

# CAPITOL RESEARCH

## ● ● ● EDUCATION POLICY

### EVALUATING THE ROLE OF STATES IN FEDERAL EDUCATION PROGRAMS

K-12 public education in the U.S. is funded primarily by state and local governments. In fact, only about 8 percent of elementary and secondary education spending comes from the federal government.

About 47 percent of total K-12 education spending in the U.S. comes from state governments. States vary greatly in their ratio of federal, state and local funding (table 1). Louisiana has the highest percent of educational funds that come from the federal government, at 15 percent. Vermont has the highest percent of state funding at 89 percent, and South Dakota has the lowest percentage of state funding at 30 percent. New Hampshire has a local contribution of 60 percent, and Washington, D.C., has a local contribution of 89 percent.

Federal education funding is usually provided through programs, which have certain requirements and criteria for participants, sometimes including fund-matching requirements. Most federal funding programs dealing with K-12 education are administered by the U.S. Department of Education. Yet, the largest U.S. Department of Education program is the Pell Grant program, which provides money to low-income individuals to pursue post-secondary education.

In K-12 education, the largest U.S. Department of Education program is the Title I program, which provided \$14.9 billion to schools in fiscal year 2016. Title I is authorized (table 2) under the Elementary and Secondary Education Act and provides funding to school districts that serve high percentages or numbers of low-income schools. The funding must provide targeted support for failing or at-risk students. If the school's population comprises more than 40 percent of students who are low-income, though, Title I funds can be used for school-wide programs.

Two substantial federal education programs are not administered by the U.S. Department of Education. The Head Start program is administered by the Department of Health and Human Services, and the National School Lunch Program is a division of the Department of Agriculture. Although these programs are federally funded, states also play a role in providing those services, either through direct supplemental funding of the federal program or through providing similar state programs.



The federal Head Start program supports the development and school-readiness of low-income children from birth to age 5. Head Start is a pre-kindergarten program for 3- and 4-year-olds who make up 80 percent of the children served by the Head Start program. The program also includes Early Head Start, which provides services and child care for infants and pregnant women.

Head Start provides federal grants to local grantees, such as child care centers or schools, for up to 80 percent of the total program cost.<sup>1</sup> In exchange for these funds, the grantees are subject to certain program requirements relating to enrollment, services and program structure. The grantee is responsible for funding the remaining 20 percent with nonfederal funds, unless they are granted a waiver by the local Health and Human Services officer.<sup>2</sup> These funds can be direct or through in-kind donations of volunteer time or resources such as building space.

Sometimes, states supplement the federal money in order (table 3) to help local agencies meet their non-