentage of children from low-income families, or a combination of the two, to determine which attendance areas have the highest concentrations of such children. The methods are fully explained in the following sections.

Federal appropriations for Title I ESEA have never been large enough to provide services for all the educationally deprived children in all eligible attendance areas. Thus, federal regulations contain provisions to guide LEAs in limiting the number of attendance areas and children in the title I program. These are called targeting provisions. Eligible attendance areas are usually ranked according to the number or percentage of children from low-income families to determine which areas will actually participate in the LEA's title I program; areas selected to participate are then known as "project areas."

1.3.0 General Requirements for Determining Eligible Attendance Areas

Title I, ESEA Sec. 122
CFR 116a.50-75
H. Rept. 95-1137, pp. 20-22

To determine which attendance areas within an LEA are eligible to Title I ESEA, the LEA needs two essential pieces of information; the total number of

school children (aged 5 to 17) residing in the attendance area and the number and/or percentage of those children who come from low-income families. An attendance area is eligible if the concentration of children from low-income families in that area is above the average, figured either numerically or on a percentage basis, for the entire district.

In addition to allowing LEAs to use either the number or percentage of children from low-income families (or a combination thereof) to determine an attendance area's eligibility for title I, federal regulations also permit several other options in the designation of eligible attendance areas and the actual selection of eligible areas to participate in the LEA's Title I ESEA program. These options, which are explained more fully in the following sections, include:

1. No Wide Variance Option

An entire LEA may be considered as an eligible Title I ESEA area if the differences in the numbers or percentages of children from low-income families are not significant among the attendance areas within the LEA (116a.51(d)(4)).

2. Average Daily Attendance Option

In school attendance areas where a large number or percentage of children attend private schools, the economic composition of the district as a whole does not reflect the number or percentage of children from low-income families actually enrolled in the public school. This option allows such schools to be considered for the title I program.

3. Formerly Eligible Option

The possible abrupt withdrawal of title I program funds and services occurring when a formerly eligible school loses its eligibility because of a change in ranking may cause problems in some districts. The formerly eligible option ensures continuity in the Title I ESEA program by allowing an attendance area which has had a title I program to remain eligible for an additional year, even though the area may not be eligible according to its number or percentage of children from low-income families, in relation to the LEA average (116a.64(a)).

4. 25 Percent Rule

Even if the percentage of children from low-income families in the LEA as a whole is more than 25 percent, an LEA may identify each attendance area with at least 25 percent of the children from low-income families as an eligible Title I ESEA area (116a.51(d)(1)(ii)).

5. Alternative Rankings Option, Based on Incidence of Educational Deprivation

Generally, LEAs select attendance areas to participate in the Title I ESEA program based on the concentration of children from low-income families. However, the LEA may designate an attendance area with a lower concentration of such children as an eligible title I area if the area has a higher concentration of educationally deprived children. The addition of such an attendance area must replace another eligible attendance area (116a.63(a)(2)).

6. Services of the Same Nature and Scope Option

An LEA also has the option to skip attendance areas with higher concentrations of children from low-income families if those areas are

already receiving, from non-federal sources, services of the same nature and scope that would be available through the Title I ESEA program (116a.65(a)).

1.4.0 Specific Requirements for Determining Eligible Attendance Areas

1.4.1 Information Requirements

To determine which school attendance areas are eligible to participate in its Title I ESEA program, an LEA must know: the total number of children aged 5 to 17 residing in each attendance area and the number or percentage of those children who come from low-income families.

The number of children living in a particular attendance area includes all school-age children who are eligible to enroll in the public school serving that geographic area; it should include not only the children actually enrolled in the public school, but also children attending private schools, dropouts, and children living in institutions for the neglected and delinquent. See Chapter 8.4.1 on non-public participation and Chapter 9.4.0 on neglected and delinquent programs.

Regulations require each LEA to select the "best available data" to determine the number of children from low-income families in each attendance area (116a.12(b)(1)) (116a.51(b)(1)). Data sources which might be used include census data, counts of children receiving Aid to Families with Dependent Children and welfare, free hot lunch, and unemployment data. An LEA may use a combination of low-income indicators but must use the same measure(s) for determining the number of children from low-income families in each attendance area within the LEA. If several data sources are used, the LEA may apply weighting factors to the different data, based on the reliability and recent nature of the information.

LEAs should be aware of the problems inherent in the use of the different indicators of poverty. Census data are available only for urban and suburban

areas and become increasingly outdated as each year passes. AFDC data may be difficult to gather on a school-by-school basis; the same is true for unemployment data. Free lunch counts appear to be one of the most reliable and up-to-date indicators of low income in many school districts.

1.4.2 Applying Low-Income Criteria

Illustration 1.1 on the next page depicts the steps used in the identification and selection of attendance areas eligible for the Title I ESEA program.

LEAs may use one of three methods to determine eligibility of school attendance areas -- the percentage method, the numerical method, or the combination method.

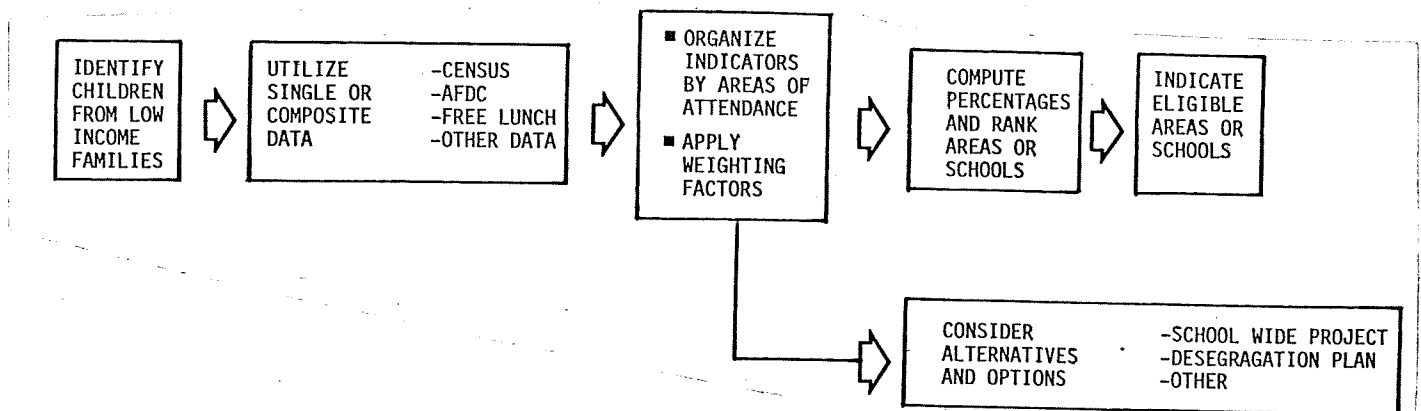
Percentage Method

In employing the percentage method, the general rule is that a school attendance area is eligible to participate in the Title I ESEA program if the percentage of children from low-income families in that area is equal to or greater than the percentage of children from low-income families in the LEA as a whole (116a.51(d)(1)).

There are two exceptions to this general rule. Under the 25 percent rule, each school attendance area with at least 25 percent of its children from low-income families may be identified as eligible for title I -- even if the percentage of children from low-income families in the LEA as a whole is more than 25 percent. The 25 percent rule may be applied only if the LEA's combined Title I ESEA and state compensatory education expenditures, if any, per child for each attendance area currently eligible or eligible the previous year for title I are at least equal to the per pupil expenditures from these sources the previous year.

ILLUSTRATION 1.1

FLOW CHART FOR THE IDENTIFICATION AND SELECTION
OF TITLE I ESEA ATTENDANCE AREAS



The second exception is the no wide variance option. Under this option, all attendance areas in an LEA may be considered eligible for Title I ESEA if the variation between the percentage of children from low-income families in the school attendance area with the lowest concentration of such children and the percentage of children from low-income families in the attendance area with the highest concentration of such children is not more than 5 percent or one-third of the percentage of children from low-income families in the LEA as a whole.

Numerical Method

In employing the numerical method, the general rule is that a school attendance area is eligible for Title I ESEA if the number of children from low-income families in the area equals or exceeds the average number of such children per attendance area for the LEA as a whole (116a.51(d)(2)).

Combination Method

An LEA may choose to combine the percentage and numerical methods used in selecting eligible attendance areas by considering some areas on one basis and some on the other, as appropriate to the community. However, if the combination method is used, the total number of attendance areas identified as eligible for Title I ESEA may not exceed the number of areas which would be eligible if only one method -- either percentage or numerical -- had been used (116a.51(d)(3)).

In using the combination method, an LEA must determine the eligibility of each attendance area using both the percentage and numerical methods, ranking each school attendance area according to each method. Then the LEA selects attendance areas from the top of each list until the number selected is equal to either the number of attendance areas eligible according to the percentage method or the number eligible according to the numerical method.

Use of Grade Span Grouping

Rather than considering attendance areas as a whole, LEAs may group schools or attendance areas according to grades in identifying those areas which are eligible for Title I ESEA. (116a.51(c)) Each grade span group (e.g., K-6, 7-9, 10-12) is then considered separately, and the number of eligible attendance areas may not be more than if attendance areas were considered as a whole. The grade spans used by an LEA should correspond to the groupings used in reporting comparability data. (See Chapter 5.4.2.)

If an LEA groups its school attendance areas by grade spans, it must also determine the number or percentage of children from low-income families in the LEA as a whole for each grade span (116a.51(d)(2)(ii)). These district-wide figures are then used to determine which schools at each level exceed or equal the LEA average percentage or number of children from low-income families.

The 25 percent rule may be used for any or all grade span groups in determining the eligibility for Title I ESEA.

Examples

The following tables illustrate the data required to identify eligible attendance areas for Title I ESEA. Table 1.1 uses both the percentage and the numerical method to rank all attendance areas within the LEA; Table 1.2 groups attendance areas according to grade spans, again using both the percentage and numerical methods.

In Table 1.1 an LEA would be able to identify four, five, or six attendance areas as eligible for Title I ESEA. This is possible because, using the percentage method, four attendance areas are eligible since areas D, A, C, and B have a higher percentage of children from low-income families than the district-wide average of 32 percent. Using the 25 percent rule, another two

TABLE 1.1

RANKING SCHOOL ATTENDANCE AREAS ACCORDING TO THE PERCENTAGE
OR NUMBER OF CHILDREN FROM LOW-INCOME FAMILIES

<u>Attendance Area</u>	<u>Low-Income % for Area</u>	<u>Low-Income % for District</u>	<u>Attendance Area</u>	<u>Low-Income % for Area</u>	<u>Low-Income % for District</u>
D (K-6)	74%		A (K-6)	400	
A (K-6)	60%		B (7-9)	335	
C (K-6)	58%		D (K-6)	300	
B (7-9)	40%	32%	H (10-12)	290	
G (K-6)	31%		C (K-6)	287	223.2
K (7-9)	28%	25%	G (K-6)	215	
H (10-12)	20%		K (7-9)	200	
E (10-12)	15%		E (K-6)	190	
I (10-12)	10%		I (10-12)	100	
F (7-9)	5%		F (7-9)	70	
J (10-12)	2%		J (10-12)	68	

TABLE 1.2

GROUPING SCHOOLS BY GRADE SPAN AND RANKING THEM ACCORDING TO
THE PERCENTAGE OR NUMBER OF CHILDREN FROM LOW-INCOME FAMILIES

<u>Attendance Area</u>	<u>Low-Income % for Area</u>	<u>Low-Income % for District</u>	<u>Attendance Area</u>	<u>Low-Income % for Area</u>	<u>Low-Income % for District</u>
D (K-6)	74%		A (K-6)	400	
A (K-6)	60%		D (K-6)	300	300.5
C (K-6)	58%	55.7%	C (K-6)	287	
G (K-6)	31%	25%	G (K-6)	215	
B (7-9)	40%		B (7-9)	335	201.6
K (7-9)	28%	24.3%	K (7-9)	200	
F (7-9)	5%		F (7-9)	70	
H (10-12)	20%		H (10-12)	290	
E (10-12)	15%	11.7%	E (10-12)	190	162
I (10-12)	10%		I (10-12)	100	
J (10-12)	2%		J (10-12)	68	

attendance areas -- G and K -- would be eligible. Using the numerical test, five attendance areas are eligible because areas A, B, D, H, and C have more children from low-income families than the average number for the LEA as a whole, 223.2.

If the LEA decides to identify the highest number of attendance areas possible as eligible, it can identify six areas -- D, A, C, B, G, and K -- using the percentage method with the 25 percent rule. It can identify a slightly different group of six areas by using the combination method. Under the combination method, the six areas must be selected alternately from the top of the percentage and numerical lists; thus, areas D, A, B, C, H, and G would be eligible. Note that area K is included using the percentage method and area H using the combination method.

Table 1.2 uses the same data for each attendance area but groups the areas by grade span. In determining eligible school attendance areas, each grade span group must be considered separately. In the K-6 group, two, three or four areas may be identified as eligible. Using the numerical method, two areas -- A and D -- are eligible. Using the percentage method, three areas -- D, A, and C -- are eligible because the percentage of children from low-income families exceeds the district percentage of 55.7 percent; applying the 25 percent rule makes the fourth K-6 area -- G -- eligible as well.

In the 7-9 grade span, one area -- A -- is eligible using the numerical method, and two -- B and K -- are eligible using the percentage method. At the 10-12 level, areas H and E are both eligible using either the percentage or numerical method.

Note that in this example, an additional school is eligible as a result of grouping the attendance areas by grade span. Using the grade spans, seven attendance areas are eligible, while looking at attendance areas in the LEA as a whole, only six areas were eligible.

No Wide Variance Option

The no wide variance option assumes that if all school attendance areas have approximately the same incidence of poverty, the poverty criterion -- the percentage or number of children from low-income families -- is of little value in determining which areas should be eligible for Title I ESEA.

Therefore, LEAs which can demonstrate that all attendance areas within the district have essentially the same incidence of poverty using the most appropriate low income data available, may regard the entire school district as eligible for title I. Title I regulations include an objective standard for determining when a no wide variance situation exists. The district may make such a determination only if the variation between the areas with the highest and the lowest percentage of children from low-income families is not more than five percent or one-third of the average percentage of such children in the LEA as a whole (116a.51(d)(4)(A)-(B)).

Table L3 illustrates application of the no wide variance option. Even though the difference between the attendance area with the highest percentage of children from low-income families -- A -- and the area with the lowest percentage -- F -- is more than the allowable five percent, the entire LEA may still be considered eligible for title I because it meets the one-third requirement (7% is less than the one-third figure of 8.67%).

TABLE 1.3

APPLICATION OF NO WIDE VARIANCE OPTION
IN IDENTIFYING TITLE I ELIGIBLE AREAS

Attendance Area	Percent from Low-Income Families	Variation in the Percentage	District Wide Percent (Average)	Allowable Factor	Maximum Allowance Variance to Meet Requirement
A	30 (highest)				
B	28			$\left\{ \begin{array}{l} \leq 5\% \\ \text{or} \\ 1/3 \end{array} \right\} =$	8.67%
C	27	7%	26		
D	25				
E	24				
F	23 (lowest)				

As shown in Table 1.3 LEAs using the no wide variance option must determine the percentage of children from low-income families in each attendance area and the LEA as a whole; compute the maximum variation allowed; calculate the difference between the attendance area with the highest percentage of children from low-income families and the area with the lowest percentage; and compare that remainder with the maximum variation figure. Illustration 1.2 is a sample form which can be used for this calculation.

1.4.3 Ranking Eligible Attendance Areas

In many LEAs the Title I ESEA grant does not make it possible to provide services to all eligible children (those who are educationally deprived) in all eligible attendance areas. Targeting provisions in title I regulations guide an LEA in limiting the number of children and attendance areas which actually participate in the title I program.

An LEA determines the number of eligible areas it will actually serve through its Title I ESEA program by examining the amount of its title I grant, the number of eligible areas, the number of educationally deprived children in each area, and the needs of those children.

ILLUSTRATION 1.2

FORM FOR CALCULATING ELIGIBLE ATTENDANCE AREAS, USING
NO WIDE VARIANCE OPTION

ATTENDANCE AREA	CHILDREN FROM LOW-INCOME FAMILIES (%)	VARIATION BETWEEN THE HIGHEST AND LOWEST	DISTRICT-WIDE AVERAGE OF CHILDREN FROM LOW-INCOME FAMILIES	ALLOWABLE FACTOR *	MAXIMUM VARIATION ALLOWED TO MEET REQ.

*Allowable factor cannot be more than 5% or 1/3 of the average percentage for entire LEA.

The general rule concerning the targeting of title I project areas from among eligible attendance areas is that an LEA may not designate an eligible attendance area as a project area unless all attendance areas with a higher percentage or number of children from low-income families, depending on the method used to determine eligibility, are designated project areas. The LEA must select areas to receive title I services in rank order, beginning with the highest ranking eligible attendance area, until the LEA lacks sufficient funds to serve any additional areas (116a.61(a)(2)) and (116a.62(b)(2)).

There are several exceptions to this general rule. The exceptions allow LEAs to skip higher-ranked, eligible school attendance areas with a higher percentage or more children from low-income families or to include otherwise ineligible areas in its title I program. LEAs may use the exceptions ONLY if certain conditions are met and only if the total number of project areas does not exceed the number of areas if normal procedures were used.

Average Daily Attendance Option

The percentage and numerical methods used for determining attendance area eligibility are based on the percent or number of children from low-income families residing in the attendance area and the LEA as a whole. The figures thus include children attending private schools, dropouts, etc. The Education Amendments of 1974 provided an option which allows LEAs to include in its Title I ESEA program an attendance area which is ineligible using the normal percentage and numerical methods if the percentage or number of children from low-income families in actual average daily attendance (the average number of children actually in school each day, in accordance with state law for determining ADA) is substantially the same or higher than the percentage or number of children from low-income families in eligible areas (116a.52(b)).

Using the data in Table I, areas H and E could be eligible for Title I ESEA if the percentage of children in average daily attendance who are from low-income families is more than 32 percent, the average percentage of such children in the LEA as a whole.

Formerly Eligible Option

The Education Amendments of 1978 also included a provision enabling an LEA to designate an attendance area or school as part of its Title I ESEA program, even if it is not eligible using the normal percentage and numerical methods of identification, if the area or school participated in the title I program in either of the two preceding fiscal years (116a.64(a)).

There are two conditions which apply to the formerly eligible option: first, the option allows the LEA to include an otherwise ineligible area or school for one fiscal year only (116a.64(b)); and, second, an LEA may not use this option to designate an otherwise ineligible area as eligible for title I if the make-up of the attendance area, its geographic boundaries, has changed substantially since it was part of the Title I ESEA program.

Table 1.4 illustrates the general requirements for designating formerly eligible attendance areas.

TABLE 1.4

USE OF THE FORMERLY ELIGIBLE OPTION
IN SELECTING TITLE I ESEA PROJECT AREAS

<u>Attendance Area</u>	<u>Sch. Yr. 75-76 Eligible/Served</u>	<u>Sch. Yr. 76-77 Eligible/Served</u>	<u>Sch. Yr. 77-78 Eligible/Served</u>	<u>Sch. Yr. 78-79 Eligible/Served</u>
A	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes
B	Yes / Yes	Yes / Yes	Yes / Yes	Yes / Yes
C	Yes / Yes	No / Yes	No / Yes	No / No
D	No / No	Yes / Yes	No / Yes	No / Yes

Legend: = Eligible/Served
 = Not Eligible/Can be served for one year only under formerly eligible option

In this example, attendance area C was eligible and participated in the Title I ESEA program in 1976; it was not eligible in 1977 but could be part of the LEA's title I program under the formerly eligible option. If area C is not included in the program in 1977, the LEA still has the option of including it in 1978, but it may be included only one of the two years.

Option Based on Incidence of
Educational Deprivation

In ranking eligible attendance areas for actual participation in its Title I ESEA program, an LEA may skip a higher ranked area if a lower ranked area has a substantially higher incidence of educational deprivation (116a.63(a)(2)). Title I regulations define educational deprivation as the use of objective measurements -- such as standardized tests or other objective tests -- in all school attendance areas to determine which areas have more children performing below expected grade and age levels.

To use this option an LEA must show that the incidence of educationally deprived children in the lower ranking area is 1.2 times the percentage or number of children from low-income families (that is, 20 percent more) than the number or percentage of children from low-income families in the higher ranked area (116a.63(c)(1)). The state educational agency (SEA) must approve an LEA's use of this option (see Chapter 7.4.2) and must determine that the total number of children from low-income families in the attendance area(s) to be served as a result of this option is not less than 90 percent of the number of children from low-income families in eligible areas who would be served using normal ranking procedures (116a.63(d)(3)(i)(A)). The LEA's advisory council must also approve use of the option based on incidence of educational deprivation. (See Chapter 4.8.1.)

Table 1.5 illustrates the use of this option.

TABLE 1.5

USING DATA ON EDUCATIONAL DEPRIVATION TO SELECT
TITLE I ESEA PROJECT AREAS

<u>School or Attendance Area</u>	<u>% of Low-Income in Area of School</u>	<u>% of Low-Income in District</u>	<u># of Educationally Deprived</u>	<u># of Low-Income Children in Area or School</u>
A	31%		200	200
B	30%		300	200
C	24%		180	300
D	20%	18.8%	220	300
E	15%		360	200
F	10%		50	120
G	2%		10	100

In looking at the hypothetical data, assume that the LEA can only fund three project areas. Four schools or areas are eligible; under the percentage method for evaluating low-income criteria, areas A, B, and C must be served because they have the highest percentages of children from low-income families. However, using the option based on educational deprivation data, area D could be served instead of C, because D has more than 1.2 times the number of educationally deprived children in area C.

Note that E, which is not even eligible under the low-income criteria percentage method, could be ranked first, causing C to be bumped. E's number of educationally deprived children is easily more than 1.2 times that of C; however, the total number of low-income children is reduced by more than 10%. The original designation would serve attendance areas with 700 low-income children. The substitution would result in 600 low-income children, a reduction of 14%. Consequently, E cannot be substituted.

Services of the Same Nature
and Scope Option

An LEA may also skip a higher-ranked school and choose an area with a lower percentage or number of children from low-income families as a Title I ESEA project area if the higher ranked area is already receiving, from non-federal sources such as state compensatory education funds, services of the same nature and scope as those that would be provided under the title I program (116a.65(a)).

Title I regulations describe services of the same nature and scope as those that would be at a level at least equal to the level of services otherwise provided by title I funds (as measured by some objective means such as per pupil expenditure) and that meet title I requirements for projects of sufficient size, scope, and quality. (See Chapter 3.4.1.) These latter requirements include:

1. Educational objectives of the project are directly related to one or more of the special educational needs of participating children.
2. Resources to be used in the project and plans for their use are consistent with and show reasonable promise of meeting the educational objective.
3. The project is concentrated on a sufficiently limited number of children to show reasonable promise to meet the educational objectives.
4. The project has not been designed to meet and will not have the effect of meeting the general needs of a school, grade or student body at large.

The LEA must also be sure that the attendance area being skipped receives services from state and locally funded sources which are comparable to the services being provided from such sources in ineligible attendance areas. This is a follow-through of the comparability provisions discussed in Chapter 5.4.2.

Private school children residing in the attendance area which is skipped under this option must still be considered for title I services. While they may be ineligible to receive the services of the same nature and scope from

non-federal sources, Title I ESEA specifically requires the participation of children attending private schools (116a.80) if they meet other eligibility criteria and, therefore, the LEA must select private school children for the title I program without regard to skipped attendance areas. (See Chapter 8.4.1.)

1.5.0 Summary of Methods Used for Determining Eligible Attendance Areas

Once an SEA determines which school districts within each county (except in those states where school boundaries correspond with county boundaries) are eligible to receive Title I ESEA funds and divides the title I funds accordingly, the LEA must decide which attendance areas are eligible to receive title I services and, of those eligible areas, which will actually participate in the title I program.

Eligibility is basically determined by the percentage and/or number of children from low-income families in each attendance area. To be eligible for Title I ESEA, the number or percentage of such children from an area must be equal to or exceed the average number or percentage of children from low-income families in the LEA as a whole. Title I regulations permit LEAs to use a variety of data to determine low-income.

Attendance areas which do not qualify for title I services under this basic rule may still be considered eligible for title I under any of the six exceptions discussed in this chapter. However, each exception is subject to specific conditions and the total number of attendance areas participating in the Title I ESEA program may not be increased by the use of any option; with the exception of the 25 percent rule, inclusion of an otherwise ineligible attendance area through the use of any other option results in the exclusion of an attendance area which is eligible using the normal percentage and number of children from low-income families data.

Actual participation in the title I program must be done in accordance with the rankings of attendance areas. Thus, attendance areas with the highest percentage or number of children from low-income families should participate in

the program. Again, the exceptions discussed in this chapter can affect the general rule.