Maintenance of Effort and Maintenance of Equity



Spring 2022

Today's Discussion

1. Brief Description of Maintenance of Effort (MOE) and Maintenance of Equity
2. Maintenance of Effort
3. Maintenance of Equity

Presenter

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ESEA Maintenance of Effort and ARP ESSER Maintenance of Equity

How are they similar?

- Both measure state and local expenditure data year over year.

- Both use similar expenditure data.

How are they different?
(more on these below)

- Maintenance of Effort: Only focused on the aggregate state and local expenditures of the LOCAL EDUCATIONAL AGENCY (LEA) as a whole.
- Maintenance of Equity: Focused on state and local expenditures at each building WITHIN a District.

ESEA Maintenance of Effort

Maintenance of Effort

- LEAs must demonstrate that the level of state and local funding remains relatively constant year to year.
- LEA's general fund expenditures must be at least **90 percent** of the prior year amounts.
- State annually determines whether a district has maintained effort.

Maintenance of Effort

In addition to Title I, Part A the requirements of Section 8521 apply to:

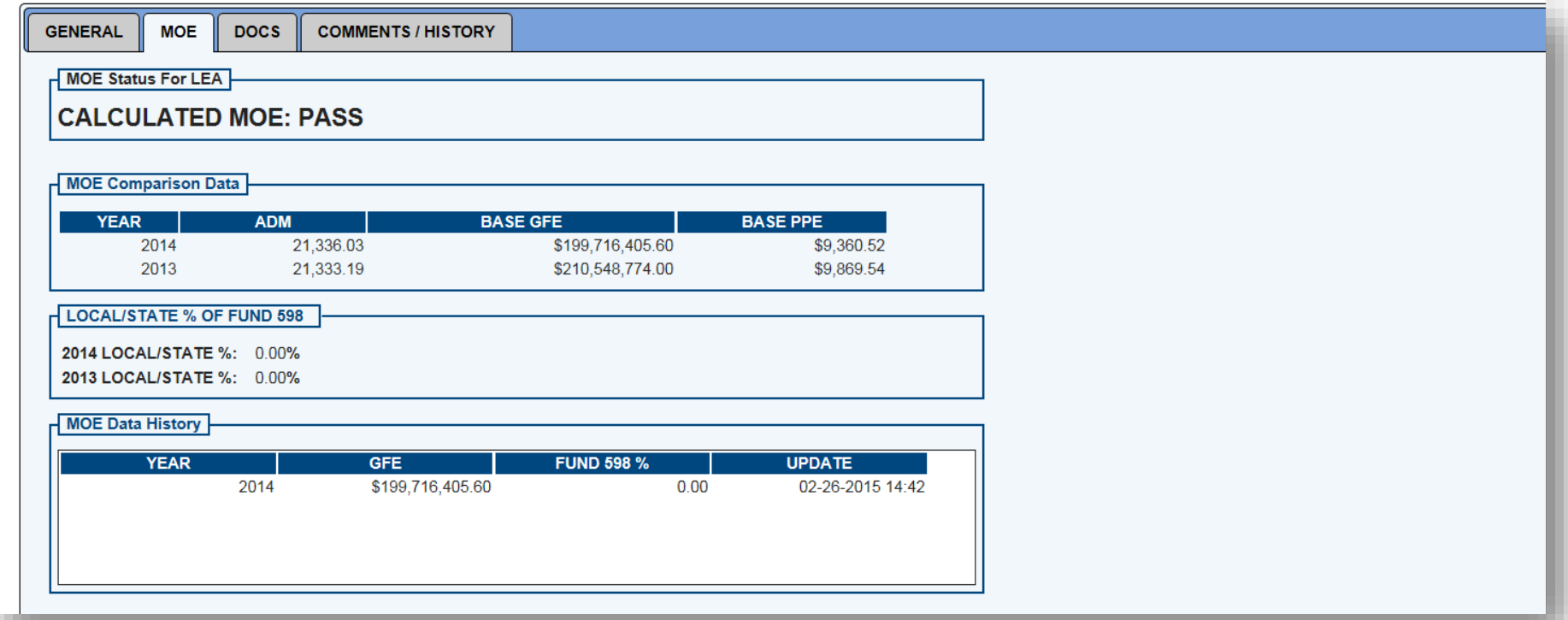
- Title I, Part D, Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent or At-Risk
- Title II, Part A, Improving Teacher Quality
- Title III, Part A, English Acquisition
- Title IV, Part A, Student Support and Academic Enrichment Services
- Title IV, Part B, 21st Century Learning Centers
- Title V, Part B Subpart 2, Rural Education
- McKinney-Vento Homeless Assistance Program

Failure to Meet the Requirement

The Ohio Department of Education must reduce the amount of funds under the covered programs in any fiscal year in the exact proportion* by which the LEA fails to maintain effort by falling below 90 percent of either ***the combined fiscal effort per student*** or ***aggregate expenditures***.

*The Department ***uses the measure most favorable*** to the district.

ESEA MOE Pass



MOE Fail

MOE STATUS INFO:

Program:	ESEA
Last Update:	2/26/2015 2:42:43 PM by N/A
MOE Compliance Status:	MOE Fail
Review Status:	MOE Failed

GENERAL | MOE | DOCS | COMMENTS / HISTORY

MOE Status For LEA

CALCULATED MOE: FAIL

General Fund Expenditure Percent Difference: -5.0600%
Per Pupil Expenditure Percent Difference: -7.4700%

MOE Comparison Data

YEAR	ADM	BASE GFE	BASE PPE
2014	47.23	$295,565.00	$6,257.99
2013	46.03	$345,899.00	$7,514.64

LOCAL/STATE % OF FUND 598

2014 LOCAL/STATE %: 0.00%
2013 LOCAL/STATE %: 0.00%

MOE Data History

YEAR	GFE	FUND 598 %	UPDATE
2014	$295,565.00	0.00	02-26-2015 14:43

MOE Audit Trail:

Audit Type	Audit Message
Start Moe Info:	
	FUND AMOUNT
FY2014 Fund:	Fund FUND598 Amount $0.00 [FY 2014];
FY2013 Fund:	Fund FUND598 Amount $0.00 [FY 2013];
	PER PUPIL EXPENDITURE
FY2014 Per Pupil Expenditure:	PPE(2014) = GF(2014) / ADM(2014) = $295,565.00 / 47.23 = $6,257.99;
FY2013 Per Pupil Expenditure:	PPE(2013) = GF(2013) / ADM(2013) = $345,899.00 / 46.03 = $7,514.64;
	PPE COMPARISON

Waiver to Maintenance of Effort

1. Exceptional or uncontrollable circumstances, or a change in the organizational structure

2. Precipitous decline in financial resources

MOE Exemption

LEAs that fail MOE and have not failed MOE in the past five years, are not subject to reduction of funding in the first year.

ARP ESSER Maintenance of Equity

Acknowledgement

We have issued several pieces of guidance on MOEquity:

- CCIP Note #493: https://ccip.ode.state.oh.us/DocumentLibrary/ViewDocument.aspx?DocumentKey=88950
- CCIP Note #491: https://ccip.ode.state.oh.us/DocumentLibrary/ViewDocument.aspx?DocumentKey=88631
- CCIP Note #489: https://ccip.ode.state.oh.us/DocumentLibrary/ViewDocument.aspx?DocumentKey=88550

Why do we have to do this?

- Under section 2004(c) of the ARP Act, as a condition of receiving ARP ESSER funds, an LEA may not:
  - Reduce combined State and local per-pupil funding for any high-poverty school by an amount that exceeds the total reduction, if any, of combined State and local per-pupil funding for all schools in the LEA.
  - Reduce the number of FTE staff per-pupil in any high-poverty school by an amount that exceeds the total reduction, if any, of FTE staff per-pupil in all schools in the LEA.

Do we REALLY have to do this?

Well, maybe not:

A district does not have to do anything about Maintenance of Equity if any of the following apply:

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.

Is there any other way for our District to not have to worry about this?

- A district may also be excepted from the MOEquity requirements if it is not experiencing an “aggregate reduction of state and local funds” for a covered school year.
- Submit Appendix B found in CCIP Note # 493

Any other way to get out of this?

- Demonstrate 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.
- Send an email to Ohio.oese@ed.gov copying moequity@education.ohio.gov, describing the situation and why an exception should be granted.

Our District will be subject to Maintenance of Equity

- Does that mean we can't cut expenditures to our buildings?
  - –No! You just need to make sure that the expenditure cuts are not higher proportionally on a per pupil basis at your high poverty schools.
- Does that mean we can't cut staff at our buildings?
  - –No! You just need to make sure that the staffing cuts are not higher proportionally on a per pupil basis at your high poverty schools.

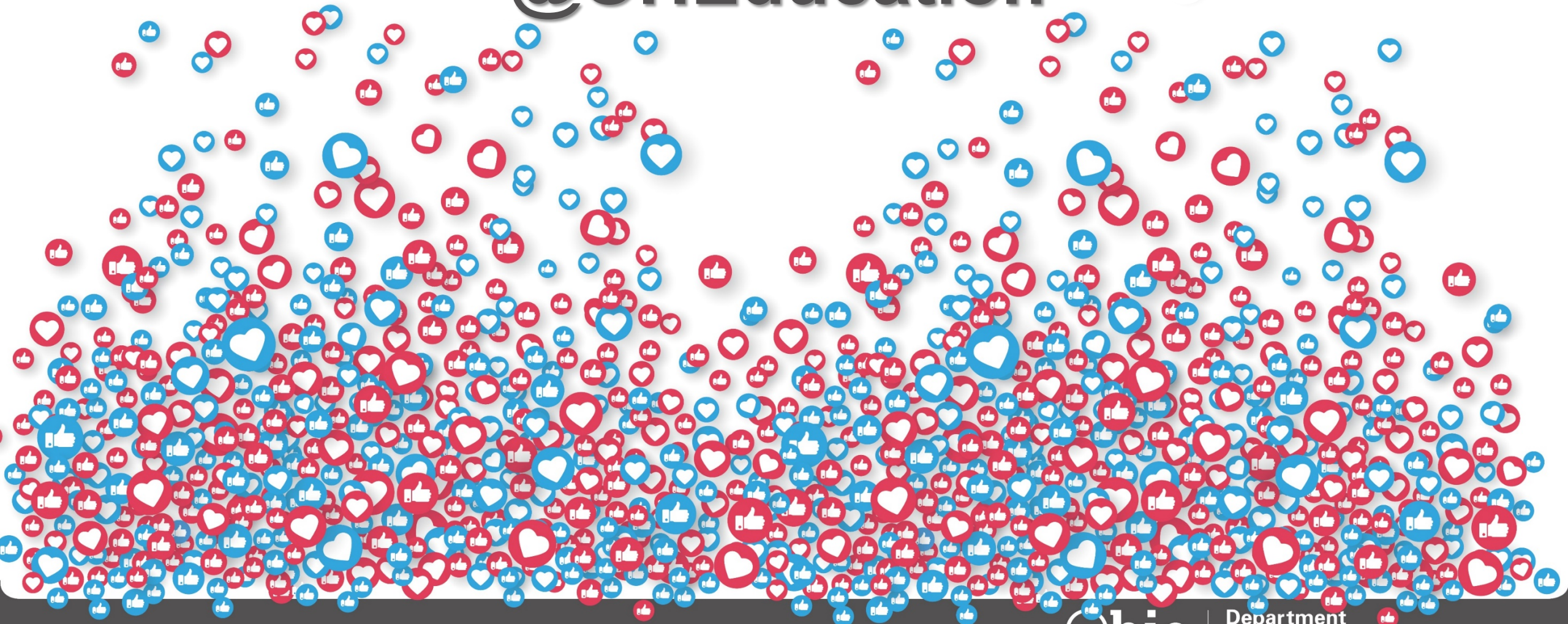
What happens if we violate that?



Questions



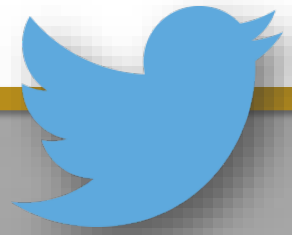
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