



# RURAL AND LOW-INCOME SCHOOL PROGRAM GUIDE

Student, School, and Family Support Bureau  
New Mexico Public Education Department  
Guide



The State of New Mexico  
Title I Part A Guide

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Michelle Lujan Grisham  
Governor of New Mexico

Arsenio Romero, PhD  
Secretary of Public Education

Candice Castillo, Ed.D  
Deputy Cabinet Secretary

Kirsi Laine  
Director of SSFS Bureau

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## Purpose of the Rural and Low-Income School Program (RLIS)

The Rural and Low-Income School Program (RLIS) is authorized under Elementary and Secondary Education Act (ESEA), as amended, Title V, Part B — Rural Education Initiative Subpart 2. This initiative is designed to help rural districts and state charter schools use federal funding more effectively to address their unique needs.

### Eligibility

A school district or state charter school is eligible to participate in the RLIS program if it meets the criteria of being both low-income and rural [ESEA section 5221(b)(1)].

1. To be considered low-income, 20 percent or more of the children ages five to seventeen served by a district or state charter school must be from families with incomes below the poverty line, based on data from the U.S. Census Bureau's Small Area Income and Poverty Estimates (SAIPE). Since there is no SAIPE data available for state charter schools (non-geographic local education agencies), the state-derived equivalent of SAIPE data that is used for allocations under Title I Part A is used for this purpose.

2. To be considered rural, all schools comprising the district or state charter school must have a school locale code of 32, 33, 41, 42, or 43 (assigned by the National Center for Education Statistics), or be in an area of the State defined as rural by a governmental agency of the State.

NM PED awards the RLIS subgrants based on the students in average daily attendance (ADA) served by the district or state charter school.


### Dual-Eligibility

Some districts and state charter schools meet the eligibility requirements for both subparts under Title V Part B, subpart 1: Small, Rural School Achievement (SRSA) Program and subpart 2: RLIS. Such a district or state charter school is referred to as *dual-eligible*.

A dual-eligible district or state charter school must choose one program to apply for and **may not apply for both** SRSA and RLIS programs. Each fiscal year the U.S. Department of Education posts the final program (SRSA or RLIS) for every district and state charter school in a Master Eligibility Spreadsheet (MES) on their Rural and Low-Income School Program webpage.

### RLIS Use of Funds

In general, RLIS funds can be used for allowable activities under Title I, Part A, Title II, Part A, Title III, Title IV, Part A, and Parental Involvement Activities. RLIS funds must be used to supplement and not supplant any other federal, state, or local funds. Funds may be used to support initiatives for improving school performance and student achievement, please see table below for some examples. Please note, the list is not exhaustive and only a sample of activities is included.



| Program Area   | Example  |
|--|--|
| Title I, Part A — Improving Basic Programs Operated by LEAs                  | Activities designed to increase access and prepare students for success in high-quality advanced coursework to earn postsecondary credit while in high school (could include dual or concurrent enrollment, Advanced Placement, early college high schools, International Baccalaureate) |
| Title II, part A — Supporting Effective Instruction                          | Developing or improving evaluation and support systems for teachers, principals, and other school leaders  |
| Title III — Language Instruction for English Learners and Immigrant Students | Supplemental professional development for teachers of English learner (EL) students.   |
| Title IV, Part A — Student Support and Academic Enrichment                   | Providing students in rural, remote, and underserved areas with digital resources  |
| Parental Involvement Activities  | Creation of a parental advisory committee to provide input on various education topics   |

(adapted from the Information Document on the Rural Education Achievement Program (REAP), 2021)

## Cost Principles

When determining if an activity or proposed expenditure meets the requirements of RLIS, please consider some of the following questions:

### Does the cost meet all allowability requirements under 2 CFR 200.403?

- Is the cost necessary and reasonable for the performance of the Federal award, and allocable thereto?
- Does the cost conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items?
- Is the cost consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-Federal entity?
- Is the cost accorded consistent treatment as either direct or indirect?
- Is the cost determined to be in accordance with generally accepted accounting principles (GAAP)?
- Costs cannot be included as a cost or used to meet cost sharing or matching requirements of any other federally financed program in either the current or a prior period. Is the cost being used this way?
- Is the cost adequately documented?
- Is the cost being incurred during the approved budget period?

### Is the proposed expenditure or activity allocable?

Is the activity incurred specifically for the purpose of RLIS? If the cost benefits more than RLIS, is the cost distributed in proportions that may be approximated using reasonable methods?

- 2 CFR § 200.405 requires that charges to federal awards be allocated “in accordance with the relative benefits received.”

### **Is the cost necessary and reasonable?**

Is the cost necessary for supporting initiatives for improving school performance and student achievement?

- Is the nature and amount of the cost such that a prudent person under the circumstances prevailing at the time the decision was made would incur? [2 CFR 200.404]
- Is the cost reasonable as compared to fair market prices for similar and comparable goods or services?
- Are all applicable purchasing or procurement codes followed?

### **Supplement, Not Supplant Requirement**

RLIS funds shall be used to supplement, and not supplant, any other federal, state, or local education funds. [ESEA, as amended, section 5232]


Please see below for the three situations when it will be presumed that supplanting has occurred, and the district or state charter school will have to demonstrate that the proposed activity is supplemental—

- If the activity is one that would ordinarily be covered with other federal, state, or local funds (for example, in most cases, standard textbook purchases would ordinarily be covered with state or local funds),
- If the district or state charter school previously funded the activity with other federal, state, or local funds, or
- If the activity is state-mandated or required by federal law (for example, provision of certain services to English learners required by federal civil rights laws (Lau v. Nichols 1974))

*(Information Document on the Rural Education Achievement Program, 2021)*

Thus, when considering whether an activity is supplemental, there are three guiding questions which are based on the above three situations:

1. Is the activity one that would ordinarily be covered with other federal, state, or local funds (for example, in most cases, standard textbook purchases would ordinarily be covered with state or local funds)?
2. Has the district or state charter school previously funded the activity with other federal, state, or local funds?
3. Is the activity state-mandated or required by federal law (for example, Lau v. Nichols (1974) requirements for services for English learner students)?



For example, if the district or state charter school determines that no other federal, state, or local funds are available to fund the proposed activity, then it may be possible RLIS funds could be used for the activity. Another example could include the following scenario: A district or state charter school with a Title I targeted assistance school program could supplement an afterschool program, where Title I funds are used for the program for Title I eligible students, with RLIS funding to expand the afterschool program to students who are not Title I eligible.

It is difficult to provide general guidelines on the supplement, not supplant requirement without examining the fact-specific details of a given situation. Please contact the SSFS Bureau for clarification of the specific details of the district or state charter school's situation.

### Duration of the RLIS Subgrants

The funding allocation must be expended by the end of 27 months. This allows for district or state charter schools to plan and make the best use of funds to support students as well as monitor the effectiveness of the program and support services more thoughtfully. The period for which the RLIS grant was awarded shall span the 27-month performance period, which includes the Tydings Amendment period as granted to the NM PED by the U.S. Department of Education (ED). The Tydings Amendment period refers to the period in which any funds not obligated and expended during the time for which they were awarded become carryover funds and may be obligated and expended during the succeeding fiscal year. This use of the Tydings Amendment period provides districts and state charter schools the opportunity to plan more effectively and make the best use of funds. The Tydings Amendment period also allows for the uninterrupted monitoring of the effectiveness of the program and support services.

### RLIS Application and Evaluation

The RLIS application is an annual district and state charter school plan of activities that is submitted typically in the spring to the NM PED. Any proposed activities that are not aligned to the federal law will require the district or state charter school to complete necessary adjustments, including removing unallowable activities if applicable, through an iterative process and resubmit the application for additional review and approval. The RLIS applications will receive final approval in early June, if not sooner. The RLIS budget in the Operating Budget Management System (OBMS) is then aligned to the approved application. Generally, if the RLIS application and budget are approved within the NM PED established timelines, the district or state charter school would have budget authority on July 1<sup>st</sup>.

The RLIS application has individual modules that will need to be completed. This includes providing a description of how previous subgrants have impacted student outcomes as well as identifying goals and measurable outcomes of the proposed program plan as well as describe evidence-based strategies and activities to be used to accomplish the intended goals.



## Additional Documents

### Equipment Approval Form

If any equipment proposed to be purchased in the RLIS application costs \$5,000 or more, the district or state charter school must submit a completed \$5K Equipment Form for approval *prior* to making the purchase. The form can be found on the [Fiscal Grants Management website](#) as well as under the Resources area in the RLIS application.

### RLIS Pre- Approval Form

An RLIS Preapproval Form must be submitted when the final RLIS Application Checklist requires a preapproval for the broad categorical activities listed in the approved application once further details for the activity are available (such as vendor, product description, etc.). RLIS Preapprovals can be submitted at any time during the duration of the RLIS subgrant and must be submitted prior to expending funds. The SSFS Bureau may request further information or additional details before approving or disapproving the request. The approved RLIS Preapproval Form is part of required documents when submitting an RfR for the expenditure to support timely processing of the RfR. An RLIS Preapproval Form is not required for detailed activities or purchases already approved in the RLIS application. Failure to submit a Preapproval Form for an activity or purchase not previously approved could result in a denied RfR for the activity or purchase.

### RLIS Amendment Form

The Amendment Form is utilized if adjustments or changes need to be made to an approved RLIS Application. This form can be found on the NMPED website under Rural and Low-Income School Program. This form must be submitted for review and approval and must be received prior to funds being expended.

## RLIS Budget in the Operating Budget Management System (OBMS)

Once an RLIS application has been approved, the district or state charter school is ready to enter an RLIS budget in OBMS (fund 24160). This budget must have fund codes that align with the approved RLIS application. For the district or state charter school to have budget authority for its RLIS budget in OBMS by July 1st of the upcoming fiscal year, the budget has to be entered and approved in OBMS by the deadline determined by the NMPED's Administrative Services Division and must be entered into OBMS before the new fiscal year begins by the given deadline.

## Budget Adjustment Requests (BARs)

During the fiscal year the NMPED informs districts and state charter schools that have qualified for RLIS funding of their RLIS final award as well as of any carryover. If a district or state charter school has an increased amount of funding available under RLIS the entity will enter an increase

BAR in OBMS. Before the increase BAR can be approved, the intended expenditure(s) must be approved by the SSFS Bureau. Districts and state charter schools are asked to attach a BAR Justification Form for the purpose of submitting intended expenditures to the SSFS Bureau for approval.

## Requests for Reimbursement

District or state charter schools must expend RLIS funds in accordance with their approved RLIS application. To receive reimbursement for RLIS expenditures, districts and state charter schools must submit an RfR in OBMS. The RfR includes an expenditure summary report, detailed expenditure report, and supporting documentation. The claim period for an RfR must match the claim period on the expenditure report. The table below describes the RfR process. RfRs should be submitted regularly and timely, once a month if possible. Please note that the RLIS fund 24160 is on a first in, first out basis, and the amount will be deducted from the remaining funds, if any, from within the 27-month period. Additional questions or documentation may be required for RfRs.

Prior to submitting an RfR, it is important to be able to answer the following questions:

- Is the purchase an approved expenditure?
- Has a \$5K Equipment Form been approved by SSFSB staff prior to expending funds, if applicable?
- Are all required documents attached? Ex: Approved RLIS Preapproval or Amendment Form
- Are all supporting documents provided? Ex: Agendas, sign-in sheets, invoices, purchase orders

| Request for Reimbursement (RfR) Process |  |
|---|--|
| DISTRICT/STATE CHARTER SCHOOL LEVEL     | PED LEVEL  |
| 1. RfR created                          | 1. SSFSB Program Manager may request additional information and supporting documentation |
| 2. Preparer (business office personnel) | 2. SSFSB Program Manager approves or disapproves   |
| 3. RfR pending                          | 3. Fund analyst approves or disapproves  |
| 4. Submit to business manager           | 4. Fund supervisor approves or disapproves   |
| 5. RfR ready to submit                  | 5. Paid by Department of Finance Administration  |
| 6. Business manager approves            |  |
| 7. Business manager submits             |  |
| 8. RfR submitted to PED                 |  |





## RLIS Program Monitoring

The SSFS Bureau conducts program monitoring as required in Code of Federal Regulations under CFR 200.332(d) and (e). The purpose of the monitoring is to identify areas of achievement and improvement. A five-year cycle is implemented, thus, annually, approximately 30 different districts and state charter schools complete the Monitoring Tool based on Title I-A program participation. If the district or state charter school also participates in the RLIS program, the RLIS questions will be included as required areas to complete.

### Description of Eligible Locale Codes

Assigned by the National Center for Education Statistics (NCES)

**32 Town — Distant:** Territory inside an urban area with population less than 50,000 that is more than 10 miles and less than or equal to 35 miles from an urban area with population of 50,000 or more.

**33 Town — Remote:** Territory inside an urban area with population less than 50,000 that is more than 35 miles from an urban area with population of 50,000 or more.

**41 Rural — Fringe:** Territory outside an urban area that is less than or equal to 5 miles from an urban area with population of 50,000 or more, as well as territory outside an urban area that is less than or equal to 2.5 miles from an urban area with population less than 50,000.

**42 Rural — Distant:** Territory outside an urban area that is more than 5 miles but less than or equal to 25 miles from an urban area with population of 50,000 or more, as well as territory outside an urban area that is more than 2.5 miles but less than or equal to 10 miles from an urban area with population less than 50,000.

**43 Rural — Remote:** Territory outside an urban area that is more than 25 miles from an urban area with population of 50,000 or more and is also more than 10 miles from an urban area with population less than 50,000.



## Acronyms

ADA – Average Daily Attendance as defined by state law

AFUA – Alternative Fund Use Authority

CFR – Code of Federal Regulations

ESEA – Elementary and Secondary Education Act

LEA – Local Educational Agency

MES – Master Eligibility Spreadsheet

NCES – National Center for Education Statistics

OBMS – Operating Budget Management System

REAP – Rural Education Achievement Program

RLIS – Rural and Low-Income School Program

SAIPE – Small Area Income and Poverty Estimates

SEA – State Educational Agency

SRSA – Small, Rural School Achievement Program