

Districts Receiving Large Percentage Increases in Title I Allocations Next School Year Could Represent Good Opportunities for Firms With Appropriate Products and Services

A Technology Monitoring and Information Service (TechMIS)
SPECIAL REPORT

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Our analysis of districts receiving Title I large percentage increases suggests opportunities for firms with certain types of products and services. Unlike the last TechMIS Special Report identifying districts receiving absolute increases of at least \$500,000 which provides opportunities for a wider scope of products and services, many of these smaller and rural districts could provide opportunities for TechMIS subscribers with relatively low-ticket items, staff training, and related services, some of which can be delivered in partnership with other groups such as intermediate educational units, BOCES, etc.

In addition to receiving increases in Title I funds (due largely to increased poverty rates using the new census data), the following types of districts will likely be receiving other Federal funding increases, including:

- increased Federal Title III/English Language Acquisition and additional state funding for limited-English-proficient students in rural districts in close proximity to the U.S.-Mexican border and those districts in close proximity to Native American reservations;
- districts in sparsely populated areas with at least one school having been “identified for improvement” (where transportation costs to transfer students would be prohibitive), should provide opportunities for online tutoring or remediation as well as professional development for teachers or aides, perhaps in partnership with education service centers or their equivalent; up to 20 percent of a Title I allocation could be set aside for such services for that school;
- small districts in close proximity to Native American reservations and/or military installations which are likely to receive increased Federal impact aid funding or Department of Interior funding;

- rural districts which have participated in the first year of the Rural Education Initiative which on the average received between \$20,000 and \$60,000 in addition to the average \$20,000 in Federal funds received last year; many of these districts have invested this year in hardware and infrastructure this year (see April Washington Update) and will likely be purchasing software in 2003-04..

There are some general rules that can be used in deciding what type of product or service is most appropriate. For example, a district that received in the past, a small amount of Title I funds, but now has received an increase of 30 percent or more (but still less than \$150,000), could invest all of its Title I funds in extensive staff development of all teachers in those schools with high rates of poverty, in combination with bonuses be paid to these teachers if student performance meets adequate yearly progress criteria. Or, in the case of a district with a high percentage of schools and/or classrooms with fast Internet connections, then online training and remediation instruction would likely be in demand. If a school within a district is participating in Reading First, online or computer assessment designed to “inform instruction” and “identify student weaknesses” would appear to be of interest. In the situation where the 30 percent increase is also a relatively large absolute increase (e.g., over \$500,000), it is likely that the district will expand the number of schools receiving Title I services for the first time, which could create a demand for a variety of instructional, planning, and staff development tools and applications and materials.

The key to success in maximizing sales potential by targeting these types of districts is to minimize the cost of sales and marketing. Several opportunities for partnerships may exist. For example, as the result of the final Title I regulations, “education service agencies” in almost 40 states can serve as supplemental education service providers if approved by the SEA. At the national level, the Association of Education Service Agencies (which is under AASA), has been a major proponent for the Rural Education Initiative (contact 703/875-0717). In some states the Indian Education Association in the state may provide an entry to district members or perhaps serve as a consortium for discount purchases.

The attached Excel file presents all school districts -- by state -- that experienced increases for the 2003-04 school year of at least 30 percent in their total Title I allocation which is an increase of at least \$100,000. The table is derived from preliminary allocation data provided by the U.S. Department of Education. A few states (Alaska, Florida, Maryland, D.C.) show no districts with increases of 30 percent. These states (at least Florida and Maryland) are county-based systems in which most districts are large and had high Title I allocations in 2002-03. Some districts (noted with “---“ in the percent column) had no Title I allocation last year.

If any questions exist, contact Charles Blaschke.