



West Virginia DEPARTMENT OF
EDUCATION

Office of Special Education Maintenance of Effort (MOE)

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Maintenance of Effort (MOE)



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EDUCATION

Part B LEA MOE

- IDEA MOE Regulations:
 - IDEA requires that LEAs must budget and expend the same amount of local funding for special education as it expended in the previous fiscal year. (34 CFR §300.203)



Part B LEA MOE

- The amount of local, or State and local, funds expended for the education of children with disabilities is the amount of funds that establishes the level of expenditures to be maintained from year to year and establishes the MOE level.



Supplement not Supplant

Funds under Part B must be used to supplement State, local and other Federal funds and not to supplant them (See 34 CRF §300.202(a)(3))

If a LEA **maintains** its fiscal effort, it will only be using Part B funds to supplement local, or state and local funds, and not to supplant them and thus meets the supplement/not supplant requirements.



MOE-Eligibility and Compliance

Eligibility Test

- Local special education budget amounts compared to prior year actual expenditures
- Determines whether an LEA is "eligible" to receive the IDEA entitlement grants

Compliance Test

- Local special education actual expenditures two-year comparison
- Determines whether an LEA is in final compliance with the MOE requirement



MOE-Eligibility and Compliance

Failing Eligibility Test

- LEA may not receive an IDEA allocation for fiscal year tested

Failing Compliance Test

- LEA must repay an amount equal to the short-fall
- Must use non-federal funds for repayment
- Possible single audit finding



MOE-Assurance for Funding Eligibility

- To be eligible for plan approval and to receive a grant awards for FY 18, the LEA must submit a FY 18 LEA budget that assures MOE will be met
- Medicaid funds spent for students with disabilities are NOT counted as local funds for the purpose of MOE (CSBO codes Medicaid revenues and expenditures in WVEIS which are excluded from calculation. Use Project 00Y83)



Four Tests to Meet MOE

- An LEA needs to only meet ONE of the following comparison tests:
 - 1) Local & State expenditures in total for SWD
 - 2) Local Only expenditures for SWD
 - 3) The per student amount of Local & State expenditures for SWD
 - 4) the per student amount of Local Only expenditures for SWD

First must **budget** adequate amount, then must **spend**



MOE Federal Clarification


- Consolidated Appropriations Act, 2014
 - That the level of effort a local educational agency must meet under section 613(a)(2)(A)(iii) of the IDEA, in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's reduced level of expenditures.



Examples of a Compliance Analysis Based on a Combination of State and Local Funds

Table 1. LEA Maintained Effort in 2016-2017			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2015-2016	\$100	\$100	LEA met MOE requirement
2016-2017	\$90	\$90	LEA properly took exceptions and adjustment allowed by code
2017-2018		\$90	Required level of effort is \$90 because LEA expended \$90 and met MOE in 2016-2017


Table 2. LEA Did Not Maintain Effort in 2016-2017			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2015-2016	\$100	\$100	LEA met MOE requirement
2016-2017	\$90	\$100	LEA did not maintain effort
2017-2018		\$100	Required level of effort is \$100 despite LEA's failure in 2016-2017


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Examples of an Eligibility Analysis Based on a Combination of State and Local Funds

Table 3. LEA Maintained Effort in 2015-2016			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2014-2015	\$130	\$130	LEA met MOE requirement
2015-2016	\$150	\$130	LEA met MOE requirement
2016-2017	\$90	\$90	Final expenditure data are not available when budgeting for 2017-2018
2017-2018		\$150	Required level of effort to budget for 2017-2018 is \$150 because LEA expended \$150 and met MOE in 2015-2016

Table 4. LEA Did Not Maintain Effort in 2015-2016			
Fiscal Year	Actual level of effort	Required level of effort	Notes
2014-2015	\$130	\$130	LEA met MOE requirement
2015-2016	\$100	\$130	LEA did not maintain effort
2016-2017			Final expenditure data are not available when budgeting for 2017-2018
2017-2018		\$130	Required level of effort to budget for 2017-2018 is \$130 despite LEA's failure in 2015-2016


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LEA MOE Exceptions

34 CFR §300.204 provides exceptions for:

- voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel – hiring staff who fall lower on the pay scale;
- decrease in the enrollment of students with disabilities;
- termination of costly long-term purchases such as the acquisition of equipment or construction of school facilities;



LEA MOE Exceptions

- Termination of an exceptionally costly obligation to a particular child with a disability because the child
 - Has left the jurisdiction;
 - Has reached the age at which the obligation to provide FAPE to the child is terminated; or
 - No longer needs the program of special education
- Assumption of cost by a high cost fund operated by the SEA under 34 CRF §CFR 300.704(c)



Part B LEA Adjustments

With certain exceptions, for any fiscal year for which an LEA's Part B allocation under section 611 exceeds the amount the LEA received for the previous fiscal year, the LEA may reduce the level of expenditures otherwise required for MOE by not more than 50% of the amount of the excess

See 34 CFR §300.205(a)



Part B LEA Adjustments

An LEA is eligible to make the 50% reduction if the LEA:

- Receives an increase in section 611 funds
- “meets requirements” under the sec. 616 determinations
- Has not had action taken against it by the SEA under IDEA section 616
- Has not had responsibility for providing FAPE taken from it by the SEA
- Has not been found by the SEA to have significant disproportionality under 34 CFR §300.646



LEA MOE Exceptions

- In all the exceptions noted on the previous slides, appropriate and thorough documentation must be submitted in each case to support the amount, reason, and/or justification for the exception.



MOE Calculation – State/Local

- Include
 - Total Expenditures in funds 11, 12, 2X, 3X, 4X, 5X, 61 and 71
 - Projects 00YXX – 29YXX, 52YXX and 9XYXX
 - Program/Function code 2XXXX
- Exclude
 - Projects 04YXX, 00Y83
 - Program/Function Code 41471 (Gifted)
 - Object Codes 217 and 235



MOE Calculation – Local Only

- Total Revenues in funds 11 & 12, Project 00YXX, Revenue Source Code 01XXX (Excluding project 00Y83 – Medicaid) / Total Revenues in funds 11 & 12, Project 00YXX, ALL Revenue Source Codes (Excluding Revenue Source Code 04221 and project 00Y83 – Medicaid)
- Dividing the first total into the second total provides the percentage of local revenue to total of state and local revenue
- Total State and local expenditures in Program/Function 2XXXX, Funds 11 & 12, Project 00YXX (Excluding project 00Y83 – Medicaid and Program/Function 41471 – Gifted)
- Multiply total expenditures by the percentage of local revenue calculated above to find the amount of expenditures attributable to local sources



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Maintenance of Effort

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BOARD OF EDUCATION
MAINTENANCE OF EFFORT CALCULATION
STATE AND LOCAL FUNDS - COMPLIANCE TEST FOR FY 2018

	FY 16	FY 15	Increase or (Decrease)
1. Total Expenditures in Funds 11, 12, 2K, 3K, 4K, 5K, 6K, and 7K, Projects 00YXX, 2RXXX and 8KXXX, Program/Function Code 20000. (Excluding Program/Function Code 21271 and Objects 217, 225, but not in 217 as applicable, subtract that total now.	\$ 1,873,992.87	\$ 1,917,489.42	
2. If expenditures for OPEB were recorded by Program/Function 20000, not in 217 as applicable, subtract that total now.		0	0
3. Late Total Expenditures for Medicaid (Project 00Y83)	18,284.77	0.00	0.00
4. If Medicaid expenditures were not recorded in project 00Y83, enter the total expended for Medicaid for SWD now.		0	0
5. Reduction in MOE, if applicable (Approved and verified by WVEI for FY 16)			
Must provide basis for Reduction (see Requirements link above)			
<input type="text"/>			
(Maximum characters: 250) You have 250 characters left.			
TEST 1A			
6. Total State and Local Expenditures (Includes Medicaid, OPEB and OPEB ARC reported by CS90)	1,888,327.80	1,917,489.42	- 59,161.62
TEST 1b			
7. Total State and Local Expenditures Less Approved Reduction in MOE (approved for FY17 but subtracted from prior year amount)	1,888,327.80	1,917,489.42	- 59,161.62
TEST 2A			
8. Child Count from previous December 1	191	202	
9. Total State and Local expenditures on a per pupil basis	9,729.45	9,492.52	236.94
TEST 2B			
10. Total State and Local expenditures on a per pupil basis Less Approved Reduction in MOE on a per pupil basis	9,729.45	9,492.52	236.94

[update](#)

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WVETS West Virginia Department of Education 2018 CUSTOM SDC99999

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Compliances

- LEA-Special Education
 - LEA-MOE 2019
 - State/Local
 - Local Funds
 - LEA-MOE 2018
 - State/Local
 - Local Funds

BOARD OF EDUCATION
LOCAL FUNDS ONLY - COMPLIANCE TEST FOR FY 2018

	FY 16	FY 15	Increase or (Decrease)
1. Total Revenues in Funds 11 and 12 (Excluding project 00y03 - Medicaid)	\$- 15,123,470.92	\$- 11,622,367.83	
2. Total Revenues in Funds 11 and 12 (Excluding Revenue Source Code 04221 and project 00y03 - Medicaid)	\$- 18,862,118.27	\$- 18,760,089.82	
3. Percentage of local revenue to total of state and local (Item 1 divided by Item 2)	81.08	69.30	
4. Total state and local expenditures in Program/Function Codes, Funds 11 and 12, Project 00y03 (Excluding project 00y03 - Medicaid and Program/Function 21271 - OMed; see note below)	\$ 1,958,880.80	\$ 2,004,738.87	
TEST 3			
5. Expenditures attributable to local sources (Item 4 multiplied by Item 3)	\$ 1,588,495.55	\$ 1,452,806.12	\$ 135,689.43
TEST 4			
6. Child Count from previous December 1	181	202	
7. Total State and Local expenditures on a per pupil basis (Item 5 divided by Item 6)	\$ 8,306.29	7,191.12	\$ 1,115.14

Note: If Medicaid expenditures were not recorded to project 00y03, subtract the amount of Medicaid expenditures entered in the State/Local MOE screen, Item 4, from Item 4 above to determine total state and local expenditures. Recalculate the increase/decrease to determine maintenance of effort.

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Part VII: Maintenance of Effort
MAINTENANCE OF EFFORT CALCULATION
FY 18 Special Education Plan
STATE AND LOCAL FUNDS - COMPLIANCE TEST FOR FY 18

Data for yellow cells is obtained from the Special Education Maintenance of Effort FY18 Application on WVETS on the Web. Data for pink cells is provided by the district. Any district using CDS funds, contact OSE for assistance.
NOTE: Any increase in column 1 indicates MOE is met. Only one test must be met.

	FY16	FY15	Increase (Decrease)
1. Total Expenditures in funds 11, 12, 20, 3K, 4K, 5K, 61, and 71, Projects 00Y0X, 20Y0X, 32Y0X, and 80Y0X, Program/Function code 20000 (Excluding projects 04Y0X, 00Y03 and Program/Function 4147.1, objects 217.235)			
2. If expenditures for OPEB were recorded to Program/Function 20000 but not in 217 as applicable, subtract that total now	\$ -	\$ -	
2a. If Education Jobs Fund Expenditures were recorded to Project 32 but should NOT be included in MOE, enter that total now	\$ -	\$ -	
3. If Medicaid expenditures were not recorded in project 00Y03, enter the total expended for Medicaid for SWD now	\$ -	\$ -	
TEST 1			
4. Total State and Local Expenditures (Excludes Medicaid, Gifted and OPEB ARC reported by OSE/OS)	\$ -	\$ -	\$ -
5. Child Count from previous December 1	INA	INA	
TEST 2			
6. Total State and Local Expenditures on a per pupil basis	INA	INA	INA
7. Reduction in MOE (if applicable) (Prior approval by WVOC if documentation required)			
TEST 1 B			
8. Total State and Local Expenditures less Approved Reduction in MOE	\$ -	\$ -	\$ -
TEST 2 B			
9. Total State and Local Expenditures less Approved Reduction in MOE on a per pupil basis	INA	INA	INA

If NO increase is displayed in the right-hand column above for any one of the tests (test 1, 2, 1B or 2B), then proceed to complete the local funds only test. Data are obtained from the Special Education Compliances - MOE 2015-Local Only Screen in the former on-line plan.

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LOCAL FUNDS ONLY - COMPLIANCE TEST FOR FY 16				
		FY 16	FY 15	Increase (Decrease)
1	Total Revenues in Funds 11 and 12, Project 00YXX, (Excluding project 00Y83 - Medicaid)			
2	Total Revenues in Funds 11 and 12, Project 00YXX, ALL Revenue Source Codes (Excluding project 00Y83 - Medicaid)			
3	Percentage of local revenue to total of state and local (Item 1 divided by Item 2)	#DIV/0!	#DIV/0!	
4	Total state and local Expenditures in (Excluding project 00Y83 - Medicaid and Program/Function 41471 - Gifted, objects 217,235)			
5	If Medicaid expenditures were not recorded in project Total excluding 00y83 Medicaid	\$ -	\$ -	
TEST 3				
6	Expenditures attributable to local sources (Item 5 multiplied by Item 3)	#DIV/0!	#DIV/0!	#DIV/0!
7	Child count from previous December 1	#N/A	#N/A	
TEST 4				
8	Per capita local expenditures (Item 6 divided by Item 7)	#DIV/0!	#DIV/0!	#DIV/0!



Part VIII: ELIGIBILITY - FY 18 BUDGET AMOUNT

Enter the amount of State and Local Funds or Local Funds Only budgeted to provide special education and related services to students with disabilities during the 2017-2018 School Year. Do not include Medicaid funds. Must be equal to or greater than the amount in Item 6, Part VII MOE State and Local, or, per pupil amount below must be greater than Item 9. If not, an allowable reason for reduction and applicable documentation must be submitted. State reason in box provided and submit documentation separately.

Enter December 1, 2016 Child Count*

The December 2016 child count is used for estimation purposes, however, the actual amount the LEA is required to spend will be calculated on the December 2017 child count, when available.

Per Child Amount Budgeted from State and Local Funds or Local Funds only for the 2017-2018 School Year.

Auto Calculated: _____ #N/A

Provide allowable reasons for approved reduction in maintenance of effort, if any:

The above comparison is based on the most current available expenditures data, however, to meet MOE for 2017-2018, the LEA must meet or exceed the level of statelocal or local only expenditures for the immediate prior year (2016-2017). The LEA assures FY17 expenditures will be adjusted as needed to meet MOE when the immediate prior year expenditures are available.



FUNDING OPPORTUNITIES FROM OSE



OSE Sources of Funding

- LEA & RESA Funding Applications
 - IDEA (Federal) (43YXX)
 - State Aid for Exceptional Students (02Y1X)
- Other LEA Funding Opportunities
 - Out-of-State – state (02Y2X)
 - Out-of-County – state (02Y6X)
 - High Cost/High Acuity – IDEA (43Y3X)/state (02Y5X)
 - Assistive Technology – IDEA (43Y3X)
 - Technology Integration Specialist – IDEA (43Y3X)
 - SLP Distance Education Program – IDEA (43Y3X)



LEA IDEA & State Aid Applications

- IDEA and State funding applications due June 30th
- Applications are being reviewed in the order in which they were received
- SE Director & CSBO will receive an e-mail from the reviewer with the results and a review checklist
- Resubmit the plan by e-mail with the corrections
- When approved, an e-mail will be sent to the SE Director and CSBO
- Plan is either fully approved or approved pending (WVEIS) budget revision



High Cost/High Acuity Expenditure Reimbursement

- Funds available for the 2016-2017 applications:
 - \$2,337,415 (\$837,415 IDEA and \$1,500,000 State)
- Application due date - August 15, 2017
- Discussion on completion of the application will be offered during the SE afternoon breakout session



Assistive Technology

- **\$200,000** Available for **2017-2018**
- Provides reimbursement for the purchase of assistive technology devices. An invoice must be submitted with the application.
- Counties are required to ensure that assistive technology services and/or devices are a part of the student's Individualized Education Program (IEP).



Assistive Technology

- A revised application is made available each summer and may be submitted at any time throughout the year **once expense is incurred**. Contact Lee Ann Brammer for additional information. Application is available on the OSE website.

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Questions

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