

**OMB Supporting Statement for Proposed Data Collection:
Study of School-Level Expenditures**

Part B. Collection of Information Employing Statistical Methods

9/1/09

1. Potential Respondent Universe

The potential respondent universe consists of all states and all school districts that receive Title I funds under the *American Recovery and Reinvestment Act of 2009 (ARRA)*. The study is not selecting a sample from which to collect the school-level expenditure data, because the *ARRA* statute requires all State educational agencies and all local educational agencies that receive Title I *ARRA* funds to submit these data. Therefore, the study will not employ statistical sampling or weighting methods.

This *ARRA* data collection requirement does not apply to districts that receive Title I funds under the Basic Grants and/or Concentration Grants formulas but do not receive Title I funds under the Targeted Grants and Education Finance Incentive Grants formulas, because the *ARRA* statute only requires districts that receive Title I, Part A *ARRA* funds (i.e., funds allocated under the Targeted Grants and Education Finance Incentive Grants formulas) to report school-level per-pupil expenditures. However, Section 1501 of the *ESEA* provides authority to “assess the implementation and effectiveness of programs under [Title I],” and states and districts are required to cooperate with Department evaluations of the Title I program, as a condition of receiving Title I funding (see Sections 9304(a)(4) and 9306(a)(4) of *ESEA*). Because these data will be used to examine the effectiveness of the Title I comparability requirement under Section 1120A(c) in ensuring the equitable distribution of state and local resources at the school level, this data collection is covered under the requirement for mandatory participation in Department evaluations of Title I.

Collecting data on the universe of Title I school districts will be useful because differentials in personnel expenditures may be more pronounced in lower-poverty districts than the higher-poverty ones that receive *ARRA* funds. There are an estimated 12,012 districts that are expected to receive Title I, Part A *ARRA* funds; expanding the data collection to include the universe of Title I LEAs will result in the dataset including an additional 1,095 LEAs.

In addition to the collection of school-level expenditure data from all Title I districts, the study is also collecting more detailed personnel-level salary expenditure data, as well as school-level expenditure data by funding source, from a sample of five states that have such data already available in their state data systems. The specific data to be collected from these five states are discussed in Part A of this Supporting Statement. The sample of five states will be selected purposively based on a determination of which states have already compiled these additional data. We expect this to impose a very small additional burden on these five states, and these additional data will give the study a stronger ability to assess the data quality and reliability of the aggregate school-level data that are being collected from all Title I districts (again, see Part A of this Supporting Statement for additional information).

We expect a 100% response rate because cooperation with this data collection is required as a condition of receiving Title I *ARRA* funds and regular Title I Part A funds.

2. Procedures for the Collection of Information

This study is collecting data for all school districts that receive Title I Part A funds, not a statistical sample, so stratification and other sampling procedures are not needed. The study will compile the data that states submit and the data tabulations will provide simple descriptive statistics; the study will not compute weighted estimates from these data because they are not based on a sample. This is a one-time data collection, so there is not a need to use periodic data collection cycles.

3. Methods to Maximize Response

The data collection instruments and cover letter will inform states of the statutory requirement for states and their school districts to cooperate with this data collection. Specifically, districts that receive Title I *ARRA* funds are required to submit data on school-level expenditures as a condition of receiving Title I *ARRA* funds. Districts that do not received Title I *ARRA* funds but do receive Title I Part A funds are also required to cooperate with Department evaluations of the Title I program, and that requirement applies to this data collection as well (see Section 9306(a)(4) of *ESEA*). States are also required under *ARRA* to submit the data to the Secretary of Education, and they are also required to cooperate with Department evaluations of the Title I program (see Section 9304(a)(4) of *ESEA*).

4. Tests of Procedures or Methods

The proposed data collection instruments were not pilot tested, but we did consult with state fiscal data providers at the NCES Data Conference in July 2009 about the statutory requirements for this data collection. We also consulted with staff at NCES and the U.S. Census Bureau about the planned data collection, and we used definitions of expenditures and school-level staffing classifications that are already used in existing NCES and Census Bureau data collections.

Although there are likely to be challenges for districts and states to reliably report on school-level expenditures from state and local funds, as discussed in Part A of this Supporting Statement, the *ARRA* statute requires the submission of these data. The study will include an examination of the quality of the data that are submitted and findings about data quality will be included in the report prepared from these data.

5. Individuals and Organizations Involved in This Project

The author of this data collection package was Stephanie Stullich, Program Analyst, Policy and Program Studies Service, Office of Planning, Evaluation, and Policy Development (tel: 202-401-2342). The study plan was developed in consultation with staff from the Office of Elementary and Secondary Education, Office of the General Counsel, and National Center for Education Statistics. We also consulted with staff from the U.S. Census Bureau who conduct the F-33 Survey of Local Government Finances (School Systems).

The contractor who will carry out this data collection is RTI International, and the RTI project director for this study will be Dr. Ruth Heuer, Research Education Analyst.