Spending Fund: MOE, Comparability, MoEquity



Office of Federal Programs

Monthly Training Sessions – November 2022

Today's Discussion

Maintenance of Effort (MOE)

Comparability

Maintenance of Equity (MoEquity)

Presenters

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ESEA Maintenance of Effort

Maintenance of Effort

- Districts must demonstrate that the level of state and local funding remains relatively constant year to year.
- District 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:

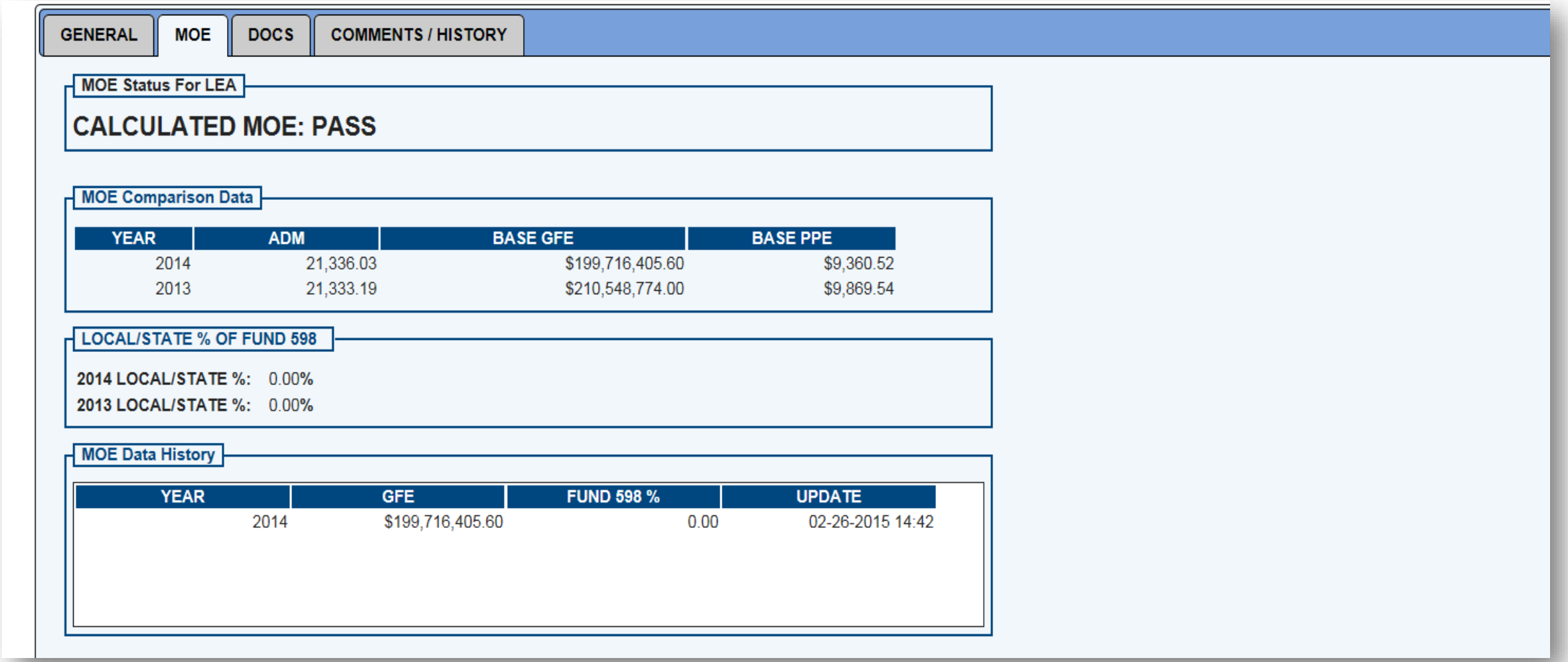
- Title I, Part D, Prevention and Intervention Programs for Children and Youth who are Neglected, Delinquent or At-Risk
- Title II, Part A, Improving Teacher Quality
- Title III, Part A, English Acquisition
- Title IV, Part A, Student Support and Academic Enrichment Services
- Title IV, Part B, 21st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

Failure to Meet the Requirement

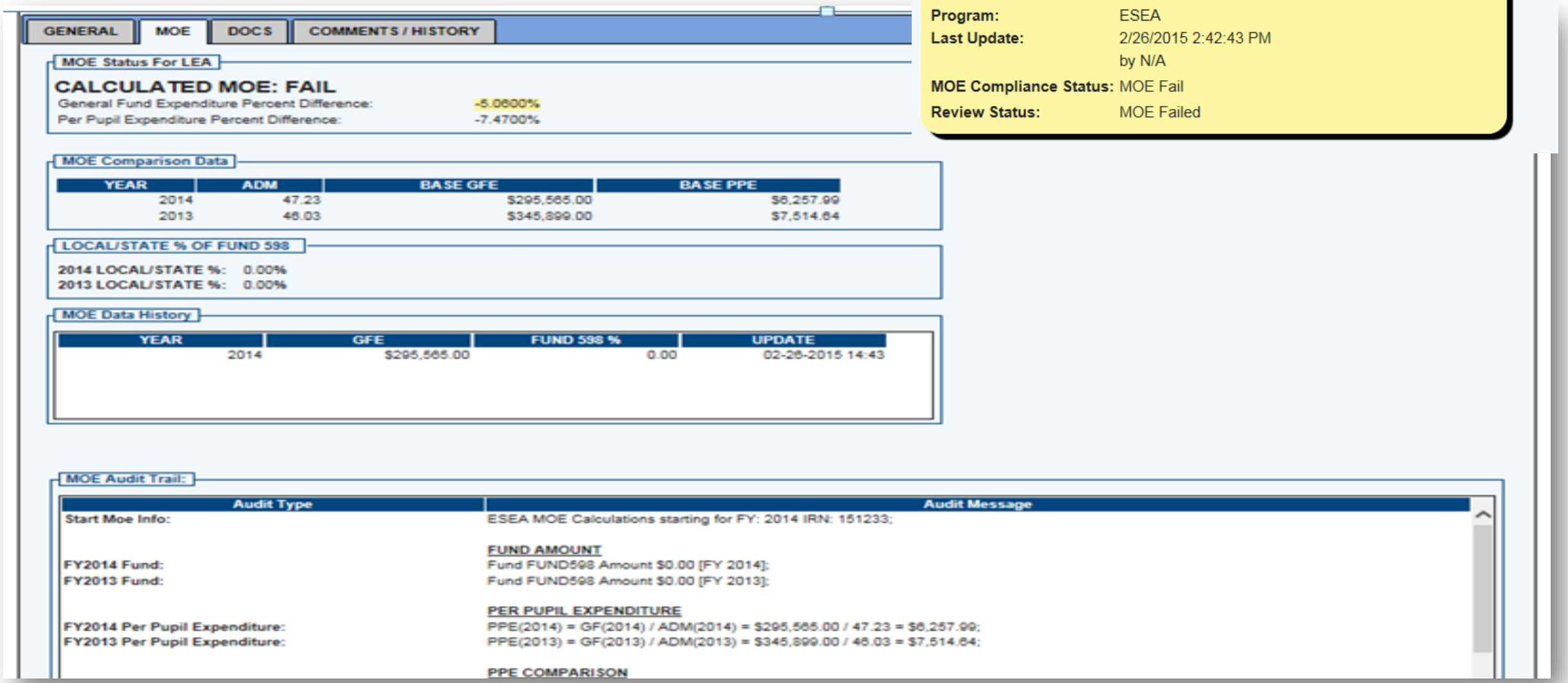
The Ohio Department of Education must reduce the amount of funds under the covered programs in any fiscal year in the exact proportion* by which the district fails to maintain effort by falling below 90 percent of either ***the combined fiscal effort per student*** or ***aggregate expenditures***.

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

MOE Pass


GENERAL
MOE
DOCS
COMMENTS / HISTORY
MOE Status For LEA
CALCULATED MOE: PASS
MOE Comparison Data
YEAR ADM BASE GFE BASE PPE
2014 21,336.03 $199,716,405.60 $9,360.52
2013 21,333.19 $210,548,774.00 $9,869.54
LOCAL/STATE % OF FUND 598
2014 LOCAL/STATE %: 0.00%
2013 LOCAL/STATE %: 0.00%
MOE Data History
YEAR GFE FUND 598 % UPDATE
2014 $199,716,405.60 0.00 02-26-2015 14:42

MOE Fail



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 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

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:	ESEA MOE Calculations starting for FY: 2014 IRN: 151233;
	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

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

ESEA Comparability

ESEA Requirement: Comparability

To be eligible to receive Title I funds, districts must use state and local funds to provide services in Title I schools **at least comparable** to services provided in non-Title I schools.

- Determined **each year**
- Must demonstrate comparability between Title I and non-Title I school staffing
- District's general fund staffing compared by buildings
- Auto-calculation or Self-report

Comparability

C

To be eligible to receive Title I funds, districts must use state and local funds to provide services in Title I schools **at least comparable** to services provided in non-Title I schools.

Comparability

If the district serves all its schools with Title I funds within a particular grade span, it must use state and local funds to provide services that are substantially comparable in each school.



Written Procedures

- Update annually.
- Identify the method to determine comparable services.
- Establish procedures to make adjustments if schools are not.

Three Methods to Demonstrate Comparable Services

1

- Student-Instructional Staff Ratios (most common).
  - ✓Can use either EMIS Data or Self-Report Option

Three Methods to Demonstrate Comparable Services

2

- Expenditures Per Pupil
  - ✓Includes **both** State and Local funds allocated for instructional base salaries **and** instructional supplies and curriculum materials.

Three Methods to Demonstrate Comparable Services



- Student/Instructional Staff Salary Ratio.
  - ✓State and Local funds allocated using base salary **not** salary differential

Comparability: Additional Information

- **Important Documents: Located in the Help Section within the Comparability System**

1. Title I Comparability Application Directions
2. Title I Comparability Compliance Procedure
3. Title I Comparability Q & A
4. Title I Comparability PPT

- Comparability Contact: Comparability@education.ohio.gov

ARP ESSER Maintenance of Equity

American Rescue Plan: New Requirement

- Section 2004 of American Rescue Plan Act of 2021
  - –Maintenance of Equity (MOEquity)

- Condition for both states and local educational agencies who received ARP ESSER funding

- Ensure essential resources are meeting the needs of underserved groups of students

MOE versus MOEquity

MOE	MOEquity
Don’t reduce state and local funds for education	Don’t disproportionately reduce state and local funds for education
Expenditure Data	Expenditure Data
Looks at LEA as a whole	Buildings within the LEA

Maintenance of Equity: Exceptions

- Automatic Exceptions
  - Less than 1,000 students
  - Single Building
  - Grade spans are within a single building
- Appendix B: Certification of Exception
  - NO overall budget cuts
- U.S. Department of Education Exception
  - Experiencing a reduction of state and local funds due to an "unusual or uncontrollable" circumstance

Where Are We Now?

- 924 ARP ESSER subrecipients
  - –486 have less than 1,000 students
  - –9 are single schools that have more than 1,000 students
  - –208 are exempt by grade spans
  - –181 have filed Appendix B
  - –40 must complete MOEquity for FY23
  - –No waivers have been submitted to the U.S. Department of Education

LEA Components of MOEquity

- For FY23 comparing FY23 to FY22 for:
  - –Per-Pupil state and local funding
    - Determine reduction, if any at the district level and compare to high-poverty schools
  - –FTE per-pupil staff
    - Determine reduction, if any at the district level and compare to high-poverty schools

Monitoring

- All ARP ESSER recipients receive the following question(s) within the ESSER monitoring survey:
  - Select the most appropriate exception reason.
    - Less than 1,000 students
    - Single building
    - Grade spans are within a single building
    - Certification of Exception (Appendix B)
      - Supporting documentation
    - U.S. Department of Education exception
      - Supporting documentation
    - Did not receive an Exception
  - If a district selects, did not receive an exception, it must answer the following:
    - Please describe the method/process the LEA is taking to ensure maintenance of equity is being met.
      - Supporting documentation

Supporting Documentation Examples

- 5-Year Forecasts
- Historical report card data
- History of passing MOE
  - Note, this is not enough to show that expenditures and staff are not disproportionately impacted in high-poverty buildings
- Building level spreadsheets for expenditures and staffing
- Other applicable documents

Data and Reporting

- Districts will not be required to submit anything in addition for MOEquity reporting
  - Per-pupil state and local funding will utilize EMIS data that is consistent with the report card
    - Fund codes that are 499 or less
    - Unweighted Approach
  - FTE per-pupil staff will utilize EMIS data that is consistent with the report card and other reports
    - Includes ALL staff
    - Contractors are included at the district level

MOEquity Updated Timeline

Date:3/1/22
FY22 Appendix B and other exceptions deadline

Date: 6/30/22
MOEquity monitoring should be complete

Date: 7/8/22
State has to publish monitoring process and exception list

Date: 10/21/22
FY23 Appendix B is due if not already turned in

Date: 12/31/22
Deadline for FY22 MOEquity test and list made available

Date: 12/31/23
Deadline for FY23 MOEquity test and list made available

Additional Information

- Office of Federal Program ODE Site:

https://education.ohio.gov/Topics/Federal-Programs

- Office of Federal Programs – Expenditures Site:

https://education.ohio.gov/Topics/Federal-Programs/Financial-Compliance-Information-1/Expenditures-Information

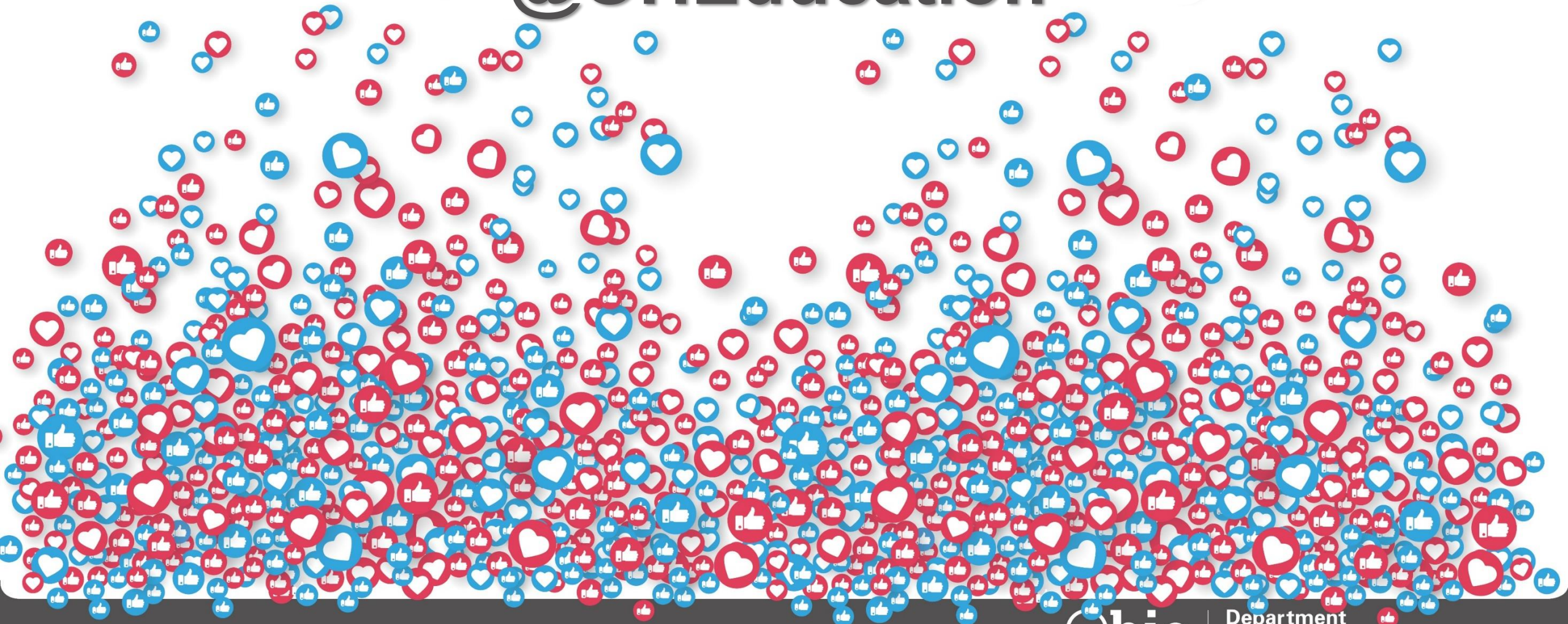
- General E-Mail:

FederalPrograms@Education.Ohio.Gov

Questions



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