

Maintenance of Effort (MOE)



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

Actual level of effort	Required level of effort	Notes	
\$100	\$100	LEA met MOE requirement	
\$90	\$90	LEA properly took exceptions and adjustment allowed by code	
	\$90	Required level of effort is \$90 because LEA expended \$90 and met MOE in 2016-2017	
-	\$100	\$100 \$100 \$90 \$90	

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



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

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

	Table 4. LEA D	id Not Maintain Effort	in 2015-2016	
Fiscal	Actual level of effort	Required level of	Nicker	
Year	Actual level of effort	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	



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 LEAs 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

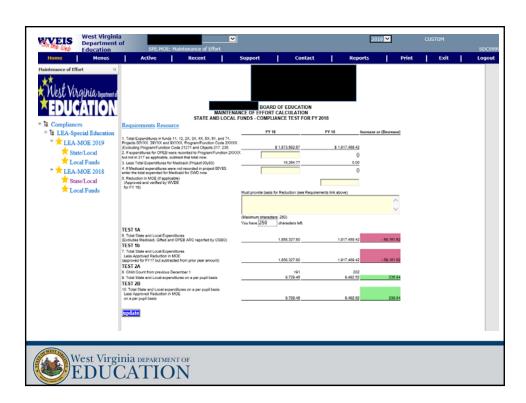
- Include
 - Total Expenditures in funds 11, 12, 2X, 3X, 4X, 5X, 61 and 71
 - Projects 00YXX 29YXX, 52YXX and 9XYXX
 - Program/Function code 2XXXX
- Exclude
 - Projects 04YXX, 00Y83
 - Program/Function Code 41471 (Gifted)
 - Object Codes 217 and 235

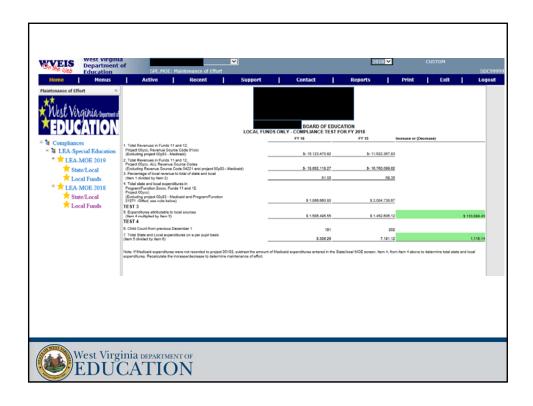


MOE Calculation - Local Only

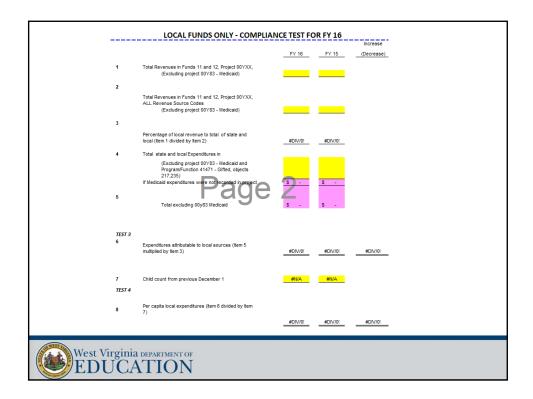
- Total Revenues in funds 11 & 12, Project 00YXX, Revenue Source Code 01XXX (Excluding project 00Y83 – Medicaid) / Total Revenues in funds 11 & 12, Project 00YXX, ALL Revenue Source Codes (Excluding Revenue Source Code 04221 and project 00Y83 – Medicaid)
- Dividing the first total into the second total 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

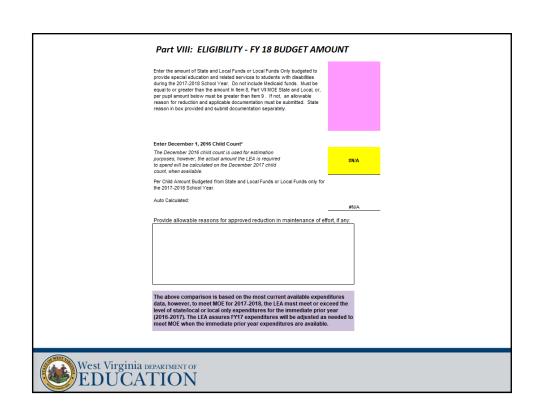






	Part VII: Maintenance MAINTENANCE OF EFFOR		N	
	FY 18 Special Educat	tion Plan		
	STATE AND LOCAL FUNDS - COMP	PLIANCE TEST FO	RFY16	
	flow cells is obtained from the Special Education Maintenance			on the Web. Data
for pink co	Ils is provided by the district. Any district using CEIS funds, co NOTE: Any Increase In Column I Indicates MOE Is			
		FY16	FY15	(Decrease)
1	Total Expenditures in funds 11, 12, 2X, 3X, 4X, 5X, 61, and 71, Projects 00YXX - 29YXX, 52YXX and 9YYXX, Program/Function code 20XXX.			
	(Excluding projects 04YXX, 00Y83 and Program/Function 41471, objects 217,235)			
2	If expenditures for OPEB were recorded to Program/Function 2000X but not in 217 as applicable, subtract that total now	s .	s -	
2a	If Education Jobs Fund Expenditures were recorded to Project 52 but should NOT be included in MOE, enter that total now	s -	S -	
\$	If Medicaid expenditures were not recorded in project 00Y83, enter the total expended for Medicaid for SWD now	s .	s -	
TEST 1 4	Total State and Local Expenditures (Excludes Medicaid, Giffied and OPEB ARC reported by CSBO)	s .	<u>s - </u>	<u>s · </u>
5 TEST 2 6	Child Count from previous December 1	#N/A	#N/A	
	Total State and Local Expenditures on a per pupil basis	#N/A	#NA	#N/A
7	Reduction in MOE (if applicable) (Prior approval by WVDE of documentation required.)			
TEST 1 B 8	Total State and Local Expenditures less Approved Reduction in MOE	s -	s -	s -
TEST 2 B 9	Total State and Local Expenditures less Approved Reduction in MOE on a per pupil basis	IINIA	#NA	#N/A
to comple	ease is displayed in the right-hand column above for an ret the local funds only test. Data are obtained from the en in the former online plan.			





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 <u>once expense is</u> <u>incurred</u>. Contact Lee Ann Brammer for additional information. Application is available on the OSE website.

□lbrammer@k12.wv.us



Questions

Shana Clay, CPA
Office of Special Education
sdclay@k12.wv.us
304-558-2696

