



STATE OF CONNECTICUT
STATE BOARD OF EDUCATION



To: Superintendents of Schools

From: Charlene M. Russell-Tucker
Commissioner of Education

Date: June 11, 2026

Subject: Transfer of Funds between Federal Grant Awards

This memorandum provides an overview of the federal funding flexibilities available under the Elementary and Secondary Education Act (ESEA), under the Elementary and Secondary Education Act (ESSA) of 1965, as amended by the Every Student Succeeds Act (ESSA) of 2015 Consolidated - Title I, Part A (20679), Title II, Part A (20858), Title III (20868), Title IV, Part A (22854), Title I, Part D (20680, 20679), Small Rural School Assistance Program (SRSA) Title V, Part B (21st Century Community Learning Centers - 20866).

These opportunities are worthy of consideration, as they may:

- Maximize resource efficiency;
- Support comprehensive initiatives;
- Reduce administrative burden;
- Build coherence for improved influence on student outcomes;
- Foster collaboration; and
- Increase sustainability.

The statute allows for two important flexibilities, which include:

1. **Transferability Authority:** available to all districts; and
2. **Alternative Fund Use Authority (AFUA):** available to Small, Rural School Assistance (SRSA) eligible LEAs. The purpose of the SRSA program is to provide rural local educational agencies (LEAs) with financial assistance to fund initiatives aimed at improving student academic achievement.

Transferability, outlined under ESEA section 5103, allows LEAs to move federal funds between specific programs so districts can better match resources to their needs. LEAs do not need prior approval from the US Department of Education, but their plan for the use of these funds and the specific program to which it will be transferred must be included in the Connecticut State Department of Education (CSDE) electronic Grants Management System (eGMS) grant application and approved by the CSDE.

To transfer funds, districts need to identify the program to which they plan to transfer, what the funds will be used for, and outline this information in the budget narrative under object code 914 in the relevant application budget. The funds stay coded, budgeted, and reported under the initial program, but the transfer approval expands the allowable uses.

Programs such as the Individuals with Disabilities Education Act (IDEA) and grants under the Carl D. Perkins Technical Education Act (Perkins V) are not authorized under ESSA and therefore are not eligible for flexibilities under this program. The table below provides a complete list of federal Title funds that can be transferred to and from each Title grant.

	Transfer Funds From:	Transfer Funds To:
Title I	<i>No</i>	<i>Yes</i>
Title I, Part D	<i>No</i>	<i>Yes</i>
Title II	<i>Yes</i>	<i>Yes</i>
Title III	<i>No</i>	<i>Yes</i>
Title IV, Part A	<i>Yes</i>	<i>Yes</i>
Title IV, Part B	<i>No</i>	<i>No</i>
Title V, Part B	<i>No</i>	<i>Yes</i>

Alternate Fund Use Authority (AFUA)

The SRSA Program, under Title V, Part B of ESSA, addresses the unique needs of small, rural LEAs that often lack the personnel and resources needed to compete effectively for federal competitive grants and receive formula allocations too small to meet their intended purpose. The SRSA program may help rural LEAs use federal resources more effectively to improve instructional quality and increase student academic achievement.

An LEA eligible for the SRSA program not only benefits from SRSA grant program funds but also may exercise a key flexibility provision in the ESEA. The AFUA gives an eligible LEA broad authority to spend funds the LEA receives under selected ESEA programs on activities authorized under several additional ESEA programs. The authority is specifically designed to give small, rural LEAs greater latitude to spend their federal funds in ways that best address an LEA's particular needs. The AFUA permits an eligible LEA to use all or part of the funds the LEA receives under Title II, Part A (Supporting Effective Instruction); and Title IV, Part A (Student Support and Academic Enrichment) to carry out activities authorized under one or more of the following programs: Title I, Part A (Improving Basic Programs Operated by LEAs); Title II, Part A (Supporting Effective Instruction); Title III (Language Instruction for English Learners and Immigrant Students); Title IV, Part A (Student Support and Academic Enrichment); and Title IV, Part B (21st Century Community Learning Centers). The AFUA does not authorize the transfer of funds from one program to another. Rather, it gives an LEA more options for spending its Title II, Part A and Title IV, Part A funds. All activities under the SRSA program and the AFUA must supplement, and not supplant, any other federal, state, or local education funds.

SRSA-Eligible Districts in Connecticut

Based on current eligibility information, the Connecticut districts listed below meet SRSA criteria:

Andover	EdAdvance	Salisbury
Ashford	Explorations	Scotland
Barkhamsted	Franklin	Sharon
Bethany	Gilbert School	Sherman
Bozrah	Hampton	Sterling
Canaan	Hartland	Sprague
Canterbury	Kent	Union
Chaplin	Lisbon	Voluntown
Chester	Marlborough	Westbrook
Colebrook	New Hartford	Willington
Columbia	Norfolk	Regional School District 1
Cornwall	North Canaan	Regional School District 11
Deep River	Pomfret	
EASTCONN	Preston	
Eastford	Salem	

These districts are eligible for SRSA and therefore may exercise AFUA. Districts do not need to receive SRSA funds to use AFUA. However, they must meet SRSA eligibility.

Aligning Transferred Funds to the Purpose and Intent of the Programs

When making any transfers, LEAs must confirm that the intended use of the transferred funds is consistent with the intent and purpose of the grant. As a reminder, below is a brief overview of the major federal grant programs *to which* funds can be transferred:

- Title I, Part A: Helps ensure all students have equitable access to high-quality education and supports reducing achievement gaps;
- Title I, Part D: Provides funds to support students residing in juvenile justice settings, or in alternative settings for youth experiencing neglect;
- Title II, Part A: Focuses on teacher and leader quality, professional development, and instructional improvement;
- Title III, Part A: Supports English Learners/Multilingual Learners (ELs/MLs) in attaining English proficiency and achieving academically; and
- Title IV, Part A: Helps districts improve academic achievement through well-rounded education, safe/healthy schools, and effective technology integration.

Important Considerations

- When transferring Title II funds into Title I, the transferred amount will be included in the calculation to determine the proportionate private school share and family engagement set aside.
- When making transfers that will impact the private schools, LEAs will need to ensure that the schools agree with the purpose and nature of the use of funds.

To be eligible for approval, the budget narrative in eGMS must include the following:

- Which federal program the funds are being transferred to;
- The exact amount of the expense; and
- Enough information for the CSDE grant contact to determine whether the action is:
 1. Reasonable: costs are within range for market value;
 2. Necessary: expenditures are required to deliver the program; and
 3. Allocable: use of such funds are not prohibited for any reason, and aligned with purpose and intent of the grant program.

The eGMS screenshot below provides an example of a budget narrative from a Title II application that would be an approvable transfer.

Object	914 Internal Transfers must specify grant(s) to which funds are being transferred. Provide transferred amounts for each grant.	Transfer to Title I for partial salary (.2 FTE) of Math Interventionist at Aspen Middle School, required for implementation of our MTSS program (Title I program goal #1)							
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For questions related to grant funds, please contact the CSDE grant contact associated with the related grant, or listed in the application.

CRT: jm

cc: Irene Parisi, Chief Academic Officer
 John Frassinelli, Division Director, Office of Student Support Services
 Megan Alubicki-Flick, State Title III Director
 James Dargati, State Title II Director
 Jennifer Murrihy, State Title I Director
 Kate Bohannan, Title IV, Part A Director
 Shelby Pons, Title IV, Part B Director