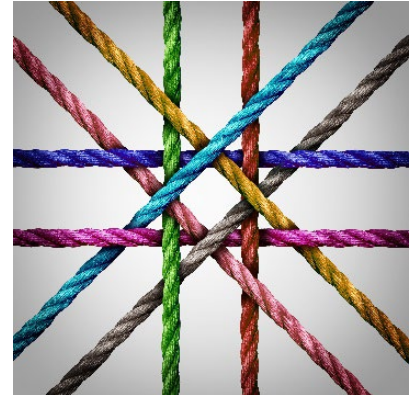


## What the Law Says

**Braiding** is the coordination of funds from multiple sources to support a common goal. When braiding funds, each program maintains its specific identity, funds are spent in alignment with the requirements of each program and are claimed from the original source. This is different from **blending**, in which funding sources are combined into one “pot” and all funds lose their identity. Braiding is a more common practice, since blending requires statutory authority.



Braiding funding sources to support educational initiatives ensures consistency, eliminates duplication of services, and can allow for more comprehensive support than would otherwise be available. Federal law authorizes districts to coordinate spending from different grant programs,<sup>1</sup> provided the activities are permitted under the grant program and the district maintains documentation on how federal funds are spent. Some sample scenarios that include braiding with federal funds are included at the end of this brief.

## What it Means

Districts can coordinate the use of federal funds with other funding sources to support implementation of a project, provided the activities are allowable under the program from which they are funded, and other requirements laid out in federal regulations are met.

## Requirements

There are a number of requirements that must be met when braiding federal funds.

1. **Allocability:** Districts must demonstrate that costs charged to each federal program are allocable to that program. A cost is allocable<sup>2</sup> if it benefits the program in proportion to the percentage charged to the program.
2. **Supplement not Supplant:** Supplement, not supplant (SNS) is a rule that applies to most federal grants and is designed to ensure federal funds provide extra support beyond what a district would otherwise spend on education. Generally, this means federal funds should add to (supplement) and not replace (supplant) state and local funds. However, **some federal programs cannot supplant other federal funds**. Because [SNS rules vary by program](#), districts should be aware of the specific rules for each program when considering braiding with federal funds.
3. **Maintenance of Effort:** Maintenance of Effort (MOE) requires districts to demonstrate that the level of state and local funding for public education remains relatively constant from year to year. This means a district cannot reduce state and local funds for public education and replace those funds with federal funds.<sup>3</sup> When braiding funds, it is important to attend to MOE.

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<sup>1</sup>ESEA Section 1111; ESEA Section 1112

<sup>2</sup> 2CFR 200.405

<sup>3</sup> ESEA Section 8521

4. *Inventory* - LEAs receiving federal funds must maintain an up-to-date inventory of equipment and non-consumable supplies purchased with federal funds.<sup>4</sup> This applies to items purchased for the LEA as well as participating non-public schools. The U.S. Education Department does not spell out a methodology for [maintaining inventory records](#); however, failure to properly keep records of inventory purchased with federal funds is a common error found in federal audits.
5. *Time and Effort* - Any employee paid with federal funds, whether full or part-time, must track and formally document their time and effort.<sup>5</sup> [Districts must have systems](#) that meet the requirements regarding time and effort outlined in the Uniform Grants Guidance (UGG). If districts use federal funds to pay for salary costs when braiding, time and effort documentation must be maintained.

## Recommendations for Practice

- *Start with identified needs.* Districts should conduct a comprehensive needs assessment to determine what initiatives or activities to prioritize as they begin the braiding process. Every district in Oregon has undertaken this process as a requirement of Integrated Guidance planning. Priorities identified from these efforts can inform district decisions about braiding with federal funds as well.
- *Understand federal regulations.* Each federal grant has its own rules on the kinds of activities the grant can support and who can participate in those activities. Districts must follow these rules when coordinating spending. While “allowable activities” are often articulated in the authorizing statute, states and districts must also look to the [Education Department General Administrative Regulations](#) (EDGAR), including Part 200 of Title 2 of the Code of Federal Regulations, commonly referred to as the [Uniform Grants Guidance](#) (UGG), to inform decision making.
- *Collaborate with intention.* Work with staff across programs to develop a plan that includes a budget documenting the funds combined from each program and monitor accountability by establishing and evaluating outcomes and performance measures.

## Questions for Reflection

1. What initiative or activity have we identified as a priority?
2. What federal funds are eligible to braid for this initiative?
3. What are the intent and restrictions of each federal program?
4. How will we ensure allocability, SNS, and maintenance of effort requirements are not violated?

## Resources

- [Oregon Federal Funds Guide](#)
- [ESSA Quick Reference Briefs](#)
- [Unlocking State and Federal Program Funds](#)
- [Braiding and Blending Federal Funds: A Guide for Illinois Schools](#)

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<sup>4</sup> 2 CFR 200.313(d)

<sup>5</sup> 2 CFR 200.430(i)

## Braiding Scenarios

### Scenario 1: MTSS

A district has a multi-tiered system of support (MTSS), in which federal program funds are used to serve the students targeted by each program.

- Title I-A:** Costs related to the screener, assessments, and intervention program\*
- Title II-A:** Costs related to professional learning on the intervention program for all teachers
- Title III:** Costs related to supplemental intervention programming for English Learners and immigrant youth
- Title IV-A:** Costs related to the technology needs for the program
- IDEA:** Costs related to the supplemental intervention programming for students experiencing disability

### Scenario 2: Inclusive Practices

To support the inclusion of students experiencing disability in the general education environment, a district wants to increase opportunities for co-teaching by general and special educators.

- Title I-A:** Costs related to teacher salaries and benefits\*
- Title II-A:** Costs related to professional learning on effective models of co-teaching
- Title III:** Costs related to supplemental programming to support English Learners and immigrant youth in the co-taught classroom
- IDEA:** Costs related to salaries for paraprofessionals to support students experiencing disability in the general education classroom; assistive technology services and supports

### Scenario 3: Unfinished Learning

To address unfinished learning, a district plans to offer a summer school program.

- Title I-A:** Costs related to teacher salaries and benefits\*
- Title II-A:** Costs related to professional development on the summer school program for all staff
- Title III:** Costs related to supplemental programming to support English Learners and immigrant youth in the summer program
- Title IV-A:** Costs related to the well-rounded curriculum for summer school
- Title V-B:** Costs related to supplemental materials and supplies
- IDEA:** Costs related to the supplemental intervention/support to ensure FAPE for students experiencing disability

*\*In Title I-A funded schools only*