



STATE OF NEW JERSEY

DEPARTMENT OF EDUCATION

A Memo from the New Jersey Department of Education

Title I, Part A, Section 1003 School Improvement Award Guidance

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Program Overview

The School Improvement Award (SIA) is funded by a federally required reservation of Title I, Part A funds to support school improvement, as described in Section 1003 of the Elementary and Secondary Education Act (ESEA) of 1965, as amended by the Every Student Succeeds Act (ESSA). Local Education Agencies (LEAs) are awarded non-competitive grant funds based on a per pupil formula that weights allocations based on the number of comprehensive and targeted schools in the LEA, while ensuring that minimum allocations are sufficient to address school improvement priorities. LEA leaders and school teams must serve as effective fiscal stewards to ensure that all resources, including the SIA, address capacity building practices that have the demonstrated potential to address systemic challenges and to positively impact the trajectory of student outcomes. The goal of this manual is to provide SIA recipients with guidance on the appropriate use of this funding stream for each of the three years of the school identification cycle to implement activities prescribed in the ESSA§1111(d)(1)(B) for Comprehensive Support and Improvement (CSI) schools, the ESEA§1111(d)(2)(C) for Additional Targeted Support and Improvement (ATSI) schools; and the annual cycle of identification for Targeted Support and Improvement (TSI) schools per the ESEA§1111(d)(2)(B).

Eligibility

The SIA is allocated to LEAs for the benefit of schools that meet the identification criteria for CSI, ATSI or TSI, as defined in the New Jersey Department of Education’s approved [ESSA State Plan](#). SIA allotments are based on several school-specific metrics and shall not be transferred among identified schools, except in rare instances as directed by the Office of Comprehensive Support.

Important Note:

The SIA shall not be used for any of the LEA’s non-identified schools.

Project Period

The SIA project period for the initial allotment and the availability of carryover spans 27 months. The Fiscal Year 2026 (FY26) project period and carryover availability are as follow:

FY26 Project Period
July 1, 2025 – September 30, 2026
FY26 Carryover Availability
July 1, 2026 – September 30, 2027

Annual School Plan

The Annual School Plan (ASP) satisfies the ESSA requirement for the development and implementation of improvement plans in schools that are identified as CSI, ATSI or TSI. Resources and related templates to build the ASP are available in the early Spring of the preceding implementation year. LEAs and ASP teams are advised to begin developing the ASP based on 85% of the current year's allocation. Newly identified schools that did not receive a mid-year allocation shall plan based on a minimum allocation of \$25,000.

The ASP is due annually on June 30th unless otherwise advised by the Office of Comprehensive Support. Failure to submit the ASP can result in escalated interventions including but not limited to the suspension of reimbursement requests.

Supplement Not Supplant

To ensure that students realize the intended benefits of federal funds, the ESEA requires Title I, Part A funds to supplement, and not supplant, State and local funds. Prior to the ESSA, LEAs complied with this requirement by ensuring that all Title I, Part A – funded resources satisfied several conditions¹. The ESEA, as amended by the ESSA, maintains that Title I, Part A funds must supplement State and local funds; however, LEAs demonstrate compliance in a different manner. [Guidance](#) from the US Department of Education indicates that “an LEA must show that its methodology to allocate State and local funds to schools results in each Title I school receiving all of the State and local funds it would otherwise receive if it were not receiving Title I, Part A funds. In other words, an LEA’s methodology must be “Title I neutral” in that it allocates State and local funds to schools without regard for Title I status.” Further, ESEA 1118(b)(3)(A) indicates that no LEA shall be required to demonstrate that an individual cost or service is supplemental.

Allowable Use of Funds

Effective planning for school improvement requires strategic utilization of limited resources in a cost-efficient manner. Purposeful budgeting is realized, in part, when grant funds are dedicated to capacity-building practices that have a long-term impact on student outcomes rather than on material acquisitions that have limited long-term value. This section highlights the following parameters that shall govern the use of SIA funds:

- Purpose,
- Comprehensive Needs Assessment,
- Evidence-based requirement,
- Federal Cost Principles, and
- SIA Budget Limits

¹Prior to the ESSA, three conditions were applied to determine if LEAs were following the supplement not supplant requirement: 1. If Title I, Part A funds were used to provide services required under federal, or state law. 2. If Title I, Part A funds were used to provide services that were funded by non-federal funds in prior year(s). 3. If Title I, Part A funds were used for Title I eligible students to participate in a program that is supported by other funds for the rest of the population. A Title I, Part A – funded cost was regarded as supplanting if it met any one of three conditions.

Purpose

The purpose of Title I, as described in ESEA§1001, is to “provide all children with a significant opportunity to receive a fair, equitable and high-quality education and to close educational achievement gaps.” Towards this end, the SIA supports implementation of evidence-based approaches in CSI, ATSI, and TSI schools that are designed to mitigate factors that hinder optimal educational outcomes, as identified through the comprehensive needs assessment (CNA), and to support the realization of progress goals. A thorough CNA is the foundation of an impactful ASP that is aligned with the SIA purpose.

Comprehensive Needs Assessment

The CNA is a systematic approach to review data, to identify priority needs, and to examine and address root causes. In most instances, there is not sufficient time or resources to address all needs. The effective facilitation of the CNA process will aid ASP teams in identifying the most consequential school improvement challenges. The CNA is an essential pre-requisite for all subsequent elements of the ASP, including the SIA budget. The ESSA law requires a solid, thoughtful, transparent, accurate assessment of the school’s challenges. Additionally, the school’s likelihood of success is dependent on high fidelity to the continuous improvement process, of which the CNA is a critical element. The efficacy of this step largely determines the likelihood of the SIA being used for high-impact, consequential practices. An essential component of the CNA is the identification of evidence-based strategies to address identified priority performance needs.

Evidence-based Requirement

Evidence-based practices – which include activities, strategies, and interventions – are designated as such based on objective evidence of their efficacy. This evidence is designed to assist LEA and school teams in making informed decisions to ensure that limited resources are dedicated to efforts that are likely to have maximum impact on school improvement challenges. The ESEA, as amended by the ESSA, defines four evidence tiers; however, only practices that meet the top three levels can be funded with the SIA, as illustrated below:

Evidence-based Requirement ESEA§8101(21)(B)		
Evidence Tier	Tier Description	SIA Allowable?
	Demonstrates a statistically significant effect on improving student outcomes or other relevant outcomes based on:	
1 Strong	Evidence from at least 1 well-designed and well-implemented experimental study.	YES
2 Moderate	Evidence from at least 1 well-designed and well-implemented quasi-experimental study.	YES

3 Promising	Evidence from at least 1 well-designed and well-implemented correlational study with statistical controls for selection bias.	YES
4 Demonstrates Rationale	High quality research or positive evaluation that such activity, strategy, or intervention is likely to improve student outcomes or other relevant outcomes. Includes ongoing efforts to examine the effects of such activity, strategy, or intervention.	NO

ASP teams must ensure that all SIA-funded resources reflected on the ASP's SMART Goals panel are aligned with tier 1, 2 or 3 evidence-based practices listed on the Root Cause Analysis panel. Additionally, all costs must be consistent with federal cost principles as described below.

Federal Cost Principles

District and school leaders must ensure that SIA-funded evidence-based practices are consistent with basic cost principles as outlined in the [Uniform Grant Guidance](#) (UGG). The following information, abstracted from the UGG§200.403, describes general criteria that shall be the basis for determining whether or not an expense is allowable:

- Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- Be consistent with policies and procedures that apply uniformly to both federally-financed and other activities of the non-Federal entity.
- Be accorded consistent treatment. A cost may not be assigned to a federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- Be determined in accordance with generally accepted accounting principles (GAAP), except, for state and local governments and Indian tribes only, as otherwise provided for in this part.
- Not be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period.
- Be adequately documented.
- Costs must be incurred during the approved budget period.

SIA Budget Limits

In addition to ensuring that the SIA budget meets the funding principles described above, the LEA and ASP teams shall ensure that the SIA is used for practices that will yield sustainable, long-term improvement. The following chart details budget limits for certain funding categories to ensure that the SIA is used primarily for evidence-based interventions for students and systemic capacity building

practices, rather than the acquisition of resources that have limited, short-term benefits.

School Improvement Award Budget Limits		
Category ¹	GAAP Code	Limit
General Instructional Materials, Supplies and Equipment	100-600 400-731	10% of SIA Budget ²
General Support Materials, Supplies and Equipment	200-600 400-732	10% of SIA Budget ³
Proprietary Materials and Supplies Necessary for Evidence-based Practices	100-600 200-600	No Limit
Student Incentives	100-800	5% of SIA Budget
Parent Engagement Refreshments ⁴	200-800	1% of SIA Budget or \$1,000, whichever is less

¹ All SIA funds, including those allocated in the listed categories, must be used for resources that are necessary for the implementation of Tier 1, 2 or 3 evidence-based practices.

² The 10% limit for general instructional materials, supplies and equipment applies to the total amount for this category.

³ The 10% limit for general support materials, supplies and equipment is in addition to the 10% limit for general instructional resources. The 10% limit applies to the total amount for this category.

⁴ Refreshments for parent engagement activities must meet the parameters detailed in the non-exhaustive list of allowable activities.

The following table, though not exhaustive, highlights the type of resources that are allowable if they meet the parameters described above - that is that budget items are consistent with the purpose of the SIA per the ESSA, are aligned with the CNA and subsequent priority needs, meet the tier 1, 2 or 3 evidence-based standard, are consistent with federal cost principles and are for resources that are necessary for sustainable, long-term improvement. This chart also includes a non-exhaustive list of items that are not allowed.

School Improvement Award (SIA) Allowable/Non-Allowable Items	
Instruction	
Allowable Budget Items	Non-Allowable Budget Items
<p>Evidence-based extended-day and extended-year opportunities to improve student outcomes.</p> <p>Evidence-based practices designed to address low high school graduation rates (e.g. early warning systems, drop-out prevention, credit recovery, etc.)</p> <p>Proprietary materials and supplies that are necessary for the implementation of a tier 1, 2 or 3 evidence-based practice.</p> <p>Development and use of formative and interim assessments to monitor student progress and to inform instructional focus.</p> <p>Evidence-based software to supplement classroom instruction or to provide students with extended opportunities to master content.</p> <p>Instructional materials, supplies and equipment that are necessary to implement evidence-based practices and do not exceed 10% of the SIA budget.</p> <p>Instructional staff to implement evidence-based strategies that address the needs of students who are struggling with grade level content (e.g. content specialists, tutors, etc.)</p> <p>Concurrent or dual enrollment programs (tuition, fees, books, and instructional materials), AP courses/exams, and credit course recovery.</p>	<p>Instructional resources that are not necessary to implement the evidence-based strategies included on the ASP's Root Cause Analysis panel.</p> <p>General materials, supplies and equipment that totals more than 10% of the school's SIA budget or are not necessary to implement a tier 1, 2 or 3 evidence-based practice.</p> <p>Educational excursions which are not a necessary component of an evidence-based practice.</p> <p>Salaries for staff serving schools not identified for CSI, TSI, or ATSI.</p> <p>Direct reimbursement to private and/or nonpublic schools.</p>

Climate and Culture

Allowable Budget Items	Non-Allowable Budget Items
<p>Evidence-based practices that:</p> <ul style="list-style-type: none"> • enhance student attendance and engagement, • address student discipline, • provide mentoring opportunities that strengthen positive student-staff connections and interactions, • ensures a safe environment conducive to learning for all students (includes anti-bullying and character development programs), and/or • encourage student wellness and mindfulness. 	<p>Climate and culture practices that meet the ESSA tier 4 level of evidence.</p> <p>School uniforms</p> <p>Building construction or maintenance materials</p> <p>Souvenirs, memorabilia such as T-shirts, caps, cups, etc.</p>

Student Incentives

Allowable Budget Items	Non-Allowable Budget Items
<p>SIA-funded student incentives are allowable if they:</p> <ul style="list-style-type: none"> • Do not exceed 5% of school's SIA budget, • Are a necessary component of an evidence-based strategy or practice, • Have a clear award criterion in place, • Are awarded for academic progress and/or behavior, • Are educationally relevant; and • Are of nominal value. 	<p>The SIA cannot fund:</p> <ul style="list-style-type: none"> • Incentives that are not a necessary component of an evidence-based practice, • Incentives designed to encourage participation in a program or student attendance, • Cash awards, gifts, souvenirs, memorabilia, • Entertainment, or • Incentives which advertise a product or brand.

Professional Development	
Allowable Budget Items	Non-Allowable Budget Items
Coaches to facilitate implementation of evidence-based practices.	Professional development that is not aligned with the comprehensive needs assessment.
External vendors with documented expertise in addressing the school's priority performance need.	Refreshments/meals for staff professional development sessions.
Conferences focused on content aligned with the school's comprehensive needs assessment.	
Stipends for educators to participate in professional development activities aligned to the needs assessment, including professional learning communities, after the contractual school day.	

Parent/Family Engagement	
Allowable Budget Items	Non-Allowable Budget Items
Salary/stipend for family engagement staff to facilitate implementation of evidence-based practices.	Incentives to encourage parent/family attendance or rewards for participation.
Evidence-based family literacy and education initiatives.	Alcohol
Evidence-based programs that encourage and inform families on how to extend instructional content at home.	Advertising/public relations
Training for school staff to increase positive collaboration with families.	
Childcare to make it possible for families to attend sessions focused on evidence-based practices.	

Light refreshments for evidence-based parent engagement workshops if:

- It is necessary for participants to be able to attend the session;
- The session occurs during a typical mealtime;
- Every effort was made to schedule the session outside of mealtimes: however, mealtime was most convenient to maximize parent/family participation; and
- The cost of light refreshments does not exceed 1% of the SIA budget or \$1,000, whichever is less.

Appendix A

Frequently Asked Questions

1. Does the 10% limit for general materials, supplies and equipment apply to unit cost or total cost?

The 10% limit for general materials, supplies and equipment restricts the combined total that can be budgeted for instructional materials and supplies(100-600) and equipment (400-731). There is also a 10% limit for the total budgeted for general, non-instructional materials and supplies(200-600) and equipment (400-732).

2. Does the 10% limit for general materials, supplies and equipment apply to just the fiscal year allocation or to carryover as well?

All limits outlined in the SIA Fiscal Guidance applies to the SIA budget, which is comprised of both the fiscal year allocation and carryover.

3. Does the 10% limit for general material, supplies and equipment apply to school- or district-level SIA budgets?

All limits outlined in the SIA Fiscal Manual are for school-level SIA budgets.

4. What are proprietary materials/supplies?

Proprietary materials/supplies are resources owned by a particular individual, business, or organization that are protected by legal rights, such as patents, copyrights, trademarks, or trade secrets, that prohibit unauthorized use or distribution.

5. Are proprietary materials that are necessary for the implementation of an evidence-based program subject to the 10% limit for instructional materials and supplies?

Proprietary materials that are necessary for the implementation of an evidence-based program do not count against the 10% limit.

6. Can the LEA split funding for a districtwide initiative between the SIA for Comprehensive/ Targeted schools and State/local funds for non-categorized schools?

The supplement not supplant requirement for Title I, Part A funds indicates that LEAs must demonstrate that the methodology for allocating State and local funds is Title I neutral. As indicated in the [TitleISupplementnotSupplantGuidanceDocument.pdf \(nj.gov\)](#), funding a district-wide initiative with State and local dollars in non-identified schools and Title I in identified schools would not be regarded as Title I – neutral, hence it is not allowable.

However, a school can use the SIA to augment district-wide resources as long as they meet all other requirements as outlined in this document.

7. Given the federal executive orders prohibiting diversity, equity and inclusion (DEI) initiatives, can the SIA be used to address the needs of student groups that were the basis for the ATSI/TSI designation?

The executive order that prohibits DEI initiatives does not nullify ESEA requirements. ESEA§1111(d)(2)(B) indicates, in part, that ATSI and TSI schools “shall develop and implement a school-level targeted support and improvement plan to improve student outcomes based on the

indicators in the statewide accountability system...for each subgroup of students that was the subject of notification...” Hence, ATSI and TSI schools must prioritize identified student groups when using SIA funds.

8. How should the ASP team address the needs of students with disabilities that attend other schools in the district?

Sending schools are accountable for students with disabilities who live in the school’s attendance area but are enrolled at other schools in the district. The SIA cannot be transferred to receiving school(s). Hence, the LEA should ensure that sending schools have access to all relevant data for the student group and should facilitate collaboration between sending and receiving schools. In consultation with the LEA and the receiving school, the sending school shall prioritize using the SIA for evidence-based practices that address the priority performance needs of the identified student group.