



RURAL AND LOW-INCOME SCHOOL PROGRAM — TITLE V, PART B, SUBPART 2 GUIDE

Student, School, and Family Support Bureau
New Mexico Public Education Department
Guide



Purpose of the Guide

The Title V, Part B— Rural and Low-Income School Program Guide provides guidance to districts and state charter schools on using the Rural Education Achievement Program funding authorized under Title V, Part B of the Elementary and Secondary Education Act (ESEA), as amended by Every Student Succeeds Act.

The Rural Education Achievement Program (REAP) is designed to help rural districts and state charter schools use Federal funding more effectively to address their unique needs. The formula grant funds, and the fund use flexibility available under REAP allow rural districts and state charter schools to participate more fully and effectively in many of the federal programs and thus provide better educational services to their students.

There are two programs authorized under REAP:

- 1) Small, Rural School Achievement (SRSA) program; and
- 2) Rural and Low-Income School (RLIS) program.

For SRSA, the U.S. Department of Education awards grants each year directly to eligible districts and state charter schools nationwide based on a statutory formula.

The Small, Rural School Achievement Program

A district or state charter school is eligible for the SRSA program if it meets the statutory criteria of being both small and rural [ESEA section 5211(b)].

1. To be considered small, a district or state charter school must have a total average daily attendance (ADA) of fewer than six hundred students or exclusively serve schools that are in counties with a population density of fewer than ten persons per square mile.
2. To be considered rural, all schools within the district must have a school locale code of 41, 42, or 43 (assigned by the Department's National Center for Education Statistics (NCES)) or be in an area of the State defined as rural by a governmental agency of the State.

Alternative Fund Use Authority (AFUA)

Alternative Fund Use Authority (AFUA) gives a SRSA-eligible school districts or state charter schools flexibility to spend funds that the school district or state charter school receives under Title II, Part A and Title IV, Part A. The district or state charter school must meet the application and eligibility requirements for Title II, Part A and Title IV, Part A in order to exercise the flexibility provided under AFUA. In general, an eligible district or state charter schools may use some or all of the Title II, Part A or Title IV, Part A funds on local activities that are authorized under the federal programs below.

- Title I, Part A
- Title II, Part A

- Title III
- Title IV, Part A or B

An SRSA-eligible school district or state charter school does not have to apply for SRSA funds in order to exercise AUFA. Furthermore, a district or state charter school that is eligible for both SRSA and RLIS funds (dual-eligible) may exercise AUFA even if they choose to participate in the RLIS program instead of SRSA. Please note that the NMPED must be notified of the intent to exercise AFUA by the established deadline.

SRSA Allowable Use of Funds

Funds can be used to support initiatives that seek to improve school performance and student achievement under the five federal program areas:

- **Title I-A:** Improving Basic School Programs Operated by school districts or charter schools.
- **Title II-A:** Supporting Effective Instruction
- **Title III:** Language Instruction for English Learners and Immigrant Students
- **Title IV-A:** Student Support and Academic Enrichment
- **Title IV-B:** 21st Century Community Learning Centers

The Rural and Low-Income School Program

A school district or state charter school is eligible to participate in the RLIS program if it meets the criteria of being both low-income and rural [ESEA section 5221(b)(1)].

1. To be considered low-income, 20 percent or more of the children ages five to seventeen served by a district or state charter school must be from families with incomes below the poverty line, based on data from the U.S. Census Bureau’s Small Area Income and Poverty Estimates (SAIPE).
2. To be considered rural, all schools comprising the LEA must have a school locale code of 32, 33, 41, 42, or 43 (assigned by NCES), or be in an area of the State defined as rural by a governmental agency of the State.

NMPED awards the RLIS subgrants based on the students in average daily attendance (ADA) served by the district or state charter school.

RLIS Use of Funds

In general, RLIS funds can be used for allowable activities under Title I, Part A, Title II, Part A, Title III, Title IV, Part A, and Parental Involvement Activities. RLIS funds must be used to supplement and not supplant any other Federal, State, or local funds. Funds may be used to support initiatives for improving school performance and student achievement, please see table below for some examples. Please note, the list is not exhaustive and only a sample of activities is included.

Program Area	Example
Title I, Part A — Improving Basic Programs Operated by LEAs	Activities designed to increase access and prepare students for success in high-quality advanced coursework to earn postsecondary credit while in high school (could include dual or concurrent

	enrollment, Advanced Placement, early college high schools, International Baccalaureate)
Title II, part A — Supporting Effective Instruction	Developing or improving evaluation and support systems for teachers, principals, and other school leaders
Title III — Language Instruction for English Learners and Immigrant Students	Supplemental professional development for teachers of English learner (EL) students.
Title IV, Part A — Student Support and Academic Enrichment	Providing students in rural, remote, and underserved areas with digital resources
Parental Involvement Activities	Creation of a parental advisory committee to provide input on various education topics

(adapted from the Information Document on the Rural Education Achievement Program (REAP), 2021)

Cost Principles

When determining if an activity or proposed expenditure meets the requirements of RLIS, please consider some of the following questions:

Does the cost meet all allowability requirements under 2 CFR 200.403?

- Is the cost necessary and reasonable for the performance of the Federal award, and allocable thereto?
- Does the cost conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items?
- Is the cost consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-Federal entity?
- Is the cost accorded consistent treatment as either direct or indirect?
- Is the cost determined to be in accordance with generally accepted accounting principles (GAAP)?
- Costs cannot 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. Is the cost being used this way?
- Is the cost adequately documented?
- Is the cost being incurred during the approved budget period?

Is the proposed expenditure or activity allocable?

Is the activity incurred specifically for the purpose of RLIS? If the cost benefits more than RLIS, is the cost distributed in proportions that may be approximated using reasonable methods?

- 2 CFR § 200.405 requires that charges to federal awards be allocated “in accordance with the relative benefits received.”

Is the cost necessary and reasonable?

Is the cost necessary for supporting initiatives for improving school performance and student achievement?

- Is the nature and amount of the cost such that a prudent person under the circumstances prevailing at the time the decision was made would incur? [2 CFR 200.404]
- Is the cost reasonable as compared to fair market prices for similar and comparable goods or services?
- Are all applicable purchasing or procurement codes followed?

Supplement, Not Supplant Requirement

RLIS funds shall be used to supplement, and not supplant, any other Federal, State, or local education funds. [ESEA, as amended, section 5232]

Please see below for the three situations when it will be presumed that supplanting has occurred, and the district or state charter school will have to demonstrate that the proposed activity is supplemental—

- If the activity is one that would ordinarily be covered with other Federal, State, or local funds (for example, in most cases, standard textbook purchases would ordinarily be covered with State or local funds),
- If the district or state charter school previously funded the activity with other Federal, State, or local funds, or
- If the activity is State-mandated or required by Federal law (for example, provision of certain services to English learners required by Federal civil rights laws (Lau v. Nichols 1974))

(Information Document on the Rural Education Achievement Program, 2021)

Thus, when considering whether an activity is supplemental, there are three guiding questions which are based on the above three situations:

1. Is the activity one that would ordinarily be covered with other Federal, State, or local funds (for example, in most cases, standard textbook purchases would ordinarily be covered with State or local funds)?
2. Has the district or state charter school previously funded the activity with other Federal, State, or local funds?
3. Is the activity State-mandated or required by Federal law (for example, Lau v. Nichols (1974) requirements for services for English learner students)?

For example, if the district or state charter school determines that no other Federal, State, or local funds are available to fund the proposed activity, then it may be possible RLIS funds could be used for the activity. Another example could include the following scenario: A district or state charter school with a Title I targeted assistance school program could supplement an afterschool program, where Title I funds are used for the program for Title I eligible students, with RLIS funding to expand the afterschool program to students who are not Title I eligible.

It is difficult to provide general guidelines on the supplement, not supplant requirement without examining the fact-specific details of a given situation. Please contact the SSFS Bureau for clarification of the specific details of the district or state charter school's situation.



Duration of the RLIS Subgrants

The funding allocation must be expended by the end of 27 months. This allows for district or state charter schools to plan and make the best use of funds to support students as well as monitor the effectiveness of the program and support services more thoughtfully. The period for which the RLIS grant was awarded shall span the 27-month performance period, which includes the Tydings Amendment period as granted to the NMPED by the Department of Education (ED). The Tydings Amendment period refers to the period in which any funds not obligated and expended during the time for which they were awarded become carryover funds and may be obligated and expended during the succeeding fiscal year. This use of the Tydings Amendment period provides districts and state charter schools the opportunity to plan more effectively and make the best use of funds. The Tydings Amendment period also allows for the uninterrupted monitoring of the effectiveness of the program and support services.

RLIS Application and Evaluation

The RLIS application is an annual district and state charter school plan of activities that is submitted typically in the spring to the NMPED. Any proposed activities that are not aligned to the federal law will require the district or state charter school to complete necessary adjustments, including removing unallowable activities if applicable, through an iterative process and resubmit the application for additional review and approval. The RLIS applications will receive final approval in early June, if not sooner. The RLIS budget in the Operating Budget Management System (OBMS) is then aligned to the approved application. Generally, if the RLIS application and budget are approved within the NMPED established timelines, the district or state charter school would have budget authority on July 1st.

The RLIS application has individual modules that will need to be completed. This includes providing a description of how previous subgrants have impacted student outcomes as well as identifying a clearly defined need and describing the impact of the proposed program. Districts and state charter schools include goals and measurable outcomes of the proposed program plan as well as describe evidence-based strategies and activities to be used to accomplish the intended goals.


Additional Documents

Equipment Approval Form

If any equipment proposed to be purchased in the RLIS application costs \$5,000 or more, the district or state charter school must submit a completed \$5K Equipment Form for approval *prior* to making the purchase. The form can be found on the [Fiscal Grants Management website](#) as well as under the Resources area in the RLIS application.

RLIS Pre- Approval Form

An RLIS Preapproval Form must be submitted when the final RLIS Application Checklist requires a preapproval for the broad categorical activities listed in the approved application once further details for the activity are available (such as vendor, product description, etc.). RLIS Preapprovals can be submitted at any time during the duration of the RLIS subgrant and must be submitted prior to expending funds. The SSFS Bureau may request further information or additional details before approving or disapproving the request. The approved RLIS Preapproval Form is part of required documents when submitting an RfR for the expenditure to support timely processing of the RfR. An RLIS Preapproval Form is not required for



detailed activities or purchases already approved in the RLIS application. Failure to submit a Preapproval Form for an activity or purchase not previously approved could result in a denied RfR for the activity or purchase.

RLIS Amendment Form

The Amendment Form is utilized if adjustments or changes need to be made to an approved RLIS Application. This form can be found on the NMPED website under Rural Education Achievement Program (REAP). This form must be submitted for review and approval and must be received prior to funds being expended.

RLIS Budget in the Operating Budget Management System (OBMS)

Once an RLIS application has been approved, the district or state charter school is ready to enter an RLIS budget in OBMS (fund 24160). This budget must have fund codes that align with the approved RLIS application. For the district or state charter school to have budget authority for its RLIS budget in OBMS by July 1st of the upcoming fiscal year, the budget has to be entered and approved in OBMS by the deadline determined by the NMPED's Administrative Services Division and must be entered into OBMS before the new fiscal year begins by the given deadline.

Budget Adjustment Requests (BARs)

During the fiscal year the NMPED informs districts and state charter schools that have qualified for RLIS funding of their RLIS final award as well as of any carryover. If a district or state charter school has an increased amount of funding available under RLIS the entity will enter an increase BAR in OBMS. Before the increase BAR can be approved, the intended expenditure(s) must be approved by the SSFS Bureau. Districts and state charter schools are asked to attach a BAR Justification Form for the purpose of submitting intended expenditures to the SSFS Bureau for approval.

Requests for Reimbursement

District or state charter schools must expend RLIS funds in accordance with their approved RLIS application. To receive reimbursement for RLIS expenditures, districts and state charter schools must submit an RfR in OBMS. The RfR includes an expenditure summary report, detailed expenditure report, and supporting documentation. The claim period for an RfR must match the claim period on the expenditure report. The table below describes the RfR process. RfRs should be submitted regularly and timely, once a month if possible. Please note that the RLIS fund 24160 is on a first in, first out basis, and the amount will be deducted from the remaining funds, if any, from within the 27-month period. Additional questions or documentation may be required for RfRs.

Prior to submitting an RfR, it is important to be able to answer the following questions:

- Is the purchase an approved expenditure?
- Has a \$5K Equipment Form been approved by SSFSB staff prior to expending funds, if applicable?
- Are all required documents attached? Ex: Approved RLIS Preapproval or Amendment Form
- Are all supporting documents provided? Ex: Agendas, sign-in sheets, invoices, purchase orders

Request for Reimbursement (RfR) Process

DISTRICT/STATE CHARTER SCHOOL LEVEL	PED LEVEL
1. RfR created	1. SSFSB Program Manager may request additional information and supporting documentation
2. Preparer (business office personnel)	2. SSFSB Program Manager approves or disapproves
3. RfR pending	3. Fund analyst approves or disapproves
4. Submit to business manager	4. Fund supervisor approves or disapproves
5. RfR ready to submit	5. Paid by Department of Finance Administration
6. Business manager approves	
7. Business manager submits	
8. RfR submitted to PED	

Resources

REAP FAQ

Interactive Guide to Using Rural Education Achievement Program Funds

Rural and Low-Income Schools (RLIS) Guide and Usage of Funds

Small, Rural School Achievement Program Guide and Usage of Funds

Acronyms

ADA – Average Daily Attendance as defined by state law.

AFUA – Alternative Fund Use Authority

ESEA – Elementary and Secondary Education Act

FY – Fiscal year

GAN – Grant Award Notification

LEA – Local Educational Agency

NCES – National Center for Education Statistics

REAP – Rural Education Achievement Program

RLIS – Rural and Low-Income School Program

SAIPE – Small Area Income and Poverty Estimates

SEA – State Educational Agency

SRSA – Small, Rural School Achievement Program