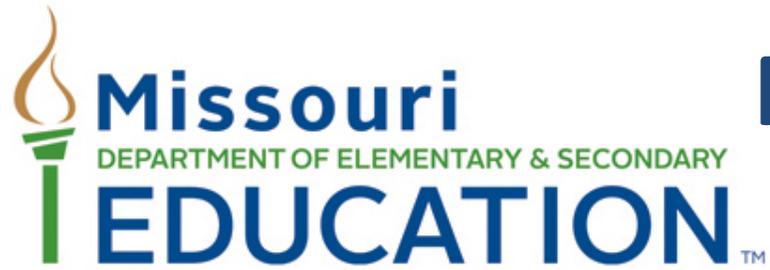


SPECIAL EDUCATION FINANCE PRESENTS:



NEW DIRECTORS FINANCE ACADEMY

Maintenance of Effort (MOE)

AUGUST 2020





WHAT IS MAINTENANCE OF EFFORT

MAINTENANCE OF EFFORT (MOE)

Districts/LEAs must use state, county, and/or local funding to support the special education program. This amount must be maintained year after year.

- Districts/LEAs must demonstrate the intent to meet MOE in the budget application.
- Districts/LEAs must demonstrate MOE was met in the Final Expenditure Report (FER).

MOE should be a multi-year planning process.

METHODS FOR MEETING MOE

Districts/LEAs must meet MOE by spending the same amount or more as the last time the district/LEA met MOE for that method. The four methods are:

- Total Local Funds (Including County) Only
- Local Funds (Including County) Only **Per Child**
- Total State and Local (Including County) Funds
- State and Local (Including County) Funds **Per Child**

The method utilized in the budget application to meet MOE does not have to be the same method utilized in the FER to meet MOE. The method utilized to meet MOE from year to year does not have to be the same method.



HOW TO REDUCE AND REPORT MAINTENANCE OF EFFORT

MOE REDUCTIONS

- To reduce MOE means to spend less in current year from state, local, and/or county funds than what was expended in prior fiscal years for allowable reasons.
- MOE can be reduced for allowable reasons through two ways:
 - Exceptions
 - Adjustments

ALLOWABLE MOE EXCEPTIONS

1. Voluntary Departure/Departure for Just Cause
2. Decrease in Enrollment of Children with Disabilities
3. Termination of a Costly Obligation for a Specific Child
4. Termination of a Costly Long-Term Purchase
5. Assumption of the Cost by the High Need Fund

These are the ONLY allowable reasons to reduce MOE through exceptions

EXCEPTION 1 – VOLUNTARY DEPARTURE/JUST CAUSE

Retirement; Resignation; Employee does not renew contract; Leave of absence (employee elected); Dismissal for misconduct; Dismissal for breach of contract; Not filling vacant positions; Filling vacant positions with lower paid staff.

Example:

Teacher Smith was paid \$65,000 in local funds in 2017-18 and retired at the end of the year. Teacher Jones was hired to replace Teacher Smith in 2018-19, but will only be paid \$50,000 in local funds in 2018-19. The district/LEA can take a reduction of \$15,000 in local funds.

Total Local Only MOE amount and Total State and Local MOE amount can both be reduced by \$15,000 (\$65,000-\$50,000) in 2018-19.

EXCEPTION 1 - EPEGS

(Only include state and/or local expenditure reductions)

Exception 1: Voluntary Departure of Special Education and Related Services Personnel

The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.

2017 - 2018 School Year					2018 - 2019 School Year						
Employee Name	Employee Position	Employee Departure	Emp. FTE	Employee Salary & Benefits	Employee Name	Employee Position	Emp. FTE	Employee Salary & Benefits	Expenditure Type	Amount of Reduction	Del
Teacher Smith	Teacher	Retired	1.00	65000.00	Teacher Jones	Teacher	1.00	50000.00	Local	15000.00	X

*District/LEA may be required to submit additional documentation.

Subtotal: 15000.00

Add New Line

Save

EXCEPTION 2 – DECREASE IN ENROLLMENT

A decrease in service provided because there is a decrease in the enrollment of children with disabilities.

Example:

December 1, 2017 child count = 427; December 1, 2018 child count = 405

The district/LEA served fewer students in the special education program in 2018-19 than it did in 2017-18. Therefore, the district/LEA was able to cancel a contracted transportation route in 2018-19. Expenditures went from \$168,000 in 2017-18 to \$146,000 in 2018-19. The district/LEA can take a reduction of \$22,000 in state funds.

Total State and Local MOE Amount may be reduced by \$22,000 in 2018-19. Because the costs were paid with state funds, this does not reduce the Total Local Only MOE amount needed to meet MOE.

EXCEPTION 2 - EPEGS

Exception 2: Decrease in enrollment of children with disabilities

The district/LEA must tie the decrease of children to specific expenditure reductions. The district/LEA will need to explain what services were reduced/consolidated due to decrease in child count.

The following fields are optional:

* Current year amount is optional

Service reduced/consolidated:	2017 - 2018 Amount	2018 - 2019 Amount	Expenditure Type	Amount of Reduction	Del
Transportation Route Cancelled due to Decline in Child Count	22000.00	0.00	State	22000.00	X

*District/LEA may be required to submit additional documentation.

Subtotal: 22000.00

EXCEPTION 3 – TERMINATION OF COSTLY OBLIGATION

The termination of a costly obligation (expenditure) for a specific child with an IEP.

Example:

Student Pearson required a personal nurse and a large amount of therapy. Student Pearson graduated in 2017-18. The cost for the personal nurse and therapy (\$70,000) was paid with local funds in 2017-18. Since the student graduated, the district/LEA did not have the cost in 2018-19. The district/LEA can take a reduction of \$70,000 in local funds.

Total Local Only and Total State and Local MOE Amount may both be reduced by \$70,000 in 2018-19.

EXCEPTION 3 - EPEGS

Exception 3: Termination of a costly obligation for a specific child

The termination of the obligation related to a particular child with a disability that is an exceptionally costly program.

Definition: Any personal services (personal teacher, paraprofessional, nurse) a child needs, low-incidence therapies, individualized transportation/equipment, or contracted private services.

2018 - 2019 School Year

Reason for termination of services:	Description:	Expenditure Type	Amount of Reduction	Del
Age of No FAPE	Personal Nurse \$55,000 Therapy Costs \$15,000	Local	70000.00	<input type="checkbox"/>

Add New Line Save

EXCEPTION 4 – TERMINATION OF A LONG TERM PURCHASE

The termination of a costly obligation for long-term purchases, such as equipment, construction, and buses paid with State and/or local funds. The definition of long term is one school year.

Example:

The district/LEA paid the last payment of \$31,250 on a lease purchase for a special education bus in 2017-18 that was purchased with state funds. The district/LEA does not have loan payment in 2018-19. The district/LEA can take a reduction of \$31,250 in state funds in the 2018-19 school year.

Total State and Local MOE Amount needed to meet MOE can be reduced by \$31,250 in 2018-19. Because the costs were paid with state funds, this does not reduce the Total Local Only MOE amount needed to meet.

EXCEPTION 4 - EPEGS

Exception 4: Termination of a long-term purchase

The termination of a costly obligation for long-term purchases (equipment, construction, buses, etc.)

Definition of Long-term: Long-term is one school year or more.

Describe the long-term purchase the LEA is no longer paying for:	Expenditure Type	2017 - 2018 Payment Amount	Del
Paid of Bus Loan	State	31250.00	<input type="checkbox"/>

EXCEPTION 5 – HIGH NEED FUND

The assumption of cost by the High Needs Fund (HNF). The district/LEA may claim the amount of Federal HNF reimbursement received that school year as an allowable reduction to MOE.

Example:

The district/LEA submitted a HNF application in 2018-19 for prior year high need costs. In January, 2019 the district/LEA received a payment of \$12,360.11 of Federal HNF reimbursement. The district/LEA spent \$12,360.11 less of local funds for the special education program because of the federal HNF payment. The district/LEA can take a reduction of \$12,360.11 in local funds in the 2018-19 school year.

Total Local Only MOE amount and Total State and Local MOE amount may both be reduced by \$12,360.11 in 2018-19.

EXCEPTION 5 - EPEGS

Exception 5: Assumption of cost by the High Need Fund (HNF)

The district/LEA may reduce the MOE amount by the federal amount of HNF revenue received in that school year and will be reported in the FER.

	Expenditure Type	Amount of Reduction
Federal HNF Amount received = \$12,360.11	Local <input type="button" value="v"/>	12360.11

MOE ADJUSTMENT

A reduction may be taken when the Federal allocation increases from one year to the next. The district/LEA can take 50% of the increase to reduce MOE. Any freed-up funds must be spent on ESEA activities.

Example:

2017-18 Allocation: \$427,661

2018-19 Allocation: \$450,562

Increase: \$22,901

50% of Increase: \$11,450.50

The district/LEA had an increase from 2017-18 to 2018-19 of \$22,901 in their Part B allocation, in which they can reduce their MOE by 50% of the increase (\$11,450.50). The district/LEA spent \$11,450.50 less of local funds for the special education program because of the adjustment. The district/LEA can take a reduction of \$11,450.50 in local funds in the 2018-19 school year.

Total Local Only MOE amount and Total State and Local MOE amount may both be reduced by \$11,450.50 in 2018-19.

ADJUSTMENT - EPEGS

Adjustment to Maintenance of Effort [Hide](#)

Based on the maximum amount allowed for an adjustment to MOE, it is the district/LEA's decision on the amount of adjustment to MOE that will be taken. Any State and/or local funds that were no longer dedicated to special education must have been spent on activities authorized under the Elementary and Secondary Education Act (ESEA). The district/LEA must have tracked the amount of "freed up" State and/or local funds that was spent on ESEA activities.

Enter the amount of adjustment to MOE the district/LEA is claiming for State and/or local expenditures. Then enter the amount of freed up State and/or local funds that was expended on ESEA program(s) activities.

Adjustment to Maintenance of Effort Calculation

Current Year Entitlement Allocation		450562.00
Prior Year Entitlement Allocation		427661.00
Increase in Entitlement Allocation		22901.00
50% of Increase		11450.50
CEIS Paid with Part B Entitlement Funds		0.00
Maximum Amount Allowed for Adjustment to MOE		11450.50
Amount of Adjustment to MOE LEA is claiming for STATE expenditures		<input type="text" value="0.00"/>
Amount of Adjustment to MOE LEA is claiming for LOCAL expenditures		<input type="text" value="11450.50"/>
Total Amount of Adjustment to MOE LEA is Claiming		<input type="text" value="0.00"/>

Elementary and Secondary Education Act (ESEA) Activities	Total Amount Expended
Title I	<input type="text" value="0.00"/>
Title II	<input type="text" value="0.00"/>
Title III	<input type="text" value="0.00"/>
Student Support & Academic Enrichment	<input type="text" value="0.00"/>
Rural Education Initiative	<input type="text" value="0.00"/>
Title VII Indian, Native Hawaiian, and Alaska Native Education	<input type="text" value="0.00"/>
Title VIII Impact Aid	<input type="text" value="11450.50"/>
Total	<input type="text" value="0.00"/>

MOE – REQUIRED VS REPORTED

REQUIRED MOE – the amount the district/LEA must spend to meet MOE in the current year.

REPORTED MOE – the amount the district/LEA spent.

If the REPORTED MOE > REQUIRED MOE, then the reported MOE becomes the new threshold to meet the following year.

MOE HISTORY TABLE IN EPEGS (CALCULATIONS PAGE)

Previous MOE Calculations

Year	December 1 Child Grant	Reported State Only Actual Total Expenditures	Required Level of Effort for Local Only Total Expenditures	Reported Local Only Actual Total Expenditures	Local Only Total Expenditures Met/Not Met	Required Level of Effort for State & Local Total Expenditures	Reported State & Local Actual Total Expenditures	State & Local Total Expenditures Met/Not Met	Required Level of Effort for Local Only Per Child Expenditures	Reported Local Only Per Child Actual Expenditures	Local Only Per Child Expenditures Met/Not Met	Required Level of Effort for State & Local Per Child Expenditures	Reported State & Local Per Child Actual Expenditures	State & Local Per Child Expenditures Met/Not Met
2017 - 2018	312	2259752.80	11469.51	11596.89	Met	1957016.33	2271349.69	Met	40.58	37.17	Not Met	6915.25	7279.97	Met
2016 - 2017	283	1945546.82	10360.54	11469.51	Met	1869628.41	1957016.33	Met	40.58	40.53	Not Met	6672.07	6915.25	Met
2015 - 2016	297	1859267.87	10307.63	10360.54	Met	1694706.79	1869628.41	Met	40.58	34.88	Not Met	6672.07	6295.05	Not Met
2014 - 2015	254	1684399.16	N/A	10307.63	Met	1279179.41	1694706.79	Met	N/A	40.58	Met	5157.98	6672.07	Met
2013 - 2014	248	N/A	N/A	N/A	N/A	562610.57	1279179.41	Met	N/A	N/A	N/A	2478.46	5157.98	Met
2012 - 2013	227	N/A	N/A	N/A	N/A	527536.29	562610.57	Met	N/A	N/A	N/A	2244.84	2478.46	Met
2011 - 2012	235	N/A	N/A	N/A	N/A	527532.23	527536.29	Met	N/A	N/A	N/A	2536.21	2244.84	Not Met
2010 - 2011	208	N/A	N/A	N/A	N/A	527389.96	527532.23	Met	N/A	N/A	N/A	2535.53	2536.21	Met

MOE HISTORY – TOTAL LOCAL ONLY

Previous MOE			
Year	Required Level of Effort for Local Only Total Expenditures	Reported Local Only Actual Total Expenditures	Local Only Total Expenditures Met/Not Met
2017 - 2018	11469.51	11596.89	Met
2016 - 2017	10360.54	11469.51	Met
2015 - 2016	10307.63	10360.54	Met
2014 - 2015	N/A	10307.63	Met
2013 - 2014	N/A	N/A	N/A
2012 - 2013	N/A	N/A	N/A
2011 - 2012	N/A	N/A	N/A
2010 - 2011	N/A	N/A	N/A

RULE:

If reported expenditures > required expenditures and the district/LEA MET on this method, this becomes the new threshold for meeting MOE the next year.

EXAMPLE:

\$11,596.89 > \$11,469.51 and MET, then \$11,596.89 is new threshold for the following year.

MOE HISTORY – TOTAL STATE AND LOCAL

Previous MOE			
Year	Required Level of Effort for State & Local Total Expenditures	Reported State & Local Actual Total Expenditures	State & Local Total Expenditures Met/Not Met
2017 - 2018	1957016.33	2271349.69	Met
2016 - 2017	1869628.41	1957016.33	Met
2015 - 2016	1694706.79	1869628.41	Met
2014 - 2015	1279179.41	1694706.79	Met
2013 - 2014	562610.57	1279179.41	Met
2012 - 2013	527536.29	562610.57	Met
2011 - 2012	527532.23	527536.29	Met
2010 - 2011	527389.96	527532.23	Met

RULE:

If reported expenditures > required expenditures and the district/LEA MET on this method, this becomes the new threshold for meeting MOE the next year.

EXAMPLE:

\$2,271,349.69 > \$1,957,016.33 and MET, then \$2,271,349.69 is new threshold for the following year.

MOE HISTORY – LOCAL ONLY PER CHILD

Previous MOE			
Year	Required Level of Effort for Local Only Per Child Expenditures	Reported Local Only Per Child Actual Expenditures	Local Only Per Child Expenditures Met/Not Met
2017 - 2018	40.58	37.17	Not Met
2016 - 2017	40.58	40.53	Not Met
2015 - 2016	40.58	34.88	Not Met
2014 - 2015	N/A	40.58	Met
2013 - 2014	N/A	N/A	N/A
2012 - 2013	N/A	N/A	N/A
2011 - 2012	N/A	N/A	N/A
2010 - 2011	N/A	N/A	N/A

It is not recommended that the district/LEA try to budget or expend funds on a per child basis in order to meet MOE.

RULE:

If reported expenditures > required expenditures and the district/LEA MET on this method, this becomes the new threshold for meeting MOE the next year.

EXAMPLE:

\$37.17 < \$40.58 and NOT MET, so threshold stays \$40.58 for the following year.

MOE HISTORY – STATE AND LOCAL PER CHILD

Previous MOE			
Year	Required Level of Effort for State & Local Per Child Expenditures	Reported State & Local Per Child Actual Expenditures	State & Local Per Child Expenditures Met/Not Met
2017 - 2018	6915.25	7279.97	Met
2016 - 2017	6672.07	6915.25	Met
2015 - 2016	6672.07	6295.05	Not Met
2014 - 2015	5157.98	6672.07	Met
2013 - 2014	2478.46	5157.98	Met
2012 - 2013	2244.84	2478.46	Met
2011 - 2012	2536.21	2244.84	Not Met
2010 - 2011	2535.53	2536.21	Met

It is not recommended that the district/LEA try to budget or expend funds on a per child basis in order to meet MOE.

RULE:

If reported expenditures > required expenditures and the district/LEA MET on this method, this becomes the new threshold for meeting MOE the next year.

EXAMPLE:

\$7,279.97 > \$6,915.25 and MET, then \$7,279.97 is new threshold for the following year.

CURRENT YEAR MOE CALCULATION

- MOE Required Level of Effort – the amount the district/LEA must spend to meet MOE in the current year.
- MOE Amount Needed for Compliance – the amount the district/LEA must spend minus any exceptions and/or adjustments. This amount becomes the new threshold to meet MOE in the current year.
- 2018-19 MOE Actual Expenditures – the amount the district/LEA spent.
- MOE Increase/Decrease – the difference between the amount the district/LEA spent and the required amount to meet MOE.

Current Year MOE Calculations						
	State Total Expenditures	County Total Expenditures	Local Total Expenditures	State & Local Total Expenditures	Local Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	11596.89	2271349.69	40.58	7279.97
MOE Amount Needed for Compliance	N/A	N/A	11596.89	2271349.69	40.58	7279.97
2018 - 2019 MOE Actual Expenditures	0.00	0.00	0	0.00	0.00	0.00
MOE Increase/Decrease	N/A	N/A	-11596.89	-2271349.69	-40.58	-7279.97
MOE must indicate "MET" in at least one category	N/A	N/A	Not Met	Not Met	Not Met	Not Met

CURRENT YEAR MOE CALCULATION

Previous MOE Calculations

Year	December 1 Child Grant	Reported State Only Actual Total Expenditures	Required Level of Effort for Local Only Total Expenditures	Reported Local Only Actual Total Expenditures	Local Only Total Expenditures Met/Not Met	Required Level of Effort for State & Local Total Expenditures	Reported State & Local Actual Total Expenditures	State & Local Total Expenditures Met/Not Met	Required Level of Effort for Local Only Per Child Expenditures	Reported Local Only Per Child Actual Expenditures	Local Only Per Child Expenditures Met/Not Met	Required Level of Effort for State & Local Per Child Expenditures	Reported State & Local Per Child Actual Expenditures	State & Local Per Child Expenditures Met/Not Met
2017 - 2018	312	2259752.80	11469.51	11596.89	Met	1957016.33	2271349.69	Met	40.58	37.17	Not Met	6915.25	7279.97	Met
2016 - 2017	283	1945546.82	10360.54	11469.51	Met	1869628.41	1957016.33	Met	40.58	40.53	Not Met	6672.07	6915.25	Met
2015 - 2016	297	1859267.87	10307.63	10360.54	Met	1694706.79	1869628.41	Met	40.58	34.88	Not Met	6672.07	6295.05	Not Met

Current Year MOE Calculations

	State Total Expenditures	County Total Expenditures	Local Total Expenditures	State & Local Total Expenditures	Local Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	11596.89	2271349.69	40.58	7279.97
MOE Amount Needed for Compliance	N/A	N/A	11596.89	2271349.69	40.58	7279.97
2018 - 2019 MOE Actual Expenditures	0.00	0.00	0	0.00	0.00	0.00
MOE Increase/Decrease	N/A	N/A	-11596.89	-2271349.69	-40.58	-7279.97
MOE must indicate "MET" in at least one category	N/A	N/A	Not Met	Not Met	Not Met	Not Met



MOE RED FLAGS

MOE RED FLAG – LOCAL STATE

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	316966.00	528.87	3018.72
MOE Amount Needed for Eligibility	N/A	N/A	55531.00	316966.00	528.87	3018.72
2018-19 MOE Actual Expenditures	435621.00	0.00	232486.00	109435.00	2214.15	1042.24
MOE Increase/Decrease	N/A	N/A	176955.00	-207531.00	1685.29	-1976.49
MOE must indicate "MET" in at least one category	N/A	N/A	MET	NOT MET	MET	NOT MET

Why is the district/LEA increasing local MOE by so much and decreasing state?

MOE RED FLAG – LOCAL STATE

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	518123.00	528.87	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	55531.00	518123.00	528.87	4934.50
2018-19 MOE Actual Expenditures	435621.00	0.00	232486.00	899632.00	2214.15	8567.92
MOE Increase/Decrease	N/A	N/A	176955.00	381509.00	1685.29	3633.42
MOE must indicate "MET" in at least one category	N/A	N/A	MET	MET	MET	MET

Why is the district/LEA increasing both local and state?

MOE RED FLAG – LOCAL STATE

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	518123.00	528.87	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	55531.00	518123.00	528.87	4934.50
2018-19 MOE Actual Expenditures	435621.00	0.00	45321.00	560154.00	431.63	5334.80
MOE Increase/Decrease	N/A	N/A	-10210.00	42031.00	-97.24	400.30
MOE must indicate "MET" in at least one category	N/A	N/A	NOT MET	MET	NOT MET	MET

Why is the district/LEA spending so much less local and more state?

MOE RED FLAG – \$0 LOCAL ↓ STATE

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	0.00	518123.00	0.00	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	0.00	518123.00	0.00	4934.50
2018-19 MOE Actual Expenditures	435621.00	0.00	0.00	505456.00	0.00	4813.87
MOE Increase/Decrease	N/A	N/A	0.00	-12667.00	0.00	-120.64
MOE must indicate "MET" in at least one category	N/A	N/A	MET	NOT MET	MET	NOT MET

Why is the district/LEA spending no local funds?

MOE RED FLAG – PER CHILD ONLY

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	518123.00	528.87	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	55531.00	518123.00	528.87	4934.50
2018-19 MOE Actual Expenditures	435621.00	0.00	45321.00	505456.00	566.51	6318.20
MOE Increase/Decrease	N/A	N/A	-10210.00	-12667.00	37.65	1383.70
MOE must indicate "MET" in at least one category	N/A	N/A	NOT MET	NOT MET	MET	MET

Why is the district/LEA only meeting on a per child basis?

MOE RED FLAG – LOCAL WITH EXCEPTIONS

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	518123.00	528.87	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	38783.00	518123.00	369.36	4934.50
2018-19 MOE Actual Expenditures	435621.00	0.00	59234.00	505456.00	740.43	6318.20
MOE Increase/Decrease	N/A	N/A	20451.00	-12667.00	371.06	1383.70
MOE must indicate "MET" in at least one category	N/A	N/A	MET	NOT MET	MET	MET

Why is the district/LEA spending more local even with exceptions?

MOE RED FLAG – NOT MET

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	518123.00	528.87	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	55531.00	518123.00	528.87	4934.50
2018-19 MOE Actual Expenditures	435621.00	0.00	53251.00	505456.00	507.15	4813.87
MOE Increase/Decrease	N/A	N/A	-2280.00	-12667.00	-21.71	-120.64
MOE must indicate "MET" in at least one category	N/A	N/A	NOT MET	NOT MET	NOT MET	NOT MET

Why is the district/LEA not meeting MOE at all?

MOE RED FLAG – EXCEPTIONS > EXPENDITURES

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	518123.00	528.87	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	-4531.00	518123.00	-43.15	4934.50
2018-19 MOE Actual Expenditures	435621.00	0.00	53251.00	505456.00	507.15	4813.87
MOE Increase/Decrease	N/A	N/A	57782.00	-12667.00	550.30	-120.64
MOE must indicate "MET" in at least one category	N/A	N/A	MET	NOT MET	MET	NOT MET

Why does the district/LEA have more exceptions than actual expenditures?

MOE RED FLAG – COUNTY

Current Year MOE Calculations	State Total Expenditures	County Total Expenditures	Local Only Total Expenditures	State & Local Total Expenditures	Local Only Per Child Expenditures	State & Local Per Child Expenditures
MOE Required Level of Effort	N/A	N/A	55531.00	518123.00	528.87	4934.50
MOE Amount Needed for Eligibility	N/A	N/A	55531.00	518123.00	528.87	4934.50
2018-19 MOE Actual Expenditures	435621.00	50000.00	65325.00	505456.00	622.14	4813.87
MOE Increase/Decrease	N/A	N/A	9794.00	-12667.00	93.28	-120.64
MOE must indicate "MET" in at least one category	N/A	N/A	MET	NOT MET	MET	NOT MET

Why is the district/LEA spending county funds and increasing local MOE?



MOE PLANNING

MOE PLANNING

- Determine who is eligible for retirement and review how those individuals are paid. Ensure salary/benefits of staff voluntarily departing are paid with state, county, and/or local funds so an exception can be taken to reduce MOE (MOE Exception 1) in the next year.
- Determine which students will graduate at year end or will leave the district/LEA and services they are receiving. Ensure costs for students are paid with state, county, and/or local funds so an exception can be taken to reduce MOE (MOE Exception 3) in the next year.
- If the district/LEA receives Medicaid revenue, make sure the district/LEA does not spend the revenue on existing special education program expenditures as this could reduce the amount of state, county, and/or local funds spent on the special education program and negatively impact MOE.
- Do not unnecessarily inflate MOE by charging items to special education program that aren't special education program specific.

MOE – WORKING BACKWARDS

- Step 1: Determine total cost for special education program
- Step 2: Determine method and amount needed for meeting MOE
- Step 3: Determine how much is left to spend
- Step 4: Determine how much of remaining amount to spend with other sources
- Step 5: Determine how to code
 - Step 1: Special Education Program - \$500,000
 - Step 2: Meet on Local - \$50,000
 - Step 3: Remaining Amount - \$450,000
 - Step 4: Federal - \$200,000, Remaining Amount State - \$250,000
 - Step 5: Determine how to code
 - Local (1-12210 or 12810)
 - State (3-12210 or 12810)
 - County (2-12210 or 12810)
 - Federal (4 – 44100, 44200, 44201)

ACTIVITY

**MAINTENANCE OF
EFFORT ACTIVITY**

Determine the amount the district/LEA needs to spend in 2020-21 for each scenario in order to meet MOE for both local funds, and the combination of state and local funds.

MOE ACTIVITY

MAINTENANCE OF EFFORT SCENARIOS

What amount does the district/LEA need to spend in 2020-21 in order to meet MOE in both areas?

Year	Reported Local Expenditures	Met/ Not Met	Reported State & Local Expenditures	Met/ Not Met
2020-2021		MET		MET
2019-2020	555,356	NOT MET	4,805,236	MET
2018-2019	561,892	MET	4,801,258	NOT MET
2017-2018	561,789	MET	4,803,184	MET

Year	Reported Local Expenditures	Met/ Not Met	Reported State & Local Expenditures	Met/ Not Met
2020-2021		MET		MET
2019-2020	52,323	MET	201,258	NOT MET
2018-2019	51,892	MET	201,258	NOT MET
2017-2018	51,789	MET	235,498	MET

Year	Reported Local Expenditures	Met/ Not Met	Reported State & Local Expenditures	Met/ Not Met
2020-2021		MET		MET
2019-2020	2,210	NOT MET	20,322	MET
2018-2019	2,210	NOT MET	20,322	MET
2017-2018	2,451	MET	20,321	NOT MET

Year	Reported Local Expenditures	Met/ Not Met	Reported State & Local Expenditures	Met/ Not Met
2020-2021		MET		MET
2019-2020	0.00	MET	12,620	NOT MET
2018-2019	0.00	MET	15,431	NOT MET
2017-2018	0.00	MET	20,321	MET



MOE ACTIVITY - ANSWERS

MAINTENANCE OF EFFORT SCENARIOS

What amount does the district/LEA need to spend in 2020-21 in order to meet MOE in both areas?

Year	Reported Local Expenditures	Met/ Not Met	Reported State & Local Expenditures	Met/ Not Met
2020-2021	561,892	MET	4,805,236	MET
2019-2020	555,356	NOT MET	4,805,236	MET
2018-2019	561,892	MET	4,801,258	NOT MET
2017-2018	561,789	MET	4,803,184	MET

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2019-2020	52,323	MET	201,258	NOT MET
2018-2019	51,892	MET	201,258	NOT MET
2017-2018	51,789	MET	235,498	MET

Year	Reported Local Expenditures	Met/ Not Met	Reported State & Local Expenditures	Met/ Not Met
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2019-2020	2,210	NOT MET	20,322	MET
2018-2019	2,210	NOT MET	20,322	MET
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Year	Reported Local Expenditures	Met/ Not Met	Reported State & Local Expenditures	Met/ Not Met
2020-2021	0.00	MET	20,321	MET
2019-2020	0.00	MET	12,620	NOT MET
2018-2019	0.00	MET	15,431	NOT MET
2017-2018	0.00	MET	20,321	MET



RESOURCES:

MOE Regulations FAQ

<https://dese.mo.gov/sites/default/files/sef-MOE-FAQ-Regs.pdf>

MOE Allowable Exceptions

<https://dese.mo.gov/sites/default/files/sef-MOE-AllowableExceptions.pdf>

MOE Adjustment Guidance

<https://dese.mo.gov/sites/default/files/sef-MOE-AdjustmentGuidance.pdf>

MOE Adjustment Amounts

<https://dese.mo.gov/financial-admin-services/special-education-finance/part-b-funding-and-allocations>

