

The National Center for Systemic Improvement's quick reference guides are intended to assist states and interested parties in better understanding the basics of fiscal requirements stipulated in the Individuals with Disabilities Education Act (IDEA); the Education Department General Administrative Regulations (EDGAR); and the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (commonly known as the Uniform Grant Guidance or Uniform Guidance). This informal guidance does not represent an interpretation of IDEA by the Office of Special Education Programs (OSEP) or the U.S. Department of Education.

I What Are Braiding and Blending in the Educational Funding Context?

Braiding and blending are two resource allocation approaches used by local educational agencies (LEAs) to coordinate or consolidate multiple funding sources in support of shared program goals. While the terms are commonly used, they are not defined in federal statutes or regulations. Using these flexible approaches, LEAs and schools are able to maximize their federal and state resources by aligning them around common purposes. Decisions about whether to braid or blend funds should be made based on specific contexts, taking into account how the approach will benefit students, support educators, and enhance the overall design and delivery of the program.

I What Is Braiding?

Braiding is a strategic approach that coordinates multiple funding streams to support a single project or program that addresses various needs simultaneously. While each funding stream maintains its own identity and reporting requirements, the funds are intentionally aligned to maximize their impact on a shared objective. When using the braiding approach, state educational agencies (SEAs), LEAs, and schools must adhere to the specific funding requirements for each program.

WHAT ARE THE BENEFITS OF BRAIDING FUNDS?

- **Requires No Statutory Authority:** Braiding does not require legislative changes or special permissions, which makes it easier to implement.
- **Leverages Multiple Funding Sources:** Braiding allows agencies to align resources from various funding streams to support larger, more comprehensive projects and programs that might not be achievable with a single funding source. For example, an LEA could coordinate its IDEA Part B funds for assistive technology with Title I funds for supplementary educational services aimed at enhancing literacy for students with disabilities. Other braiding purchases could include software licenses for educational programs. These examples reduce duplication of purchases for both funding streams.
- **Maximizes Program Impact and Expands Student Access:** Braiding enables leaders to optimize program impact by providing continuity in services to students through an integrated approach rather than offering fragmented services across separate programs.

WHAT ARE SOME CHALLENGES RELATED TO BRAIDING FUNDS?

- **Maintaining Funding Source Identity:** Each funding stream retains its own eligibility requirements and allowable activities, making coordination more complex.
- **Documenting Cost Allocations:** Clearly documenting the allocability of costs to different funding sources is required to maintain compliance and transparency.
- **Navigating Organizational Control:** Agencies may experience concerns over shared control or perceived loss of ownership, which can lead to resistance or reduced collaboration.

I What Is Blending?

Blending refers to the process of consolidating multiple funding sources into a single funding stream. These pooled funds offer greater flexibility because expenditures are not required to be tracked to the individual funding sources. Blending typically requires statutory authority and administrative approval due to the increased level of fund integration. Blending is primarily a flexibility granted to schools that participate in a Title I, Part A schoolwide program (Section 1114 of the Elementary and Secondary Education Act [ESEA], reauthorized under the Every Student Succeeds Act [ESSA]). Operating a schoolwide program enables a Title I school to more effectively design and implement a comprehensive plan to upgrade the entire educational program in the school as informed by the school's comprehensive needs assessment. LEAs can consolidate some of their IDEA Part B funds with other ESSA funds to carry out a schoolwide program to more efficiently manage integrated programs.

WHAT ARE THE BENEFITS OF BLENDING FUNDS?

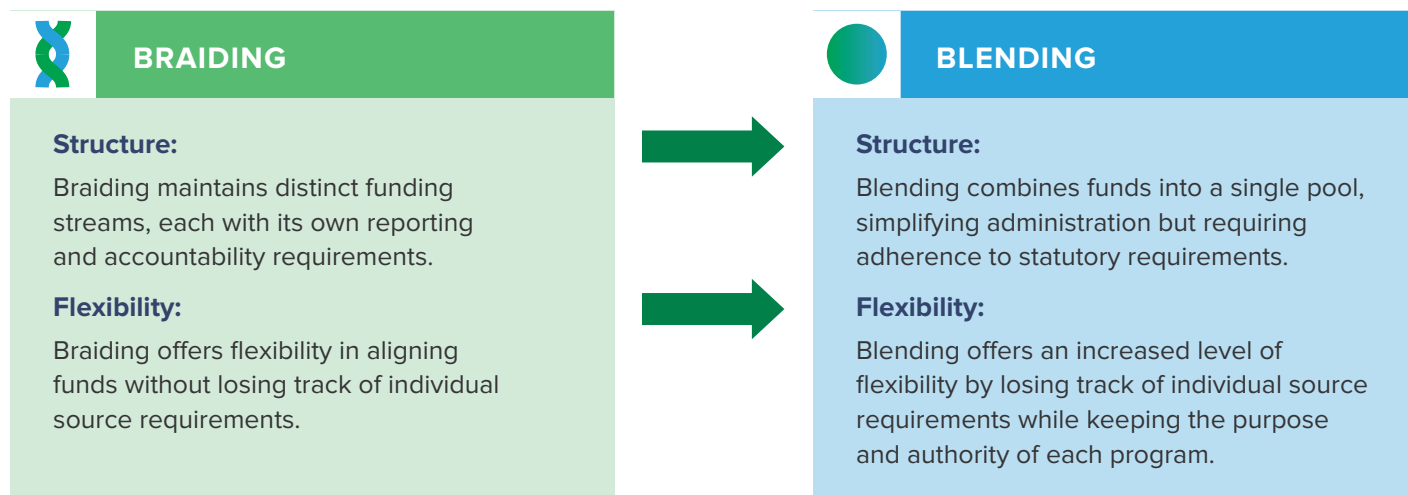
- **Enables Greater Flexibility:** Consolidated funding streams lose their individual award-specific identities, including eligibility criteria and scope of authorized activities, allowing for greater flexibility in utilizing the “pooled” resources effectively and efficiently.
- **Reduces Compliance Burden:** LEAs and schools are not required to meet most statutory and regulatory requirements of the individual federal programs included in the consolidation provided they can demonstrate that the funds will support the intent and purpose of each program.

- **Maximizes Program Impact and Expands Student Access:** Blending funds, like braiding, enables education leaders to optimize program impact by providing continuity in services to students through an integrated approach rather than offering fragmented services across separate programs. For example, an LEA could pool its IDEA Part B funds with state early childhood grants into a single budget to operate a comprehensive, inclusive preschool program that offers more flexibility.

WHAT ARE SOME CHALLENGES RELATED TO BLENDING FUNDS?

- **Requiring Statutory Authority:** Blending requires legislative authorization and SEA approval, which can create barriers to implementation.
- **Shifting Organizational Mindsets:** Dedicated leadership is essential to support a shift from siloed, fund-specific program planning to a unified approach focused on the collective needs of students and educators. Program leaders may experience a perceived loss of ownership or control over the funds or programs they have historically administered, leading to potential conflicts or reduced collaboration during the transition to integrated programs.
- **Establishing Clear Policies and Procedures:** Blending requires LEAs to establish strong financial management systems, including written policies and procedures. These systems empower leaders to strategically leverage all available funds and ensure that the intent and purpose of each consolidated program is met with fidelity.

I What Are Some Key Differences of Braiding and Blending?



Basic Flexibilities Under IDEA

Schools and districts often have questions about how IDEA Part B funds can be used in ways that align with broader funding flexibility strategies. This section addresses some of the most common questions about how IDEA funds can be consolidated or coordinated with other education funding streams, respectively through Title I schoolwide programs or the use of funds for Coordinated Early Intervening Services (CEIS), while maintaining compliance with key fiscal requirements.

I How Can IDEA Part B Funds Be Consolidated?

To better leverage all available funding, a school that operates a schoolwide program has the flexibility to consolidate funds from Title I of ESSA and other federal education programs with state and local funds (ESEA Section 1114(a)(1), (3)). By consolidating funds in a schoolwide program, a school can more effectively design and implement a comprehensive plan informed by the school's comprehensive needs assessment to enhance the entire educational program.

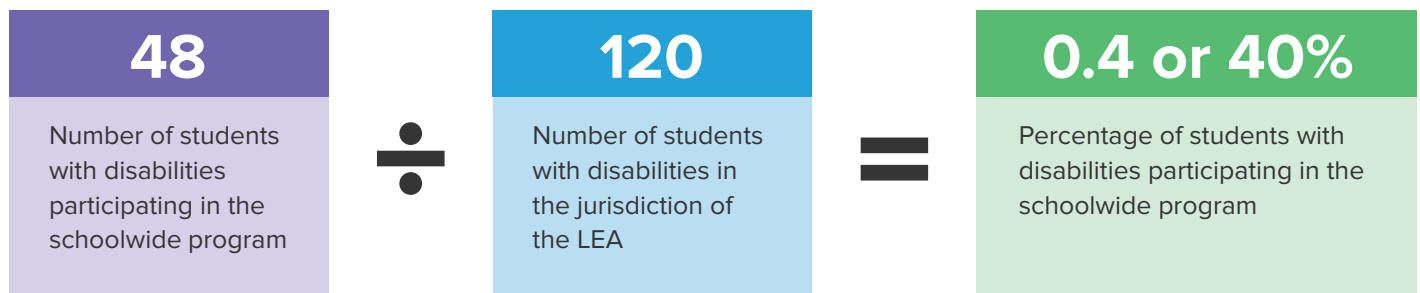
I How Can an LEA Calculate the Portion of IDEA Funds Available for Consolidation With the Title I Schoolwide Program?

An LEA may use funds received under IDEA Part B for any fiscal year to carry out an approved Title I, Part A schoolwide program. The amount of IDEA Part B funds used in any school with an approved Title I, Part A schoolwide program may not exceed the amount of the IDEA Part B grant multiplied by the percentage of students with disabilities participating in the schoolwide program. The percentage of students with disabilities participating in the schoolwide program is calculated by dividing the number of students with disabilities participating in the schoolwide program by the total number of students with disabilities within the jurisdiction of that agency. In this example, the LEA could use up to 40 percent of its IDEA Part B funds for consolidation with the Title I schoolwide program.

I Are LEAs Required to Comply With LEA MOE and Excess Cost Requirements When Consolidating Funds?

Under IDEA Part B, when both braiding and blending funds, LEAs are required to comply with LEA maintenance of effort (LEA MOE) and excess cost requirements to ensure that funds are used to pay for the excess cost of providing special education and related services to children with disabilities. These requirements also ensure that the level of state and local funding made available for the special education program in the prior year is maintained in the year of consolidation.

EXAMPLE CALCULATION



I What Are Examples of Consolidation and Coordination of IDEA Part B Funds?

Flexibility	Description	Authority
Consolidation	IDEA Part B funds may be consolidated in a schoolwide program.	34 C.F.R. §300.206
Coordinated Early Intervening Services (CEIS)	LEAs may use up to 15% of their total IDEA Part B Sections 611 and 619 allocations to provide academic and behavioral support for K–12 students who are not identified as needing special education or related services but who require additional assistance. An LEA is required to use 15% of its IDEA Part B funds for comprehensive CEIS (CCEIS) if it is identified with significant disproportionality.	20 U.S.C. §1413(f); 34 C.F.R. §300.226(a)

I What Fiscal Safeguards Apply When LEAs Braid or Blend IDEA Part B Funds With Other Funding Sources?

BRAIDING

If IDEA Part B funds are braided, LEAs are required to comply with maintenance of effort and excess cost requirements. These requirements ensure that IDEA funds are used only for the additional costs of educating students with disabilities and that the level of state or local funding provided for special education in the prior year is maintained in the year of consolidation.

BLENDING

In addition to complying with LEA MOE and excess cost requirements, LEAs must show that each school continues to receive the full amount of state and local funds it would otherwise receive in the absence of federal funds. Both the LEA and school must maintain records demonstrating how the intent and purpose of each consolidated program are being met.

I Questions for States to Consider

WHAT ARE THE ESSENTIAL ELEMENTS NEEDED AT THE STATE LEVEL TO CONSIDER WHEN BRAIDING AND BLENDING FUNDS?

Before selecting cohort criteria or making other programmatic decisions, SEAs should first confirm that their internal financial and data reporting systems can support a braiding and blending pilot program for LEAs. Strong staff capacity and collaboration between special education and other federal program teams are essential.

HOW WILL STATES ASSESS AND ENSURE LEA READINESS FOR BRAIDING AND BLENDING?

Successful implementation will require ongoing technical assistance, support, and oversight. Each participating department must be trained and fully prepared to carry out its new roles and responsibilities before any consolidation begins.

Through coordinated planning and oversight, SEAs and LEAs can use braiding and blending to align resources, strengthen program coherence, and improve outcomes for students with disabilities. Ongoing collaboration and accountability will ensure that these funding flexibilities are implemented effectively and sustain compliance over time.

| Resources

[2 C.F.R. §200.405 – Allocable costs](#)

[34 C.F.R. §76.580 – Coordination with other activities](#)

[34 C.F.R. §76.760 – More than one program may assist a single activity](#)

[34 C.F.R. §200.29 – Consolidation of funds in a schoolwide program](#)

[ESSA Section 1008 – Schoolwide Programs](#)

[OESE Nonregulatory Guidance \(2016\)—Supporting School Reform By Leveraging Federal Funds in a Schoolwide Program](#)

69 Federal Register 40,682, 40,684 (July 2, 2004)
[Federal Register: Notice Authorizing Schoolwide Programs To Consolidate Federal Education Funds and Exempting Them From Complying With Statutory or Regulatory Provisions of Those Programs](#)

[Non-Regulatory Guidance, Title I Fiscal Issues. February 2008.](#)

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