

Title I Carryover Provisions

A district's carryover is determined when the Final Financial Report is processed. The state Title I office takes the total amount of funds available for the current school year and subtracts the total expenditures (column two of the final financial report). Keep in mind that if a school district had unobligated Title I funds, those funds are included in the carryover amount. The carryover amount is listed at the bottom of the Title I Financial Report – SFN 7822. A copy of the approved Title I Financial Report is sent to both the Title I authorized representative and the business manager.

Title I law states that school districts may only carryover a certain percentage of the current school year allocation based on the amount of the allocation.

If your allocation for the current school year is	Your maximum carryover percent of the current year's allocation	Example of how to figure carryover
Over \$50,000	15%	If your allocation was \$36,432 X 30% = \$10,929.60 maximum carryover. Anything over \$10,929.60 would be considered excess carryover.
Over \$45,000	20%	
Over \$40,000	25%	
Over \$35,000	30%	
Over \$30,000	35%	
Over \$25,000	40%	
Over \$20,000	45%	
\$20,000 or Less	50%	

If a school district has more carryover than allowed for a school year, the school district has two options:

- A school district can opt to request a waiver to keep the excess carryover funds once every three years. If the school district decides to keep the funds, the excess carryover is then added to the current year's allocation for that school district and they can spend the funds during the following school year.
- If the school does not want to keep the funds or cannot keep the funds because they chose the waiver option previously in the three year cycle, those funds then move into a pot of money called "reallocated funds" and other school districts can then apply for those funds, usually in October of the subsequent school year.

Waiver of Excess Title I Funds – Under normal circumstances, districts are only allowed to carry over a certain percentage of their regular Title I funds to be used in the subsequent school year. In the event that the carryover funds exceed the allowed percentage, once every three years districts can request a waiver to retain the entire carryover balance regardless of the percent. With the addition of the Title I ARRA funds, many districts used their waiver last year (school year 2009-2010). However, due to the influx of the Title I ARRA funds, the USDE is granting states the authority to allow districts who received a waiver for the 2009-2010 school year to apply for another waiver in the 2010-2011 school year, in order to use the excess Title I funding in the 2011-2012 school year. This new flexibility may help some districts.

Process – Applying for a Waiver

If a school district has excess carryover funds, the box at the bottom of the Title I Final Financial Report will indicate "to be determined." If these words should appear on your Title I Final Financial Report, you will receive a letter detailing your options for the excess carryover funds. Attached to the letter there will be a form with two boxes. This form is considered the waiver. The Title I authorized representative simply checks the appropriate box to select the option of their choice.

Questions

If you have any questions, regarding Title I carryover funds, please consult with your Title I contact person; Mary Neigum, Title I fiscal officer at mneigum@nd.gov or (701) 328-2281; or Laurie Matzke at lmatzke@nd.gov or (701) 328-2284.

«Title». «Auth_Rep_FN» «Auth_Rep_LN»
«School_District» Public School District
«Mailing_Address»
«City», «State» «Zipcode»

Dear «Title». «Auth_Rep_LN»:

In accordance with the law under Title I, and/or the schedule of carryover limits, your carryover is in excess.

The carryover based on your Title I final financial report is \$«Carryover_Amount», but, in your case, any funds over «Max_»% of the 2009-2010 allocation are determined to be in excess. The amount of excess funds in your case is «Amount_of_Excess». Your allowable carryover, after this adjustment, is «Allowable_Amount».

The following options are available to you for the 2010-2011 school year concerning excess carryover:

- ❖ You may make these excess funds available for reallocation to other districts by signing and dating the first option on page 2 of this memo; or
- ❖ You may ask for a waiver to expend the excess carryover during the 2010-2011 school year by signing and dating the second option on page 2 of this memo.

Under the current reauthorization, districts may ask for such a waiver once every three years. To request a waiver **please sign the appropriate box on the attached form and return the form** to this office by «Date_to_Return_Form». The Title I portion of your consolidated application cannot be approved until we receive this information.

Should you have any questions on the above matter, please feel free to contact me at (701) 328-2284 or toll free 1-888-605-1951.

Sincerely,

Laurie Matzke, Director
Title I

c: «Business_Manager», Business Manager

Please check the appropriate below and sign only one of these two options.

Option 1

RELEASE OF EXCESS CARRYOVER FUNDS	
<input type="checkbox"/>	
«School_District» Public School District acknowledges the release of excess carryover in the amount of «Amount_of_Excess». This amount has been determined based on the final financial report submitted to this office for the 2010-2011 school year. (Please return this signed acknowledgement by «Date_to_Return_Form» since the Title I portion of your consolidated application cannot be approved until we receive this information.)	
Authorized Representative	Date

Option 2

WAIVER TO RETAIN EXCESS CARRYOVER FUNDS FOR USE DURING THE 2011-2012 SCHOOL YEAR	
<input type="checkbox"/>	
«School_District» Public School District requests a waiver to retain the excess carryover in the amount of «Amount_of_Excess». This amount has been determined based on the final financial report submitted to this office for the 2010-2011 school year. These funds will be used to carry out allowable Title I activities during the 2011-2012 school year. (Please return this signed acknowledgement by «Date_to_Return_Form» since the Title I portion of your consolidated application cannot be approved until we receive this information.)	
Authorized Representative	Date