PURPOSE
To affirm NASSP’s support for federal funding that helps prepare secondary students for postsecondary success and to ensure that competitive grant programs do not divert substantial federal resources intended for key foundational formula programs and are implemented in a way that is meaningful, appropriate, fair, and grounded in research-based evidence.

ISSUE
Formula grants serve as the primary means to distribute federal education funding to states, districts, and schools and are mostly restricted simply by eligibility. Foundational formula grants in K—12 education include Title I grants for low-income schools and state grants that serve students with disabilities under the Individuals with Disabilities Education Act (IDEA). Competitive grants, on the other hand, are restricted by criteria that applicants must meet and are, by nature, only awarded to a selected group of states or districts. Most recently, the Race to the Top grant authorized in FY 2009 commits applicants to promise implementation of certain criteria established by the US Department of Education to be eligible for funding.
From 2009–2012, there has been increased investment in competitive grants, especially for signature programs such as Race to the Top and Investing in Innovation [i3]. For example, the FY 2013 budget request sought to increase the percent of education spending on competitive grants from 12% (FY 2012) to 18% (FY 2013). As a result, Congress must make tough decisions on funding trade-offs between formula and competitive grants. Trade-offs in education program funding are inevitable, given that there is—and will continue to be—very little appetite for increasing federal spending as Congress seeks to dramatically reduce the federal deficit over the coming years.

Schools are particularly concerned about funding for Title I and IDEA and the unfunded mandates that accompany these underfunded programs. According to the Committee for Education Funding, a coalition of more than 90 national education organizations, fully funding Title I grants would require an appropriation of approximately $35 billion annually, an increase of more than $20 billion over the FY 2012 allocation. Likewise, when IDEA was passed in 1975, Congress pledged to pay 40% of the excess cost of educating students with disabilities. Congress, however, has fallen far short of that promise, forcing states and districts to pay for the shortfall. In FY 2012, the federal share was only at 16.3%, not anywhere near the promised 40 percent toward full funding of IDEA.

Compounding the unmet needs of Title I and IDEA funding is the shrinking federal budget for education that we have seen—and are likely to continue to see—as the federal government tackles ways to address an unwieldy federal deficit. For example, since FY 2010 funding for over 50 education programs has been completely eliminated, cutting federal education funding by $1.2 billion. As a result, it will become increasingly difficult to come anywhere near fulfilling the unmet funding needs of Title I and IDEA as long as Congress chooses to carve out funding for competitive grants as well.

The NASSP Board of Directors approved a position statement in 2002 and revised it in 2009 to affirm the association’s belief that federal funding of middle level and high school education is necessary to prepare students for postsecondary success and to offer recommendations for federal policymakers to help improve schools and student achievement.

Congress and state legislatures routinely approve laws that necessitate local compliance. To be effectively implemented, many of those statutes require adequate funding. The federal and state governments must provide appropriate resources to meet these mandates.

Federal funding should help achieve equity, not exacerbate inequity. For this reason, competitive grants that by nature award only some, not all, eligible entities, should be authorized and implemented only when Congress identifies an opportunity to help achieve equity through the form of a competitive grant.
**RECOMMENDATIONS**

**Congress should:**

- Prioritize substantial education funding for formula grants that help achieve equity in per-pupil spending and that fulfill federal mandates over education funding for competitive grants, particularly those that do not directly address issues of equity in per-pupil spending or federal mandates.
- Fund competitive grants that specifically address the educational needs of secondary school students, help achieve funding equity, and are guided by criteria for student achievement that is grounded in evidence-based research.
- Fully fund ESEA and IDEA at their authorized levels through formula grants.
- Refrain from authorizing legislation with mandates that go largely unfunded by Congress either because of political or fiscal circumstances and, therefore, place the burden of funding those mandates on states and districts.
- Take into account the risks and inherent selectivity of competitive grant programs and ensure that any development and subsequent implementation of competitive grants must thus be meaningful, appropriate, fair, and grounded in research-based evidence and have a realistic timeline for implementation.

**The U.S. Department of Education should:**

- Regularly and thoroughly review available nationwide data on indicators that contribute to student achievement—including per pupil funding; attendance, graduation, and discipline rates; and school personnel, such as special education aides and school psychologists—among other indicators.
- Propose competitive grant programs that are guided by criteria for student achievement and grounded in evidence-based research to meet the greatest areas of need revealed by the indicators.
- Provide adequate time and technical assistance to states and districts that apply for competitive grants, especially those that are rural or have a significant proportion of low-income students, to ensure that all eligible entities have the capacity to submit strong applications and compete fairly.

**State and local policymakers should:**

- Assess their needs related to student achievement as well as their capacity before applying for a federal competitive grant program.
- Actively seek the assistance of the US Department of Education in the application, clarification, and implementation of any competitive grants that they pursue and continuously communicate their needs and progress related to the competitive grants to adjust the timeline or other terms of the grant as needed.

Advocate for the full funding of Title I and IDEA funds for which they are eligible.