

**MEMORANDUM**

**TO:** Members, Utah State Board of Education

**FROM:** Natalie Grange, CPA CFE  
Director of School Finance

**DATE:** February 4-5, 2016

**INFORMATION:** Small, Rural Schools Achievement (SRSA) LEA Grant Eligibility Issue

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**Background:** The School Finance section completes certain eligibility documentation at the request of the Federal U.S. Department of Education, which is then used to determine eligibility for the SRSA grant. The SRSA grant is awarded to LEAs directly from the Federal U.S. Department of Education. The Board has no responsibility for awarding or monitoring these funds.

**Key Points:** When data was requested in 2015, all individuals who had completed this documentation in prior years had either retired or left employment at the USOE. New staff read the regulations and submitted data based on the instructions provided.

As explained in the instructions in determining eligibility for the SRSA program, county population density is used for each state. As the School Finance section prepared the eligibility determination spreadsheet, it was determined that utilizing population density was an alternative means of establishing part of an LEA's eligibility under the SRSA program. It was our understanding that this data was not required and only an alternative method of determining eligibility. This alternative method was not utilized in our determination and this decision inadvertently disqualified four LEAs from the possibility of receiving funds under this program as population density is a required element in determining eligibility.

This error was detected based on questions from one of the LEAs. In the prior year, three of the four LEAs received the SRSA grant. Total grant funds for all of these LEAs is approximately \$88,000. A request was made to the U.S. Department of Education to revise eligibility and to fund these grants in the current year.

**Anticipated Action:** This item is for information only.

**Contact:** Natalie Grange CPA, CFE, School Finance Director, 801 538-7668  
Jaime Barrett, MSP Coordinator, 801-538-7667  
Scott Jones, Associate Superintendent, 801 538-7514

January 12, 2016

Eric L. Schulz  
 Acting Group Leader – Rural Programs  
 OESE/SSRP  
 400 Maryland Avenue, Room 3E-307  
 SW Washington, DC 20202

Mr. Schulz,

The School Finance section of the Utah State Office of Education (the USOE) is responsible to submit data to your office which is used to determine eligibility of Utah’s LEAs for the Small, Rural School Achievement (SRSA) federal grant. When data was requested in 2015, all individuals who had completed this documentation in prior years had either retired or left employment at the USOE. New staff read the regulations and submitted data to the best of their ability.

As explained in the instructions in determining eligibility for the SRSA program, county population density is used for each state. As the School Finance section prepared the eligibility determination spreadsheet, it was determined that utilizing population density was an alternative means of establishing part of an LEA’s eligibility under the SRSA program. It was our understanding that this data was not required and only an alternative method of determining eligibility. This alternative method was not utilized in our determination and this decision inadvertently disqualified some of our small and rural LEAs from possibly receiving funds under this program as population density is a required element in determining eligibility.

As a result of a review of eligibility and utilizing population density data from the 2010 Census data (latest data available), we determined that four LEAs that were previously determined ineligible for the SRSA program should have been eligible. Please see the chart below:

NCES LEA ID	State ID	District Name	Locale codes of schools in the LEA	Is the LEA defined as rural by the State?	Average Daily Attendance	Is county population density less than 10 persons/sq . mile?	Does each school in LEA have locale code of 6,7, or 8?	FY 2014 Title II, Part A allocation amount	SRSA eligible
1	2	3	8	10	11	12	15	16	20
4900060	02	BEAVER DISTRICT	6,7	Yes	1,516	Yes	YES	47,483	SRSA
4900300	10	GARFIELD DISTRICT	7	Yes	926	Yes	YES	37,744	SRSA
4900450	15	JUAB DISTRICT	4,8	Yes	2,322	Yes	NO	53,889	SRSA
4900136	7F	EXCELSIOR ACADEMY	8	Yes	680	Yes	YES	13,062	SRSA

Based on our misunderstanding of the guidelines and not reporting county population density data, the above LEAs were deemed ineligible for the SRSA program. Three of the four LEAs received the SRSA grant in the previous year and the incorrect eligibility determination resulted in unintentionally preventing these LEAs from receiving essential funds in fiscal year 2016. The four above mentioned LEAs should have been eligible for these funds for fiscal year 2016. I respectfully request that you change the determination of eligibility for these LEAs for fiscal year 2016 and help us find a solution to provide grant funds as soon as possible to ensure LEAs programs are not harmed.

If you have any questions or need further information, please contact me at (801) 538-7615 or [scott.jones@schools.utah.gov](mailto:scott.jones@schools.utah.gov).

Sincerely,



Scott Jones  
Associate Superintendent of Business and Operations, USOE

cc: Natalie Grange, School Finance Director, USOE  
Jaime Barrett, Minimum School Program Coordinator, USOE