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Determining Grants Under Title I-A of the Elementary and Secondary Education Act (ESEA)

March 31, 2026

Congressional Research Service

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R48890



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Rebecca R. Skinner
Specialist in Education
Policy

Isobel Sorenson
Research Assistant

Title I-A of the Elementary and Secondary Education Act (ESEA) authorizes aid to local educational agencies (LEAs) for the education of disadvantaged children. Title I-A grants provide supplementary educational and related services to low-achieving and other students attending elementary and secondary schools with relatively high concentrations of children from low-income families. The Title I-A program is the largest grant program authorized under the ESEA and is funded at \$18.4 billion for FY2026.

The U.S. Department of Education (ED) determines Title I-A grants to LEAs based on four separate funding formulas: Basic Grants, Concentration Grants, Targeted Grants, and Education Finance Incentive Grants. Annual appropriations bills specify portions of each year's Title I-A appropriation to be allocated to LEAs and states under each of these formulas.

Each LEA's grant amount is based on multiple factors, including adjustments for minimum grant provisions, hold harmless provisions, and the amount of funding available to be allocated under the formulas. For each formula, a maximum grant is calculated by multiplying a formula child count—consisting primarily of estimated numbers of school-age children living in families in poverty—by an expenditure factor based on state average per pupil expenditures for public elementary and secondary education. In some formulas, additional factors are multiplied by the formula child count and expenditure factor. These maximum grant amounts are then ratably reduced to equal the level of available appropriations for each formula, taking into account a variety of state minimum grant and LEA hold harmless provisions. In general, LEAs must have a minimum number of formula children and/or a minimum formula child rate to be eligible to receive a grant under a specific Title I-A formula. Some LEAs may qualify for a grant under only one formula, while other LEAs may be eligible to receive grants under multiple formulas. Once funds reach LEAs, the amounts allocated under the four formulas are combined and used jointly.

This report provides a general overview of the key components of each of the four formulas used to allocate Title I-A funds.

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Introduction

Title I-A of the Elementary and Secondary Education Act (ESEA) authorizes aid to local educational agencies (LEAs) for the education of disadvantaged children. Title I-A grants provide supplementary educational and related services to low-achieving and other students attending elementary and secondary schools with relatively high concentrations of children from low-income families. In recent years, Title I-A also has been used as a vehicle to which numerous requirements affecting broad aspects of public elementary and secondary education for all students have been attached as conditions for receiving Title I-A grants. The Title I-A program is the largest grant program authorized under the ESEA and is funded at \$18.4 billion for FY2026. The ESEA was most recently comprehensively reauthorized by the Every Student Succeeds Act (ESSA; P.L. 114-95) in 2015.

The U.S. Department of Education (ED) determines Title I-A grants to LEAs based on four separate funding formulas. After calculating grants, ED provides each state educational agency (SEA) with the calculated grant amounts for LEAs in the state. The state then makes specific adjustments to the grant amounts, including reserving funds for administration and school improvement and determining grants for charter schools that are their own LEAs.¹ After making adjustments to the grant amounts calculated by ED, the state then provides funds to the LEAs. The LEAs, in turn, distribute funds to public schools, often based on the percentage of children in each school eligible for free or reduced-price lunch.²

This report provides a general overview of the key components of each of the four formulas used to allocate Title I-A funds. **Table 1** provides a summary of these components (or *factors*).

Title I-A Formulas

Under Title I-A, funds are allocated to LEAs via states using four different allocation formulas specified in statute: (1) Basic Grant formula, (2) Concentration Grant formula, (3) Targeted Grant formula, and (4) Education Finance Incentive Grant (EFIG) formula. For the purposes of the Title I-A program, *state* is defined as the 50 states, the District of Columbia, and Puerto Rico. The annual Labor, Health and Human Services, and Education, and Related Agencies appropriations bill specifies that portions of each year's appropriation be allocated under each of these different formulas.³ Under three of the formulas—Basic Grant, Concentration Grant, and Targeted Grant—

¹ Independent charter districts are not included in the dataset used by the U.S. Department of Education (ED) to calculate Title I-A grants. Instead, grants to these local educational agencies (LEAs) are determined at the state level.

² Children living in households where income is up to 130% of the federal poverty level (FPL) are eligible for free meals. Children living in households where income is over 130% and up to 185% of the FPL are eligible for reduced-price meals. For more information, see Department of Agriculture (USDA), "Child Nutrition Programs—Income Eligibility Guidelines," 88 *Federal Register* 8397-8400, February 9, 2023, <https://www.govinfo.gov/content/pkg/FR-2023-02-09/pdf/2023-02739.pdf>. Some LEAs also use the Community Eligibility Provision to provide free meals to all students without collecting household applications to demonstrate income eligibility. For more information, see CRS Report R46371, *Serving Free School Meals through the Community Eligibility Provision (CEP): Background and Participation*. In addition to using the number of children eligible for free or reduced-price lunch, schools may also be ranked using Small Area Income and Poverty Estimates (SAIPE) program data, the number of children in families receiving assistance under the Temporary Assistance for Needy Families (TANF) program, the number of children eligible to receive medical assistance under Medicaid, or a composite of any of the aforementioned indicators.

³ The Elementary and Secondary Education Act (ESEA), §1122, limits the amount of funds that may be provided through Basic Grant and Concentration Grant formulas to the FY2001 appropriations levels (\$7.398 billion and \$1.365 billion, respectively). In practice, Congress has provided less than the FY2001 level of funding for the Basic Grant formula since FY2002 and less than the FY2001 level of funding for the Concentration Grant formula since FY2011. (continued...)

grants are initially calculated at the LEA level. State grants are the total of allocations for all LEAs in the state, adjusted for state minimum grant provisions. Under EFIG, grants are first calculated for each state overall, and funds are subsequently suballocated to LEAs within a state using a different formula. Once funds reach LEAs, the amounts allocated under the four formulas are combined and used jointly.⁴

Each LEA's grant amount is based on multiple factors, including adjustments for minimum grant provisions, hold harmless provisions, and the amount of funding available to be allocated under the formulas. For each formula, a maximum grant is calculated by multiplying a *formula child count*—consisting primarily of estimated numbers of school-age children living in families in poverty—by an *expenditure factor*, which is based on state average per pupil expenditures (APPE) for public elementary and secondary education. In some formulas, additional factors are multiplied by the formula child count and expenditure factor. These maximum grants are then ratably reduced so that in the aggregate they equal the level of available appropriations for each formula, taking into account state minimum grant and LEA hold harmless provisions. In general, LEAs must have a minimum number of *formula children* and/or a minimum percentage of children that are formula children to be eligible to receive a grant under a specific Title I-A formula. Some LEAs may qualify for a grant under only one formula, while other LEAs may be eligible to receive grants under multiple formulas. **Table 1** summarizes various characteristics of the four Title I-A formulas.

Formula Child Count and Formula Child Rate

The population used to determine Title I-A grants for the states includes children who are ages 5-17 and meet at least one of the following criteria: (1) living in families in poverty, according to estimates from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE) program;⁵ (2) living in institutions for neglected or delinquent children or in foster homes; or (3) living in families with income above the federal poverty level but who receive local assistance through Temporary Assistance for Needy Families (TANF).⁶ Each of these counts is updated annually. To obtain the percentage of children in an LEA who are formula children (also referred to as the *formula child rate*), the formula child count is divided by the total number of children ages 5-17 living in the LEA's geographic boundaries. For example, in an LEA with 200 formula children and 1,000 children ages 5-17, the formula child rate would be 20%. The data on the total number of children also are based on SAIPE estimates. In FY2025, children living in families in

For example, in FY2026, the appropriation for the Basic Grant formula was \$6.459 billion, and the appropriation for the Concentration Grant formula was \$1.362 billion. ESEA, §1122, requires that any funds in excess of the FY2001 appropriations levels for the Basic Grant and Concentration Grant formulas must be divided evenly between the Targeted Grant and Education Finance Incentive Grant (EFIG) formulas. In practice, the appropriations acts have divided all appropriations not provided for the Basic Grant formula or Concentration Grant formula evenly between the Targeted Grant and EFIG formulas.

⁴ For more information on the use of Title I-A funds, see ED, *Study of Title I Schoolwide and Targeted Assistance Programs: Final Report*, 2018, p. 20, <https://www.ed.gov/sites/ed/files/rschstat/eval/title-i/schoolwide-program/report.pdf>.

⁵ SAIPE produces single-year estimates of income and poverty for all U.S. states and counties as well as estimates of school-age children in poverty for over 13,000 LEAs. However, SAIPE estimates do not include all LEAs in the United States. For example, SAIPE estimates do not include charter schools that are their own LEAs. State educational agencies (SEAs) make adjustments to the grants calculated by ED to account for LEAs not included in the SAIPE estimates. For more information, see the section titled "State Adjustments to LEA Grant Amounts."

⁶ For a description of the TANF program, see CRS In Focus IF10036, *The Temporary Assistance for Needy Families (TANF) Block Grant*.

poverty, aligning with the first criterion listed above, accounted for 97.11% of the total formula child count.⁷

To be eligible to receive a grant under each of the formulas, an LEA must meet certain eligibility requirements. The eligibility requirements vary from formula to formula. As detailed in **Table 1**, the thresholds that an LEA must meet with respect to its formula child count and formula child rate are lower for the Basic Grant formula than for the other formulas, while the Concentration Grant formula has the highest thresholds that an LEA must meet in terms of number of formula children or formula child rate. The Targeted Grant and EFIG formulas each have the same eligibility criteria, which are similar to the Basic Grant formula eligibility requirements but with a higher formula child rate threshold.

Weighted LEA Formula Child Counts for Targeted Grant and EFIG Formulas

Both the Targeted Grant and EFIG formulas utilize a *weighted formula child count* to increase aid to LEAs with the highest numbers or percentages of formula children. In general, children counted in the formulas are assigned weights on the basis of (1) each LEA's formula child rate (commonly referred to as *percentage weighting*) and (2) each LEA's number of formula children (commonly referred to as *number weighting*). The weights are applied under percentage weighting and under number weighting in a stepwise manner to all LEAs for which ED calculates Title I-A grants to produce two weighted formula child counts. The higher of the two weighted counts is used to determine LEA grant amounts. In general, the higher an LEA's formula child count or formula child rate is, the higher its grant amount per child counted in the formula will be.

Expenditure Factor

For LEAs in a given state, the expenditure factor for all four Title I-A formulas is equal to state APPE for public elementary and secondary education,⁸ subject to a minimum and a maximum percentage of the national average, further multiplied by 0.40.⁹ More specifically, state APPE are multiplied by 40% and then subject to a minimum of 80% and a maximum of 120% of 40% of the national APPE (referred to as the lower bound and upper bound, respectively) for the Basic, Concentration, and Targeted Grant formulas. If a state's APPE multiplied by 40% falls below the lower bound, the state's expenditure factor is raised to the lower bound amount. If a state's APPE multiplied by 40% is above the upper bound, the state's expenditure factor is reduced to the upper

⁷ This is based on unpublished data for FY2025 grants provided to CRS by ED on November 24, 2025.

⁸ State average per pupil expenditures (APPE) are based on (1) the aggregate current expenditures of all LEAs in the state plus any direct expenditures by the state for the operation of those LEAs divided by (2) the aggregate number of children in average daily attendance to whom those LEAs provided free public education. For the purposes of determining state APPE, current expenditures include expenditures to provide a free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities. Current expenditures do not include expenditures from community services, capital outlay, debt service, or any expenditures made from funds received under ESEA, Title I. (ESEA, §8101.) In addition, according to a report on the Title I-A formulas published by the National Center for Education Statistics (NCES) under ED, to refine the state APPE calculation "to reflect only the state and local education costs, several federal revenue items from the current expenditure numerator are removed before calculating state APPE." In addition to removing federal revenues from Title I, other federal revenue items that are large enough to have a "substantive effect on current expenditures" are removed. For example, revenue from the National School Lunch Program administered by USDA is removed from the numerator. For more information, see ED, NCES, *Study of the Title I, Part A Grant Program Mathematical Formulas*, May 2019, p. 17, <https://nces.ed.gov/pubs2019/2019016.pdf> (hereinafter ED, *Study of the Title I-A Formulas*, 2019).

⁹ The state APPE is multiplied by 40% because "Title I is intended to be a supplemental program; thus, districts are authorized to receive 40 additional cents for each SPPE dollar to spend on education services provided to disadvantaged students" (see ED, *Study of the Title I-A Formulas*, 2019, p. 1).

bound amount. For EFIG, the minimum and maximum bounds for state APPE relative to 40% of the national APPE are 85% and 115%, respectively.¹⁰

The following example demonstrates the expenditure calculation for the Basic Grant, Concentration Grant, and Targeted Grant formulas.

- Step One: Assume the national APPE is \$10,000. Multiplying this amount by 40% equals \$4,000. The lower and upper bounds are established by multiplying \$4,000 by 80% to produce a lower bound of \$3,200 and multiplying \$4,000 by 120% to produce an upper bound of \$4,800.
- Step Two: Assume a state's APPE is \$14,000. Multiplying the amount by 40% equals \$5,600. This amount is compared with the lower and upper bounds established in Step One. As \$5,600 is higher than \$4,800, the state's expenditure factor used in each of the formulas is reduced to the upper bound amount calculated in Step One.

LEA Hold Harmless and State Minimum Grant Provisions

All four formulas contain *hold harmless* provisions to prevent large decreases in LEA grant amounts from year to year, assuming appropriations are sufficient to provide hold harmless amounts. Assuming appropriations are sufficient, a Title I-A hold harmless amount is the minimum grant amount an LEA will receive in a given year based on a specified percentage of the LEA's prior-year grant amount. Under all four formulas, LEAs with a relatively high percentage of formula children receive a higher hold harmless level. More specifically, the hold harmless rate under each formula is 85% of the previous-year grant if the LEA's percentage of formula children is less than 15%; 90% if the LEA's percentage of formula children is at or above 15% and less than 30%; and 95% if the LEA's percentage of formula children is at or above 30%. To benefit from the hold harmless provisions under the Basic Grant, Targeted Grant, and EFIG formulas, an LEA must meet the eligibility requirements for the specific formula in the current year. LEAs that met the eligibility requirements to receive a Concentration Grant in a past year but fail to meet the requirements in a subsequent year will continue to receive a grant based on the hold harmless provisions for four additional years after the year in which the LEA last met eligibility requirements.¹¹

All four formulas have state minimum grant provisions. State minimum grant amounts for each formula are calculated in part or in whole based on a specified percentage of the level of appropriations provided to each formula. This percentage is higher under the Targeted Grant and EFIG formulas than it is under the Basic and Concentration Grant formulas.

Factors Included Only in the EFIG Formula

The EFIG formula includes two factors used to determine state-level grants that are not included in any of the other three formulas—the *effort factor* and the *equity factor*. The effort factor for each state is based on APPE for public elementary and secondary education compared with

¹⁰ In practice, the bounds on the expenditure factor for the Basic Grant, Concentration Grant, and Targeted Grant formulas are expressed as 80% and 120%. In law, the bounds are expressed as 32% and 48% of the national average per pupil expenditure (ESEA, §1124(a)(1)(B)). Similarly, in practice, the bounds on the expenditure factor for the EFIG formula are expressed as 85% and 115%. In law, the bounds are expressed as 34% and 46% of the national average per pupil expenditure (ESEA, §1125A(b)(1)(A)(i)).

¹¹ ESEA, §1122(c)(2). For example, if an LEA last met the eligibility requirements to receive a Concentration Grant in FY2022, the LEA would continue to be eligible to receive a grant under the hold harmless provision in FY2023, FY2024, FY2025, and FY2026.

personal per capita income (PCI) for each state compared with the ratio of those figures for the nation as a whole.¹² In general, the effort factor benefits states that have a relatively high level of spending on education relative to the PCI in their state. Similar to the expenditure factor, the effort factor is also bounded but with more narrow bounds of 0.95 and 1.05. These relatively narrow bounds diminish the influence of the effort factor in the determination of state grants. The effort factor is the same for all LEAs in a given state.

The equity factor for each state is determined based on variations in current expenditures per pupil (CEPP)¹³ among the LEAs in the state. A measure of disparity referred to as the coefficient of variation (CV) measures the average amount of difference within a state among each LEA's CEPP and the state average CEPP.¹⁴ The CV is subtracted from 1.3 to produce a state's equity factor. The application of the equity factor results in higher grants to states with less variation in CEPP (i.e., lower CV) among their LEAs and lower grants to states with greater variation in CEPP (i.e., higher CV) among their LEAs. That is, the equity factor favors states that have less disparity in spending among their LEAs.

In addition to determining state grant amounts under EFIG, the CV is also used in the determination of LEA weighted student counts for the purposes of suballocating grants to LEAs. Depending on a state's CV, one of three sets of weights is used in determining an LEA's weighted formula child count.¹⁵ While the use of the CV in determining state grants rewards states where variation of CEPP among LEAs varies the least, at the LEA level, higher weights are generally used in determining weighted student counts for LEAs in states where CEPP among LEAs varies more (i.e., a state has a higher CV). Within a state with more variation in CEPP among its LEAs, the use of higher sets of weights results in higher grants for LEAs with a relatively high number of formula children or a relatively high formula child rate relative to what would be provided if a single set of weights were used. Conversely, the lower the variation in CEPP among LEAs in a given state, the lower the weights used to determine weighted formula child counts. Thus, in a state with less variation in CEPP among its LEAs, the use of the weights produces smaller differences in the weighted formula child counts of LEAs with a relatively high number of formula children or a relatively high formula child rate as compared with other LEAs in the state.

State Adjustments to LEA Grant Amounts

After ED calculates LEA grants, state educational agencies (SEAs) make a number of adjustments before determining the final amounts that LEAs receive. These adjustments include the following:

¹² More specifically, the effort factor is a ratio of the three-year average state APPE for public elementary and secondary education to the three-year average state per capita income (PCI) divided by the ratio of the three-year average national APPE to the three-year average national PCI.

¹³ The current expenditures per pupil (CEPP) includes all current expenditures, including instruction, support services, and food services. It does not exclude federal programs in the determination of current expenditures. This is in contrast to the state APPE calculation, which excludes federal programs "that may have a substantive effect on current expenditures." To calculate the CEPP for an LEA, current expenditures are divided by the sum of (1) total enrollment plus (2) the number of formula children multiplied by 0.4. (For more information, see ED, *Study of the Title I-A Formulas*, 2019, p. 19.)

¹⁴ Only LEAs that enroll more than 200 students are included in the calculation.

¹⁵ LEAs in states with a coefficient of variation (CV) of less than 0.10 (meaning that there is less variation in CEPP among the LEAs in the state) receive the lowest set of weights. LEAs in states with a CV of 0.10 to less than 0.20 receive weights that are generally higher than those used for the aforementioned set of LEAs. LEAs in states with a CV of 0.20 or higher (meaning that there is greater variation in CEPP among LEAs in the state) receive the highest set of weights. For example, some of the weights accorded to LEAs in the latter group are twice as high as those accorded to LEAs in the first group.

- provision of funds to eligible charter schools that are their own LEAs or to account for recent LEA boundary changes; and
- optional use by states of alternative methods to reallocate all of the grants as calculated by ED for the state’s small LEAs (defined as those serving an area with a total population of 20,000 or fewer) among the state’s small LEAs.¹⁶

When making these adjustments, an SEA must continue to apply the aforementioned LEA hold harmless provisions under each Title I-A formula.¹⁷

After making the adjustments above and before allocating funds to LEAs, states must reserve the greater of (1) 7% of state total Title I-A allocations or (2) the amount the state reserved for school improvement under Title I-A in FY2016 plus its School Improvement Grant for FY2016 to be used for school improvement activities. When reserving funds for school improvement for FY2018 and subsequent fiscal years, an SEA is prohibited from providing any LEA with less funding than it received in the prior fiscal year as a result of such reservation. As a result of the application of this rule, an SEA may not be able to reserve the “full amount” for school improvement.¹⁸

States may reserve for state administration the greater of (1) 1% of state total allocations under Title I-A, Title I-C, and Title I-D; or (2) \$400,000.¹⁹ States may also reserve an additional 3% of the state total allocation for direct student services. The prohibition against an SEA providing any LEA with less funding than it received in the prior fiscal year as a result of reservations for school improvement does not apply to reservations for administration and direct student services. If an SEA chooses to reserve funds for either or both of these purposes, the SEA has two options for adjusting LEA grant amounts, under which the SEA may either (1) preserve and adjust for or (2) disregard LEAs’ hold harmless amounts.²⁰

Summary of Formula Characteristics

Table 1 provides a summary of the Title I-A formula characteristics discussed in this section.

¹⁶ The use of an alternative method is authorized in §§1124(a)(2)(B), 1124A(a)(4)(A), and 1125(d) of the ESEA. The use of the alternative method for determining grants for small LEAs to EFIG is extended by 34 C.F.R. §200.74. The authority to calculate grants to small LEAs using an alternative method has historically been exercised by seven states: Alaska, Iowa, Kansas, Maine, Nebraska, North Dakota, and Oklahoma. The policy letters to each of these states are available online at ED, “ESEA Policy Letters to States,” accessed March 10, 2026, <https://www.ed.gov/laws-and-policy/laws-preschool-grade-12-education/preschool-grade-12-policy-documents/esea-policy-letters-to-states>.

¹⁷ By making adjustments to account for charter schools that are their own LEAs, LEA boundary adjustments, and small LEAs, it is possible that the formula child counts and rates of LEAs could change from those used by ED in its calculations, which could affect the LEA’s hold harmless amount. Each LEA would continue to receive a minimum of 85%, 90%, or 95% of its prior-year grant, depending on the LEA’s formula child rate, assuming sufficient appropriations are available. If the amount of funds available under one of the formulas is not sufficient to provide the hold harmless amount to each LEA, an SEA is required to ratably reduce all LEAs from their hold harmless amounts to the amount of funds available under the formula (34 C.F.R. §200.73).

¹⁸ For FY2017, states could reserve the full amount for school improvement regardless of whether this resulted in reduced LEA grant amounts.

¹⁹ If total appropriations for ESEA, Title I, Parts A, C, and D, exceed \$14 billion, then state administration reservations are capped at the level that would pertain if the total appropriations for these programs were \$14 billion. This limit was applicable for the first time in FY2008.

²⁰ 34 C.F.R. §200.100.

Table I. Overview of ESEA Title I-A Allocation Formula Characteristics

Formula Characteristic	Basic Grant Formula	Concentration Grant Formula	Targeted Grant Formula	Education Finance Incentive Grant (EFIG) Formula
<i>Formula child count</i>	Children ages 5-17 meeting at least one of the following criteria: (1) living in poor families; (2) living in institutions for neglected or delinquent children or in foster homes; or (3) living in families that receive Temporary Assistance for Needy Families (TANF) payments and that are above the poverty income level for a family of four	Same as Basic Grants	Same as Basic Grants	Same as Basic Grants
<i>Formula child rate</i>	The percentage of children ages 5-17 residing in a given LEA who are formula children, calculated by dividing the number of formula children in an LEA by the number of children ages 5-17 who reside in the LEA's geographic boundaries	Same as Basic Grants	Same as Basic Grants	Same as Basic Grants
<i>Formula child eligibility threshold for LEAs</i>	10 or more formula children <i>and</i> a formula child rate of more than 2%	More than 6,500 formula children <i>or</i> a formula child rate of more than 15% <i>and</i> must meet the eligibility requirements for Basic Grants	10 or more formula children <i>and</i> a formula child rate of 5% or more	Same as Targeted Grants
<i>Weighting of formula child count by number of formula children (i.e., number weighting) or formula child rate (i.e., percentage weighting)</i>	None	None	At all stages of the allocation process, formula children are assigned weights on the basis of each LEA's number of formula children and formula child rate.	For allocation of funds within states only, formula children are assigned weights on the basis of each LEA's number of formula children and formula child

Formula Characteristic	Basic Grant Formula	Concentration Grant Formula	Targeted Grant Formula	Education Finance Incentive Grant (EFIG) Formula
<i>Expenditure factor</i>	State average per pupil expenditures for public K-12 education, subject to a minimum and maximum of the national average per pupil expenditure, further multiplied by 0.40	Same as Basic Grants	Same as Basic Grants	rate and the state's equity factor. Same as Basic Grants, except that the minimum is 85% and the maximum is 115% of the national average
<i>Minimum state grant^a</i>	Up to 0.25% of total funding available for state grants under the Basic Grant formula, subject to a series of caps	Up to 0.25% of total funding available for state grants under the Concentration Grant formula, subject to a series of caps	Up to 0.35% of total funding available for state grants under the Targeted Grant formula, subject to a series of caps	Up to 0.35% of total funding available for state grants under the EFIG formula, subject to a series of caps
<i>LEA hold harmless</i>	85%-95% of the previous-year grant, depending on the LEA's formula child rate, applicable only to LEAs meeting the formula's eligibility thresholds	Same as Basic Grants, except that LEAs are eligible for the hold harmless provisions for up to four years after they no longer meet the eligibility threshold	Same as Basic Grants	Same as Basic Grants
<i>Stages in the grant calculation process</i>	Grants are calculated at the LEA level, subject to state minimum provisions.	Same as Basic Grants	Same as Basic Grants	Grants are first calculated for states overall, then state grants are allocated to LEAs in a separate process.
<i>Formula-specific factors</i>	None	None	None	State effort ^b and equity ^c factors are applied in the calculation of state total grants.

Source: Table prepared by CRS based on an analysis of the ESEA.

Notes:

- a. Formula child counts are used to determine the caps on the minimum grants under all four formulas. Under Basic Grants, Concentration Grants, and Targeted Grants, only formula children in LEAs eligible for Title I-A are included in the determination of the state minimum grant amounts. Under EFIG, all formula children, regardless of whether or not they reside in an LEA eligible for Title I-A, are included in the determination of the state minimum grant amounts.
- b. The effort factor is calculated based on average per pupil expenditures for public K-12 education compared with personal per capita income for each state compared with the nation as a whole.
- c. The equity factor is determined based on variations in average per pupil expenditures among the LEAs in each state.

Allocations at the School Level

Unlike other federal elementary and secondary education programs, most Title I-A funds are subsequently allocated to individual public schools by formula, although LEAs retain substantial discretion to control the use of a portion of Title I-A grants at a central district level.²¹ While there are several rules related to school selection, LEAs must generally rank their public schools by their percentages of students from low-income families and serve them in rank order.²² This must be done without regard to grade span for any eligible school attendance area in which the concentration of children from low-income families exceeds 75%.²³ Below this point, an LEA can choose to serve schools in rank order at specific grade levels (e.g., serve elementary schools in order of their percentages of children from low-income families). LEAs have the option to serve elementary and middle schools with more than 75% of their children from low-income families and high schools with more than 50% of their children from low-income families before choosing to serve schools in rank order by specific grade levels.²⁴

All Title I-A participating schools generally must have a percentage of children from low-income families that is higher than the LEA's average, or 35%, whichever of these two figures is lower, although LEAs have the option of setting school eligibility thresholds higher than the minimum in order to concentrate available funds on a smaller number of schools.²⁵ LEAs establish a per-pupil payment for each child from a low-income family in a Title I-A school. LEAs may establish higher per-pupil payments at schools with higher percentages of children from low-income families, provided higher per-pupil payments are not made at a school with a lower percentage of children from low-income families.

Schools that receive Title I-A funds operate one of two types of Title I-A programs. Schoolwide programs²⁶ are authorized if the percentage of low-income students served by a school is 40% or higher.²⁷ In schoolwide programs, Title I-A funds may be used to improve the performance of all students in a school. For example, funds might be used to provide professional development services to all of a school's teachers, upgrade instructional technology, or implement new

²¹ For detailed guidance regarding the selection of schools to receive Title I-A grants and the allocation of funds among them, see ED, *Within-District Allocations Under Title I, Part A of the Elementary and Secondary Education Act*, February 2022, <https://oese.ed.gov/files/2022/02/Within-district-allocations-FINAL.pdf>.

²² School rankings often are based on the percentage of children in each school eligible for free or reduced-price lunch. Children living in households where income is up to 130% of the FPL are eligible for free meals. Children living in households where income is over 130% and up to 185% of the FPL are eligible for reduced-price meals. For more information, see USDA, "Child Nutrition Programs—Income Eligibility Guidelines," 88 *Federal Register* 8397-8400, February 9, 2023, <https://www.govinfo.gov/content/pkg/FR-2023-02-09/pdf/2023-02739.pdf>. Some LEAs also use the Community Eligibility Provision to provide free meals to students without collecting household applications to demonstrate income eligibility. For more information, see CRS Report R46371, *Serving Free School Meals through the Community Eligibility Provision (CEP): Background and Participation*. In addition to using the number of children eligible for free or reduced-price lunch, schools may be ranked using SAIPE data, the number of children in families receiving assistance under TANF, the number of children eligible to receive medical assistance under Medicaid, or a composite of any of the aforementioned indicators.

²³ A *school attendance area* means, in relation to a particular school, the geographic area in which the children who are normally served by that school reside. An *eligible school attendance area* means a school attendance area in which the percentage of children from low-income families is at least as high as the percentage of low-income families served by the LEA as a whole. (ESEA, §1113.)

²⁴ LEAs serving 1,000 or fewer students are exempt from these requirements (ESEA, §1113(a)(6)).

²⁵ ESEA, §1113(b)(1). This minimum percentage is reduced from 35% to 25% for schools participating in certain desegregation plans (ESEA, §1113(a)(7)).

²⁶ Schoolwide programs are authorized in ESEA, §1114.

²⁷ A Title I-A school in which less than 40% of the children are from low-income families may request a waiver from the SEA to operate a schoolwide program.

curricula. During the 2022-2023 school year, 86% of Title I-A schools operated a schoolwide program.²⁸ The second type of Title I-A school service model is the targeted assistance program (TAP).²⁹ Under TAPs, Title I-A-funded services are generally limited to the lowest-achieving students in the school. For example, students may receive additional instruction in an after-school program, or funds may be used to hire a teacher’s aide who provides additional assistance to low-achieving students in their regular classroom. In general, schools have substantial latitude in how they use Title I-A funds, provided the funds are used to improve student academic achievement.³⁰

While the formulas used to determine Title I-A grants rely on the number and percentage of formula children in an LEA, there is no direct relationship between this number and the number of children served with Title I-A funds. Most students served under Title I-A attend schools operating schoolwide programs. All of the students in these schools are considered as being served under Title I-A, regardless of family income. The formula child count used for Title I-A grant determinations includes only children living in families in poverty. For example, during the 2021-2022 school year, 26.6 million students were served, and fewer than 9 million formula children were included in Title I-A grant determinations.³¹

Equitable Services for Private School Students³²

Under Title I-A, Section 1117, after “timely and meaningful consultation” with private school officials, LEAs are required to provide eligible private school children with services and other benefits under Title I-A that address their needs on an equitable basis compared with services and other benefits provided to public school students served under Title I-A.³³ Private school students eligible to receive services must be identified as failing, or most at risk of failing, to meet the challenging state academic standards on the basis of multiple, educationally related, objective criteria by the LEA.³⁴ In addition, an eligible private school student must reside in, as opposed to attend a private school located in, a participating public school attendance area to be eligible for services provided under Title I-A. That is, the LEA in which the student resides is responsible for providing services to the child even if the student attends a private school in another LEA.³⁵

²⁸ Letter from Kirsten Baesler, Assistant Secretary of Education, Office of Elementary and Secondary Education, ED, to Dear Colleague, January 21, 2026, <https://www.ed.gov/media/document/dear-colleague-letter-guidance-states-schoolwide-program-flexibilities-improve-student-success-january-21-2026-113138.pdf>.

²⁹ Targeted assistance programs are authorized in ESEA, §1115.

³⁰ For more information on the use of Title I-A funds, see ED, *Study of Title I Schoolwide and Targeted Assistance Programs: Final Report*, 2018, <https://www.ed.gov/sites/ed/files/rschstat/eval/title-i/schoolwide-program/report.pdf>.

³¹ Data on the number of students served under Title I-A are available from ED Data Express, <https://eddataexpress.ed.gov/dashboard/title-i-part-a/2021-2022?sy=2919&s=1035>. Data on the number of formula children included in the Title I-A grant determinations are based on unpublished data provided to CRS by ED.

³² For a detailed discussion of equitable services, see CRS Report R46907, *Equitable Services for Private School Students and Staff and the Elementary and Secondary Education Act*. For additional information, see ED, *Title I, Part A of the Elementary and Secondary Education Act of 1965, as Amended by the Every Student Succeeds Act: Providing Equitable Services to Eligible Private School Children, Teachers, and Families*, May 17, 2023, <https://www.ed.gov/sites/ed/files/2023/05/Title-I-ES-guidance-revised-5-2023.pdf> (hereinafter ED, *Equitable Services Guidance*, 2023).

³³ ESEA, §1117(a)(3)(A).

³⁴ A private school student is also eligible if they are homeless; participated in a Head Start program in the preceding two years; participated in a literacy program under Title II-B-2 of the ESEA, a Title I preschool program, or a Title I-C (Education of Migratory Children) program; or are in a local institution for neglected or delinquent children and youth or attending a community day program for such children (ESEA, §1115(c)(2)(B)-(E) and §1117(a)(1)). A private school student does not have to be in a low-income family to receive services (ED, *Equitable Services Guidance*, 2023, p. 33).

³⁵ If this is the case, the LEA responsible for the child can choose to reimburse the LEA in which the private school is (continued...)

LEAs also must ensure that teachers and families of the children participate on an equitable basis in services and activities developed with respect to parent and family engagement under the ESEA.³⁶

The services, benefits, materials, and equipment provided must be secular, neutral, and nonideological.³⁷ Equitable services must be provided in a timely manner and may be provided through a third-party contractor. The control of public funds and materials purchased with those funds must remain with a public agency.³⁸

The amount of funds that an LEA must reserve to serve private school students from low-income families residing in participating Title I-A school attendance areas is based on the proportional share of such students compared with the total number of low-income students residing in participating school attendance areas. For example, if 10% of the low-income children residing in an LEA's participating Title I-A school attendance areas attend private schools, then the LEA must reserve 10% of its total Title I-A allocation to provide equitable services.³⁹ After subtracting from this reserved amount any funds needed for purposes such as administration and parent and family engagement, if applicable, the LEA divides the remaining amount of funds by the total number of private school students from low-income families residing in participating Title I-A school attendance areas to determine a per-pupil funding amount.⁴⁰ This amount is then multiplied by the number of low-income private school students residing in participating Title I-A school attendance areas that attend a given private school to determine the amount of funds available to serve students in that school who are eligible to receive services.⁴¹

located for the provision of services rather than providing the services itself. See ED, *Equitable Services Guidance*, 2023, p. 35.

³⁶ ESEA, §1117(a)(1)(B). If an LEA reserves funds from its allocation for §1116 for parent and family engagement activities, it must provide for the equitable participation of parent involvement activities in private schools. This can be determined based on the proportion of private school students from low-income families residing in the public school attendance area relative to all students from low-income families residing in the public school attendance area.

³⁷ ESEA, §1117(a)(2).

³⁸ ESEA, §1117(d). For example, if it were determined during consultation between an LEA and a private school with students who were going to be served with Title I-A funds that the students needed books or computers, the books or computers purchased with Title I-A funds could be placed in the private school for student use but would remain the property of a public agency.

³⁹ The amount of Title I-A funds reserved for equitable services must be reserved based on the LEA's total Title I-A grant amount before the deduction of any funds for purposes such as administration; parent involvement; services for neglected, delinquent, or homeless children and youth; or LEA-wide initiatives (ESEA, §1117(a)(4)(A)).

⁴⁰ ED, *Equitable Services Guidance*, 2023, pp. 19-20.

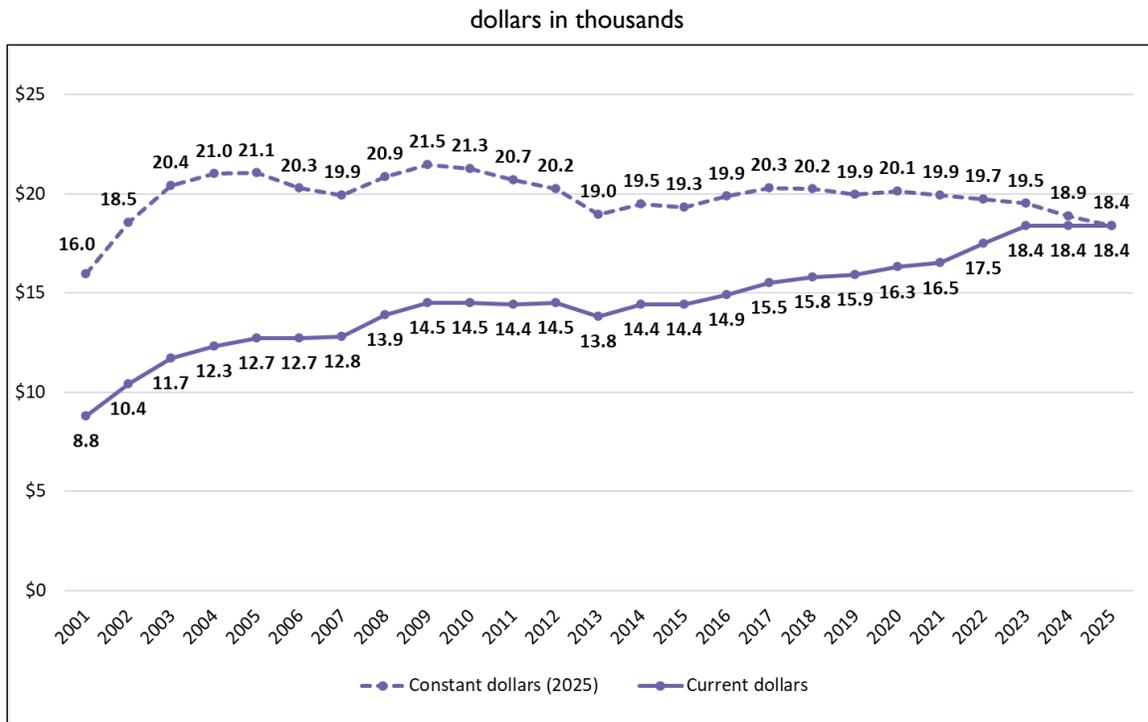
⁴¹ In providing equitable services, LEAs may provide equitable services to students eligible to receive services on a school-by-school basis (as discussed in the text), or funds for equitable services may be pooled within an LEA or across LEAs to serve private school students with the greatest educational need for services. For more information about pooling, see ED, *Equitable Services Guidance*, 2023, pp. 17-18.

Appendix. ESEA Title I-A Appropriations

Figure A-1 and **Table A-1** detail the appropriations levels for Title I-A since FY2001. Overall, in current dollars, after the No Child Left Behind Act of 2001 (NCLB; P.L. 107-110) reauthorized the ESEA, there was a steady increase in Title I-A appropriations through FY2005 and a second period of increasing appropriations from FY2007 to FY2009. There has also been an increase in current dollar appropriations from FY2013 through FY2024. When appropriations are examined in constant dollars (adjusted for inflation), after peaking in FY2009, Title I-A appropriations have often decreased from fiscal year to fiscal year.

Table A-2 provides the current dollar appropriations level and share by Title I-A formula since FY2001. As previously discussed, all post-FY2001 increases in Title I-A appropriations have been divided between Targeted Grants and EFIG.⁴² At the same time, the appropriations levels for Basic Grants and Concentration Grants generally decreased from FY2002 through FY2014 and have remained at the same appropriations level since FY2014. Thus, the share of appropriations allocated via the Targeted Grant and EFIG formulas has been steadily increasing while the share of appropriations allocated via the Basic Grant formula has been steadily decreasing.

Figure A-1. ESEA Title I-A Appropriations Levels in Current and Constant 2025 Dollars, FY2001-FY2025



Source: Figure prepared by CRS based on data available from U.S. Department of Education, Budget Service.

Notes: Constant dollars based on the Consumer Price Index for All Urban Consumers (CPI-U) prepared by U.S. Department of Labor, Bureau of Labor Statistics, and adjusted to a school-year basis (July 2024-June 2025) by CRS. The appropriations level for FY2009 does not reflect the additional \$10 billion for Title I-A appropriated through the American Recovery and Reinvestment Act (ARRA; P.L. 111-5).

⁴² Since FY2004, any Title I-A appropriations in excess of the amount appropriated for Basic Grants and Concentration Grants have been equally divided between Targeted Grants and EFIG.

Table A-1. Title I-A Appropriations in Current and Constant 2025 Dollars, FY2001-FY2025

dollars in thousands

Fiscal Year	Current Dollars			Constant FY2025 Dollars		
	Appropriations Level	Difference from Prior Year	Percentage Difference from Prior Year	Appropriations Level	Difference from Prior Year	Percentage Difference from Prior Year
2001	\$8,762,721	—	—	\$15,901,317	—	—
2002	\$10,350,000	\$1,587,279	18.11%	\$18,454,936	\$2,553,619	16.06%
2003	\$11,688,664	\$1,338,664	12.93%	\$20,393,635	\$1,938,699	10.51%
2004	\$12,342,309	\$653,645	5.59%	\$21,073,132	\$679,496	3.33%
2005	\$12,739,571	\$397,262	3.22%	\$21,115,976	\$42,844	0.20%
2006	\$12,713,125	-\$26,446	-0.21%	\$20,299,111	-\$816,865	-3.87%
2007	\$12,838,125	\$125,000	0.98%	\$19,981,942	-\$317,169	-1.56%
2008	\$13,898,875	\$1,060,750	8.26%	\$20,859,982	\$878,041	4.39%
2009 ^a	\$14,492,401	\$593,526	4.27%	\$21,451,287	\$591,305	2.83%
2010	\$14,492,401	\$0	0.00%	\$21,245,684	-\$205,603	-0.96%
2011	\$14,442,927	-\$49,474	-0.34%	\$20,756,364	-\$489,320	-2.30%
2012	\$14,516,457	\$73,530	0.51%	\$20,268,202	-\$488,161	-2.35%
2013	\$13,760,219	-\$756,238	-5.21%	\$18,897,791	-\$1,370,411	-6.76%
2014	\$14,384,802	\$624,583	4.54%	\$19,451,747	\$553,955	2.93%
2015	\$14,409,802	\$25,000	0.17%	\$19,344,714	-\$107,033	-0.55%
2016	\$14,909,802	\$500,000	3.47%	\$19,881,808	\$537,094	2.78%
2017	\$15,459,802	\$550,000	3.69%	\$20,242,875	\$361,067	1.82%
2018	\$15,759,802	\$300,000	1.94%	\$20,180,765	-\$62,109	-0.31%
2019	\$15,859,802	\$100,000	0.63%	\$19,896,490	-\$284,276	-1.41%
2020	\$16,309,802	\$450,000	2.84%	\$20,145,899	\$249,410	1.25%
2021	\$16,536,802	\$227,000	1.39%	\$19,966,716	-\$179,183	-0.89%
2022	\$17,536,802	\$1,000,000	6.05%	\$19,757,045	-\$209,671	-1.05%
2023	\$18,386,802	\$850,000	4.85%	\$19,493,992	-\$263,053	-1.33%
2024	\$18,406,802	\$20,000	0.11%	\$18,892,044	-\$601,948	-3.09%
2025	\$18,406,802	\$0	0.00%	\$18,406,802	-\$485,242	-2.57%

Source: Table prepared by CRS based on data available from U.S. Department of Education, Budget Service.

Notes: Appropriations provided in current and constant dollars. Constant dollars based on the Consumer Price Index for All Urban Consumers (CPI-U) prepared by U.S. Department of Labor, Bureau of Labor Statistics, and adjusted to a school-year basis (July 2024-June 2025) by CRS.

- a. Does not include the additional \$10 billion for Title I-A appropriated through the American Recovery and Reinvestment Act (ARRA; P.L. 111-5).

Table A-2. Title I-A Appropriations by Formula, FY2001-FY2025

dollars in thousands

Fiscal Year	Appropriations Level or Share of Total Appropriations	Basic Grants	Concentration Grants	Targeted Grants	Education Finance Incentive Grants (EFIG)
2001	Appropriations	\$7,397,690	\$1,365,031	—	—
	Share of Total	84.42%	15.58%	—	—
2002	Appropriations	\$7,172,971	\$1,365,031	\$1,018,499	\$793,499
	Share of Total	69.30%	13.19%	9.84%	7.67%
2003	Appropriations	\$7,111,635	\$1,365,031	\$1,670,239	\$1,541,759
	Share of Total	60.84%	11.68%	14.29%	13.19%
2004	Appropriations	\$7,037,592	\$1,365,031	\$1,969,843	\$1,969,843
	Share of Total	57.02%	11.06%	15.96%	15.96%
2005	Appropriations	\$6,934,854	\$1,365,031	\$2,219,843	\$2,219,843
	Share of Total	54.44%	10.71%	17.42%	17.42%
2006	Appropriations	\$6,808,408	\$1,365,031	\$2,269,843	\$2,269,843
	Share of Total	53.55%	10.74%	17.85%	17.85%
2007	Appropriations	\$6,808,408	\$1,365,031	\$2,332,343	\$2,332,343
	Share of Total	53.03%	10.63%	18.17%	18.17%
2008	Appropriations	\$6,597,946	\$1,365,031	\$2,967,949	\$2,967,949
	Share of Total	47.47%	9.82%	21.35%	21.35%
2009 ^a	Appropriations	\$6,597,946	\$1,365,031	\$3,264,712	\$3,264,712
	Share of Total	45.53%	9.42%	22.53%	22.53%
2010	Appropriations	\$6,597,946	\$1,365,031	\$3,264,712	\$3,264,712
	Share of Total	45.53%	9.42%	22.53%	22.53%
2011	Appropriations	\$6,579,151	\$1,359,726	\$3,252,025	\$3,252,025
	Share of Total	45.55%	9.41%	22.52%	22.52%
2012	Appropriations	\$6,577,904	\$1,362,301	\$3,288,126	\$3,288,126
	Share of Total	45.31%	9.38%	22.65%	22.65%
2013	Appropriations	\$6,232,639	\$1,293,919	\$3,116,831	\$3,116,831
	Share of Total	45.29%	9.40%	22.65%	22.65%
2014	Appropriations	\$6,459,401	\$1,362,301	3,281,550	3,281,550
	Share of Total	44.90%	9.47%	22.81%	22.81%
2015	Appropriations	\$6,459,401	\$1,362,301	\$3,294,050	\$3,294,050
	Share of Total	44.83%	9.45%	22.86%	22.86%
2016	Appropriations	\$6,459,401	\$1,362,301	\$3,544,050	\$3,544,050
	Share of Total	43.32%	9.14%	23.77%	23.77%
2017	Appropriations	\$6,459,401	\$1,362,301	\$3,819,050	\$3,819,050

Fiscal Year	Appropriations Level or Share of Total Appropriations	Basic Grants	Concentration Grants	Targeted Grants	Education Finance Incentive Grants (EFIG)
2018	Share of Total	41.78%	8.81%	24.70%	24.70%
	Appropriations	\$6,459,401	\$1,362,301	\$3,969,050	\$3,969,050
2019	Share of Total	40.99%	8.64%	25.18%	25.18%
	Appropriations	\$6,459,401	\$1,362,301	\$4,019,050	\$4,019,050
2020	Share of Total	40.73%	8.59%	25.34%	25.34%
	Appropriations	\$6,459,401	\$1,362,301	\$4,244,050	\$4,244,050
2021	Share of Total	39.60%	8.35%	26.02%	26.02%
	Appropriations	\$6,459,401	\$1,362,301	\$4,357,550	\$4,357,550
2022	Share of Total	39.06%	8.24%	26.35%	26.35%
	Appropriations	\$6,459,401	\$1,362,301	\$4,857,550	\$4,857,550
2023	Share of Total	36.83%	7.77%	27.70%	27.70%
	Appropriations	\$6,459,401	\$1,362,301	\$5,282,550	\$5,282,550
2024	Share of Total	35.13%	7.41%	28.73%	28.73%
	Appropriations	\$6,459,401	\$1,362,301	\$5,292,550	\$5,292,550
2025	Share of Total	35.09%	7.40%	28.75%	28.75%
	Appropriations	\$6,459,401	\$1,362,301	\$5,292,550	\$5,292,550

Source: Table prepared by CRS based on data available from U.S. Department of Education, Budget Service.

Notes: Appropriations provided in current (not constant) dollars. Percentages based on unrounded numbers.

- a. Does not include the additional \$10 billion for Title I-A appropriated through the American Recovery and Reinvestment Act (ARRA; P.L. 111-5).

Author Information

Rebecca R. Skinner
Specialist in Education Policy

Isobel Sorenson
Research Assistant

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