CCIP Note # 489

Re: American Rescue Plan Maintenance of Equity (MOEquity) Exception Process
Date: December 2, 2021
To: Superintendents, Treasurers, Authorized Representatives, Fiscal Representatives and ARP ESSER Grant Application Contacts

American Rescue Plan Maintenance of Equity (MOEquity) Exception Process

As part of the American Rescue Plan Act of 2021, section 2004 includes a new maintenance of equity provision that is a requirement for State Educational Agencies (SEAs) and Local Educational Agencies (LEAs) to receive ARP ESSER funds. MOEquity is designed to ensure that schools and LEAs receive an equitable share for state and local funds and are not using ARP ESSER funds to reduce state and local financial support for education.

Exceptions: Subsection 2004(c)(2) of the American Rescue Plan Act provides certain pathways for LEA MOEquity exceptions,including:

1. Has a total enrollment of less than 1,000 students;
2. Operates a single school;
3. Serves all students within each grade span with a single school; or
4. Demonstrates an exceptional or uncontrollable circumstance, such as unpredictable changes in student enrollment or a precipitous decline in the financial resources of the LEA, as determined by the Secretary.

Exception Process for Local Educational Agency

Exceptions 1-3: For those LEAs that fall under the first three exceptions noted above, **no action is needed,** however, these LEAs should maintain documentation showing that the LEA is exempting from completing the MOEquity requirements for monitoring purposes. The Department will ultimately exempt these LEAs from the local MOEquity requirements and reporting. For a full list of LEAs that are automatically exempt, please click HERE.

Exception 4: An LEA that does not fall under the first three exceptions can be exempted by demonstrating that it did not have an aggregate reduction in combined state and local per-pupil funding in fiscal year 2022. To receive an exception under this circumstance, the LEA should complete the Certification of Exception from Local Maintenance of Equity Requirements (Appendix B). LEAs that meet this exemption criteria should submit the completed certification to moequity@education.ohio.gov by **5:00 PM on Wednesday, December 8, 2021.**

Lastly, if a LEA cannot demonstrate an exception through the pathways described above, but believes that it would qualify based on an “exceptional or uncontrollable circumstance”, the LEA must submit a request for exception directly to the U.S. Department of Education via Ohio.oese@ed.gov and copy the Ohio Department of Education via moequity@education.ohio.gov. This request must contain detailed information on the circumstance and how it prevents the local education agency from maintaining equity. At this time, the Ohio Department of Education is unaware of how the U.S. Department of Education will determine the direct LEA exception requests. More information can be

found in the U.S. Department of Education's Maintence of Equity Frequently Asked Questions pp. 21-22, section 32, HERE.

Upcoming Deadlines

- If a Local Educational Agency qualifies for an exception through Appendix B, it needs to be on file with the Ohio Department of Education by December 8, 2021.
- Data collection for Local Educational Agency will open on December 9, 2021 and close on December 27, 2021. This is required for all LEAs that are not excepted. More information will be provided in a future CCIP note.

If you have any questions, please contact moequity@education.ohio.gov.

Resources
U.S. Department of Education MOEquity Requirements and FAQ
USED Local Educational Agency Local Maintenance of Equity Exemption Process