



## FORMULA AND COMPETITIVE GRANT PROGRAMS

Federal education programs authorized under the No Child Left Behind Act are usually funded through one of two funding mechanisms: **formula grant** programs or **competitive grant** programs. The funding mechanism of a particular program often affects whether, or the way in which, private school students or teachers may participate in that program.

The funding mechanism of a program may differ in the way that the federal government allots funds to the states, and the way states allocate funds to local districts. For instance, the federal government may distribute funds to each state based on a particular formula, while each state may then competitively grant the funds for that program to local school districts.

**Formula grant** funding is based on a formula specified for the program. For example, 50% of the funding may be based on the number of Title I students and 50% of the funding based on the total number of students. It is important to remember, however, that while the formula for determining the funding allocation for a program may be based on the level of poverty of the student population in a given area, the eligibility of students for the same program may not necessarily be based on poverty. In other programs, the formula for granting federal funds to states is a different formula than that for granting state funds to local districts.

**Competitive grant** programs are programs through which eligible entities can apply for funding, but from which they may or may not receive funding. If the eligible entity, such as a local school district, an institution of higher education, or a community based organization, does not receive funding, the private school located within the geographic area of the eligible entity does not receive program services.

If an eligible entity does receive funding through a competitive grant programs, there are two ways in which private school students and teachers may participate in the funded program:

1. If the competitive grant program is a covered program under the equitable participation requirements of Section 9501 (b), private school students and teachers at schools located in the geographic region of the eligible entity must be offered equitable benefits through the program. The grant applicant(s) must consult with appropriate private school officials *prior* to completing the grant application to determine how the needs of the private school students will be served through the grant.
2. If the competitive grant program provides grants to partnerships or consortia, or to private nonprofit organizations, private schools can be members of the partnership as co-applicants for the grant, whether or not the program is a “covered program” as described above. In some instances, private schools may apply as an individual grant applicant.

The following chart outlines the funding mechanism for each federal education program in which private school teachers and students are eligible to participate.

## FORMULA AND COMPETITIVE GRANT PROGRAMS

Key: SEA – State educational agency; LEA – local educational agency; CBO – community based organization; IHE – institution of higher education; LEP – limited English proficient

No Child Left Behind Program	Funding to State/ Other Entity	Funding to LEA/ Other Entity	Eligibility of Private School Students and Teachers
Title I, Part A Improving Basic Programs	<b>Formula</b> based on poverty count	<b>Formula</b> based on poverty count	Educationally needy private school students residing in Title I attendance areas
Title I, Part B, Subpart 1 Reading First	Funds distributed to states first to continue awards granted through the Reading Excellence Act. Remaining funds granted by <b>formula</b> based on the number of children 5-17 in the state living in poverty. 20% of state grant used for state activities	After continuing grant awards, 80% of state funds distributed to LEAs on a <b>competitive</b> basis. Priority given to LEAs with 15% or 6,500 students living in poverty	K-3 private school students who attend private schools in districts that receive a grant (or private school students who <i>reside</i> in districts receiving a grant), and their teachers
Title I, Part B, Subpart 3 Even Start	<b>Formula</b> based on Title I count	State grants funds on a <b>competitive</b> basis to LEAs in partnership with CBOs, IHEs or other nonprofits	Children ages 0 through 7 and their parents who are eligible to participate under the Adult Education and Literacy Act or are of compulsory school age and who reside in the geographic area of the grant, including children who attend private schools in that geographic area
Title I, Part C Migrant Education	<b>Formula</b> based on migrant population X 40% of the state's per pupil allocation	State uses funds for state coordinating activities, and may subgrant funds to local operating agencies	Private school children who are, or whose parents are, migratory agricultural workers, and who have moved from one school district or administrative area within the preceding 36 months

No Child Left Behind Program	Funding to State/ Other Entity	Funding to LEA/ Other Entity	Eligibility of Private School Students and Teachers
Title II, Part B Math and Science Partnerships	Funds granted on a <b>competitive</b> basis to consortia of an SEA, IHE, and a LEA with a high level of poverty; other entities may also participate in consortia	See state funding	Teachers of students attending private schools located in LEAs that participate in the consortia. Private schools may also be members of consortia.
Title II, Part D Technology	Funds distributed to states by <b>formula</b> to continue awards granted through prior Technology Literacy Challenge grants; remaining funds granted to states by <b>formula</b> based on Title I counts	After continuing grant awards, states distribute 95% of remaining funds received to LEAs. 50% of those funds distributed by <b>formula</b> based on Title I count, and 50% on a <b>competitive</b> basis to LEAs and other eligible local entities	Private school students and teachers in schools located in LEAs receiving grants and located in the geographic area served by other funded entities.
Title III, Part A Language Acquisition	<b>Formula</b> based on immigrant population in state (20%) and number of LEP students in state (80%)	95% distributed to LEAs by <b>formula</b> based on number of LEP students	All LEP private school students and their teachers
Title IV, Part A Safe and Drug Free Schools	<b>Formula</b> based on school-aged population (50%), and the number of students living in poverty (50%). 20% of each state's grant awarded to the governor; 80% to the SEA Three additional grant programs, Hate Crimes Prevention, National Coordinator, and Community Service programs, distribute funds on a <b>competitive</b> basis to eligible entities.	Governors distribute funds on a <b>competitive</b> basis to LEAs, CBOs, and other nonprofit entities, or to consortia. States distribute funds to LEAs by <b>formula</b> based on student population (40%) and Title I count (60%).	Governor's grants: Students and teachers in private schools located in LEAs receiving grants. Private schools may also be members of consortia or apply directly for grants. State formula grants: All private school students and teachers eligible to receive services through an equitable portion of funds distributed to the LEA in which they are located.
Title IV, Part B 21st Century Community Learning Centers	<b>Formula</b> based on Title I count.	Funds distributed on a <b>competitive</b> basis to LEAs, CBOs, other nonprofit entities, or to consortia. Minimum grant is \$50,000.	Private school students attending schools located in the geographical area of grant recipients. Private schools may also apply directly for grants, or be a member of a consortium.

No Child Left Behind Program	Funding to State/ Other Entity	Funding to LEA/ Other Entity	Eligibility of Private School Students and Teachers
Title V, Part A Innovative Programs	<b>Formula</b> based on public and private school student population.	85% of FY '02 state funds granted to LEAs by <b>formula</b> based on public and private school student population, adjusted to provide higher per-pupil allocations to LEAs with greater numbers or percentages of poor students. In subsequent years, all funds in excess of FY'02 allocations must be distributed to LEAs by <b>formula</b> based on level of poverty and rural populations.	All private school students and teachers eligible to receive services through an equitable portion of funds distributed to the LEA in which they are located.
Title V, Part D Gifted and Talented	Funds granted on a <b>competitive</b> basis to SEAs, LEAs, IHEs, and other nonprofit entities.	See State funding	Private school students and teachers in schools located in LEAs receiving grants.

**FOR MORE INFORMATION, CONTACT:**

**Department of Education**  
**U. S. Conference of Catholic Bishops**  
 3211 4<sup>th</sup> Street, NE  
 Washington, DC 20017  
**PH: 202/541-3132**  
**FAX: 202/541-3390**  
**Email: [federal@usccb.org](mailto:federal@usccb.org)**  
**Web: [www.usccb.org/education/fedasst/index](http://www.usccb.org/education/fedasst/index)**

**Office of NonPublic Education**  
**U. S. Department of Education**  
 400 Maryland Avenue, SW  
 Washington, DC 20202-3600  
**PH: 202/401-1365**  
**FAX: 202/401-1368**  
**Web: [www.ed.gov/offices/OIIA/NonPublic](http://www.ed.gov/offices/OIIA/NonPublic)**