

IDEA B - Maintenance of Effort



Kathy Smith
Education Grants Manager
ND Department of Public Instruction
600 E. Boulevard Avenue, Dept. 201
Bismarck, ND 58505-0440
701-328-2615
kasmith@nd.gov

Local-level Maintenance of Effort (MOE)

- An LEA may not use its Part B funds to reduce the level of expenditures for the education of children with disabilities made by the LEA from local funds below the level of those expenditures for the preceding year.

- Reg. § 300.203(a)



Local Level MOE – Two Standards

- ❑ LEA Application Standard: An LEA budgets for the education of children with disabilities, at least the same total or per capital amount . . .
- ❑ Audit Standard: Compliance with the MOE requirement, after a fiscal year has ended, is based on the actual local or state and local expenditures for special education and related services in the audited year and the prior year.

Local-level MOE – Application Standard

- LEA application standard, the SEA must determine that the LEA budgets, for the education of CWDs, at least the same total or per capita amount as the LEA spent for that purpose from the same source for the most recent prior year for which information is available.

- Source of funds may be either
 - Local funds only OR
 - Combination of State and local funds

Reg. § 300.203(b)

Local-level MOE cont.

- The SEA may not consider any expenditures made from funds provided by the Federal Government for which the SEA is required to account to the Federal Government or for which the LEA is required to account to the Federal Government directly or through the SEA, in determining an LEA's compliance.



Local-level MOE – Allowable Exceptions

- ❑ The voluntary departure (or for just cause), of special education or related services personnel
- ❑ A decrease in the enrollment of CWDs
- ❑ The assumption of cost by the SEA's high cost fund
- ❑ The termination of an extremely costly special education program to a CWD because the child:
 - Has left the agency's jurisdiction
 - Aged out of the FAPE age range or
 - No longer needs the program of special education.
- ❑ The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.

Local-level MOE - Optional Flexibility

- If increase in the LEA's allocation, compared to the previous FY allocation, the LEA may reduce the level of expenditures by not more than 50% of the excess.
 - LEA must use an amount of local funds equal to the MOE reduction to carry out activities that could be supported with ESEA funds, regardless of whether the LEA is using ESEA funds for those activities.
 - The amount an LEA spends on EIS counts toward the maximum expenditures that the LEA may reduce its MOE level.

(Reg. § 300.205)

Local-level MOE - Optional Flexibility cont

- FY 2008 IDEA B Allocation: \$400,000
- FY 2009 IDEA B Allocation: \$500,000
- Increase (Multiply by 50%): \$100,000
- MOE reduction Max:** \$50,000

(Table 1 of MOE worksheet)

Local-level MOE - Optional Flexibility – Effect on EIS

□ **MOE reduction Max = \$50,000**

□ **EIS Max = \$150,000**

–If LEA chooses to set aside \$150,000 for EIS,

- Cannot reduce MOE.

–If LEA chooses to set aside \$100,000 for EIS,

- Cannot reduce MOE.

–If LEA chooses to set aside, \$30,000 for EIS,

- May reduce MOE by \$20,000.

–If LEA chooses to set aside \$0 for EIS,

- May reduce MOE by full \$50,000.

Final MOE Check

- Table 2 of MOE worksheet
 - Total local expenditures
 - Local expenditures per child
 - Total local and state expenditures
 - Local and state expenditures per child

- Indicate method



Questions?

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