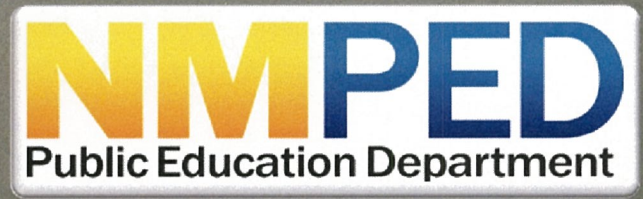


# Local Maintenance of Effort (MOE)

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Legislative Education Study Committee  
October 24, 2017





# IDEA B Eligibility Test

- Did the LEA **budget** at least the same level of effort for the current year as was **spent** for the same purpose in the most recent prior year for which data is available?

*For Example:*

LEA passes the eligibility test for IDEA B funds if...

- LEA **budgets** \$750,000 for the 2017-2018 School Year and;
- LEA **spent** \$745,000 during the 2015-2016 School Year (most recently closed fiscal year)



# Options for Establishing Eligibility

- LEAs may submit exceptions and/or adjustments per **34 CFR § 300.204** and/or **CFR § 300.205** to the Special Education Bureau (SEB) for approval
  - LEAs must provide a written request to the SEB to establish eligibility for an exception to their maintenance of effort for any given fiscal year.
- If the exception is approved by SEB, the LEAs may adjust the budgeted amounts in OBMS to establish eligibility



# Are you compliant with MOE?

There are two ways to demonstrate compliance with the MOE regulations:

- Total expenditure calculation (MOE Expenditures-Exceptions)  
= SY 17-18 MOE Total minus SY 15-16 MOE Total

- OR -

- Per capita calculation (MOE Total/40D SWD child count)  
= SY 17-18 Per Capita minus SY 15-16 Per Capita



# Determining the Level of Effort

- Expenditures reported by the LEA and approved by PED in OBMS under Funds 11000 (Operational) and 13000 (Transportation) will be considered when determining the level of effort for LEAs
  - Federal funding is NOT allowed in MOE calculations
- Level of effort is based on information provided by the LEA through OBMS
  - PED Approved Final Expenditure Reports are submitted by the LEA annually



# Determining the LEA's level of effort...

## continued

- Expenditures reported under the following **Object Codes for Contracted Ancillary Services** are included in determining the LEA's level of effort:
  - 53211 Diagnosticians
  - 53212 Speech Therapists
  - 53213 Occupational Therapists
  - 53214 Physical/Recreational Therapists
  - 53215 Psychologists/Counselors
  - 53216 Audiologists
  - 53217 Interpreters
  - 53218 Specialists
  - 53219 Special Ed. Assistants (non-instructional)



# Determining the LEA's level of effort... continued

- The SEB also considers expenditures in the following Job classification codes as reported under object codes for employees 51100 (Salaries), 51200 (Overtime) and 51300 (Additional Compensation):
  - 1311 Diagnosticians
  - 1312 Speech Therapists
  - 1313 Occupational Therapists
  - 1314 Physical/Recreational Therapists
  - 1315 Psychologists/Counselors
  - 1316 Audiologists
  - 1317 Interpreters
  - 1318 Specialists
  - 1319 Special Ed Assistants (non-instructional)
  - 1412 Teachers – Special Education , not gifted
  - 1712 Instructional Assistants – Special Education



# Allowable Exceptions

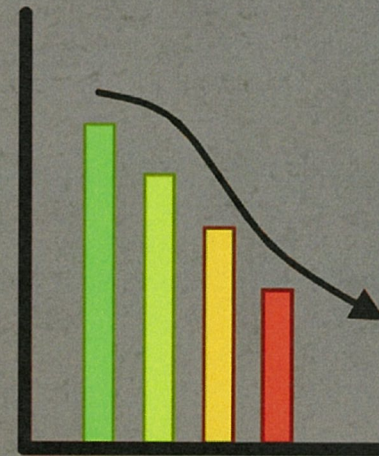
- The voluntary departure, by retirement or otherwise, or departure for just cause of special education or related services personnel.
  - **Approved** (e.g. Teacher retires, teacher voluntarily leaves, misconduct or breach of contract, not renewing a teacher's contract due to decrease in enrollment)
  - **Not approved** (e.g. RIFs or Layoffs)
  - Submitting the required documentation





# Allowable Exceptions (continued)

- A decrease in the enrollment of children with disabilities.
  - Per Capita Calculation





# Allowable Exceptions (continued)

- The termination of obligation... to provide a program of special education that is exceptionally costly because the child:
  - Has left the LEA
  - Has reached the age at which the obligation of the LEA to provide a Free Appropriate Public Education (FAPE) has terminated
  - Or the child no longer needs the special education program

- Submit the required documentation

34 CFR § 300.204 (c)





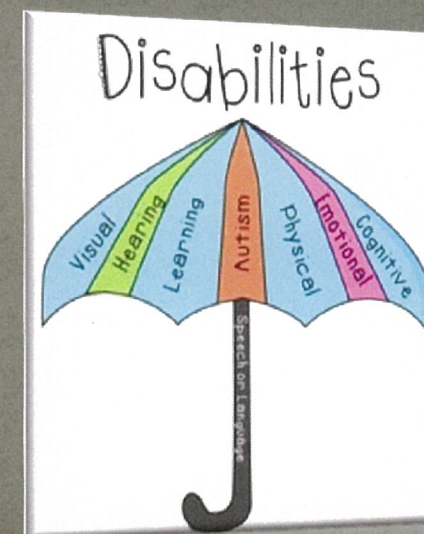
# Allowable Exceptions (continued)

- The termination of costly expenditures for long term purchases, such as the acquisition of equipment or the construction of school facilities.
- Other expenditures are allowed to be considered if the LEA submits them and will be considered on submitted documentation by LEA.



# Allowable Exceptions (continued)

- The assumption of cost by the high cost fund, known as Puente para los Niños.
- This exception is automatically applied to those LEAs that have received an award and reimbursement during the fiscal year being calculated



34 CFR § 300.204 (e)



# Allowable Adjustments to MOE

- Year to year increase in IDEA B funding:
  - The LEA's Annual Determination is "Meets Requirements"
  - The State has not taken action against the LEA

**Note:** This adjustment is automatically applied if the LEA is eligible



# CIFR MOE Calculator

- The Center for IDEA Fiscal Reporting (CIFR) has released a new tool to assist LEAs and State Education Agencies (SEAs) with calculating MOE
  - Due to national concerns with calculating MOE
  - Standardized process

34 CFR § 300.203(a)  
Eligibility Standard

34 CFR § 300.203(b)  
Compliance Standard



# What if local MOE was not met?

LEA Liability (SY10-11)	LEA Liability (SY11-12)	LEA Liability (SY12-13)	LEA Liability (SY13-14)	LEA Liability (SY14-15)	LEA Liability (SY15-16)	Total Liability (FFY11-FFY16)
-	\$ 4,965.32	-	\$ 4,949.17	-	-	\$ 9,914.49

- The liability below the base amount for that LEA
- LEAs may appeal, PED will still allow appeals for SY15-16