

## EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114-95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114-95, set out as a note under section 6301 of this title.

## PART B—FLEXIBILITY IN THE USE OF ADMINISTRATIVE AND OTHER FUNDS

**§ 7821. Consolidation of State administrative funds for elementary and secondary education programs****(a) Consolidation of administrative funds****(1) In general**

A State educational agency may consolidate the amounts specifically made available to it for State administration under one or more of the programs under paragraph (2) if the State educational agency can demonstrate that the majority of its resources are derived from non-Federal sources.

**(2) Applicability**

This section applies to any program under this chapter under which funds are authorized to be used for administration, and such other programs as the Secretary may designate.

**(b) Use of funds****(1) In general**

A State educational agency shall use the amount available under this section for the administration of the programs included in the consolidation under subsection (a).

**(2) Additional uses**

A State educational agency may also use funds available under this section for administrative activities designed to enhance the effective and coordinated use of funds under programs included in the consolidation under subsection (a), such as—

- (A) the coordination of those programs with other Federal and non-Federal programs;
- (B) the establishment and operation of peer-review mechanisms under this chapter;
- (C) the administration of this subchapter;
- (D) the dissemination of information regarding model programs and practices;
- (E) technical assistance under any program under this chapter;
- (F) State-level activities designed to carry out this subchapter;
- (G) training personnel engaged in audit and other monitoring activities;
- (H) implementation of the Cooperative Audit Resolution and Oversight Initiative of the Department; and
- (I) implementation of fiscal support teams that provide technical fiscal support assistance, which shall include evaluating fiscal, administrative, and staffing functions, and any other key operational function.

**(c) Records**

A State educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual program, to account for costs relating

to the administration of programs included in the consolidation under subsection (a).

**(d) Review**

To determine the effectiveness of State administration under this section, the Secretary may periodically review the performance of State educational agencies in using consolidated administrative funds under this section and take such steps as the Secretary finds appropriate to ensure the effectiveness of that administration.

**(e) Unused administrative funds**

If a State educational agency does not use all of the funds available to the agency under this section for administration, the agency may use those funds during the applicable period of availability as funds available under one or more programs included in the consolidation under subsection (a).

**(f) Consolidation of funds for standards and assessment development**

In order to develop challenging State academic standards and assessments, a State educational agency may consolidate the amounts described in subsection (a) for those purposes under subchapter I.

(Pub. L. 89-10, title VIII, § 8201, formerly title IX, § 9201, as added Pub. L. 107-110, title IX, § 901, Jan. 8, 2002, 115 Stat. 1966; renumbered title VIII, § 8201, and amended Pub. L. 114-95, title VIII, §§ 8001(a)(2), 8005, Dec. 10, 2015, 129 Stat. 2088, 2089, 2100.)

## AMENDMENTS

2015—Subsec. (b)(2)(I). Pub. L. 114-95, § 8005, added subpar. (I).

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**§ 7822. Single local educational agency States**

A State educational agency that also serves as a local educational agency shall, in its applications or plans under this chapter, describe how the agency will eliminate duplication in conducting administrative functions.

(Pub. L. 89-10, title VIII, § 8202, formerly title IX, § 9202, as added Pub. L. 107-110, title IX, § 901, Jan. 8, 2002, 115 Stat. 1967; renumbered title VIII, § 8202, Pub. L. 114-95, title VIII, § 8001(a)(2), Dec. 10, 2015, 129 Stat. 2088, 2089.)

**§ 7823. Consolidation of funds for local administration****(a) General authority**

In accordance with regulations of the Secretary and for any fiscal year, a local educational agency, with the approval of its State educational agency, may consolidate and use for the administration of one or more programs under this chapter (or such other programs as the Secretary shall designate) not more than the percentage, established in each program, of the total available for the local educational agency under those programs.

**(b) State procedures**

A State educational agency shall, in collaboration with local educational agencies in the State, establish procedures for responding to requests from local educational agencies to consolidate administrative funds under subsection (a) and for establishing limitations on the amount of funds under those programs that may be used for administration on a consolidated basis.

**(c) Conditions**

A local educational agency that consolidates administrative funds under this section for any fiscal year shall not use any other funds under the programs included in the consolidation for administration for that fiscal year.

**(d) Uses of administrative funds****(1) In general**

A local educational agency that consolidates administrative funds under this section may use the consolidated funds for the administration of the programs and for uses, at the school district and school levels, comparable to those described in section 7821(b)(2) of this title.

**(2) Fiscal support teams**

A local educational agency that uses funds as described in section 7821(b)(2)(I) of this title may contribute State or local funds to expand the reach of such support without violating any supplement, not supplant requirement of any program contributing administrative funds.

**(e) Records**

A local educational agency that consolidates administrative funds under this section shall not be required to keep separate records, by individual program, to account for costs relating to the administration of the programs included in the consolidation.

(Pub. L. 89–10, title VIII, §8203, formerly title IX, §9203, as added Pub. L. 107–110, title IX, §901, Jan. 8, 2002, 115 Stat. 1967; renumbered title VIII, §8203, and amended Pub. L. 114–95, title VIII, §§8001(a)(2), 8006, Dec. 10, 2015, 129 Stat. 2088, 2089, 2100.)

## AMENDMENTS

2015—Subsec. (b). Pub. L. 114–95, §8006(1), substituted “A State” for “Within 1 year after January 8, 2002, a State”.

Subsec. (d). Pub. L. 114–95, §8006(2), added subsec. (d) and struck out former subsec. (d). Prior to amendment, text read as follows: “A local educational agency that consolidates administrative funds under this section may use the consolidated funds for the administration of the programs and for uses, at the school district and school levels, comparable to those described in section 7821(b)(2) of this title.”

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**§ 7824. Consolidated set-aside for Department of the Interior funds****(a) General authority****(1) Transfer**

The Secretary shall transfer to the Department of the Interior, as a consolidated amount for covered programs, the Indian education programs under part A of subchapter VI, and the education for homeless children and youth program under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11431 et seq.], the amounts allotted to the Department of the Interior under those programs.

**(2) Agreement****(A) In general**

The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of the programs specified in paragraph (1), for the distribution and use of those program funds under terms that the Secretary determines best meet the purposes of those programs.

**(B) Contents**

The agreement shall—

- (i) set forth the plans of the Secretary of the Interior for the use of the amount transferred and the achievement measures to assess program effectiveness, including program objectives; and
- (ii) be developed in consultation with Indian tribes.

**(b) Administration**

The Department of the Interior may use not more than 1.5 percent of the funds consolidated under this section for its costs related to the administration of the funds transferred under this section.

**(c) Accountability system**

(1) For the purposes of part A of subchapter I, the Secretary of Interior, in consultation with the Secretary, if the Secretary of the Interior requests the consultation, using a negotiated rulemaking process to develop regulations for implementation no later than the 2017-2018 academic year, shall define the standards, assessments, and accountability system consistent with section 6311 of this title, for the schools funded by the Bureau of Indian Education on a national, regional, or tribal basis, as appropriate, taking into account the unique circumstances and needs of such schools and the students served by such schools.

(2) The tribal governing body or school board of a school funded by the Bureau of Indian Affairs may waive, in part or in whole, the requirements established pursuant to paragraph (1) where such requirements are determined by such body or school board to be inappropriate. If such requirements are waived, the tribal governing body or school board shall, within 60 days, submit to the Secretary of Interior a proposal for alternative standards, assessments, and an accountability system, if applicable, consistent with section 6311 of this title, that takes into account the unique circumstances and needs of such school or schools and the students served.