Maintenance of Effort

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Sources: Elementary and Secondary Education Act (ESEA), Section 8521

Keywords: Maintenance of Effort (MOE)

Summary: Local educational agencies receiving covered federal grants must maintain 90 percent of the previous year's general fund aggregate funding or combined fiscal effort per student.

Section 8521 of ESEA reads in part:

> *(a) IN GENERAL.—A local educational agency may receive funds under a covered program for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of the agency and the State with respect to the provision of free public education by the agency for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year, subject to the requirements of subsection (b).*

In Ohio, the State educational agency is the Ohio Department of Education (ODE).
The ESSA Maintenance of Effort (MOE) requirement applies to the following Elementary and Secondary Education Act (ESEA) programs:

- Title I, Part A
- Title I, Part D, Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent, or At-Risk;
- Title II, Part A, Supporting Effective Instruction
- Title III, Part A; Language Instruction for English Learner and Immigrant Students
- Title IV, Part A, Student Support and Academic Enrichment
- Title IV, Part B, 21st Century Learning Centers; and
- Title V, Part B, Subpart 2, Rural and Low-Income School Program
- McKinney-Vento Homeless Assistance Act, Subtitle VII-B

Failure to maintain effort occurs when an LEA's combined fiscal effort per student or aggregate expenditures in first preceding year fall below 90 percent of combined fiscal effort per student or aggregate expenditures in second preceding year. If an LEA fails to meet the MOE requirement, ODE shall reduce the amount of funds allocated under programs covered by the MOE requirement. This reduction is proportionate to the LEA's failure to maintain effort, using the measure most favorable to the LEA.

Note: The Secretary of the U.S. Department of Education may waive the requirements of section 8521 if the Secretary determines that a waiver would be equitable due to -

- exceptional or uncontrollable circumstances such as a natural disaster; or
- a precipitous decline in the financial resources of the LEA.