



Local Education Agency Maintenance of Effort Frequently Asked Questions

The information below is based upon the Connecticut State Department of Education’s (CSDE)/Bureau of Special Education (BSE) review of information presented at the Statewide LEA MOE training sessions on October 27, 2020, and October 29, 2020, which was based upon the guidance and support from the Center for IDEA Fiscal Reporting (CIFR) and the Office of Special Education Programs (OSEP).

1. What is LEA MOE under the Individuals with Disabilities Education Act (IDEA)?

The local education agency (LEA) maintenance of effort (MOE) requirement obligates any LEA receiving IDEA Part B funds to budget and spend at least the same amount of local or State and local funds for the education of children with disabilities on a year-to-year basis. The LEA must demonstrate MOE for special education from year to year in two areas: MOE eligibility and MOE compliance standards.

2. What is the MOE Eligibility Standard?

An overview of the **eligibility standard** from 34 Code of Federal Regulations (CFR) 300.203(a)(1) provides:

The secondary education agency (SEA) must determine that the LEA budgets at least the same amount as the LEA spent the most recent fiscal year in which information is available (or last time MOE compliance was met) for special education. NOTE: The LEA must meet the eligibility standard by budgeting at least the same amount for special education as the last time the LEA met MOE. If not—the LEA is ineligible for the IDEA Part B award.

3. What is the MOE Compliance Standard?

An overview of the **compliance standard** from 34 CFR 300.203(b) (2) provides:

The SEA must determine that the LEA expends at least the same amount as the LEA spent the preceding year (or last time MOE was met) for special education. NOTE: LEAs must meet the compliance standard by expending at least the same amount as in the last year MOE was met.

According to 34 CFR 300.203(d), if an LEA fails to maintain its level of expenditures for the education of children with disabilities at least as much as the LEA expended for that purpose from the same source in the most recent year for which information is available—a recovery action using non-federal sources must be returned to OSEP (see question 17 below).

4. Is there more than one LEA MOE method available?

Yes. There are four methods available to meet both the eligibility and compliance standards for MOE. An LEA can demonstrate MOE by demonstrating equal or increased spending from the comparison year in end of the year expenditure reports in one or more of the four following methods: (1) total local funds only, (2) total combination of State and local funds, (3) local funds only on a per-capita basis, or (4) the combination of State and local funds on a per-capita basis (34 CFR 300.203). NOTE: The comparison year is subject to the “subsequent years rule” at 34 CFR Section 300.203(c), that is the comparison year for determining if an LEA meets the eligibility and compliance standards in the last year the LEA met MOE using the same method. If an LEA fails MOE, the level of expenditures required in the following year is the amount that would have been required in the absence of that failure, not the LEA’s reduced level of expenditures.

5. Can the LEA use more than one method to demonstrate MOE?

Yes. An LEA may use one or more of the four methods to meet both the eligibility and compliance standards for MOE—as long as it is compared to the same method utilizing the subsequent years rule.

6. Does the LEA need to use the same method for both standards to demonstrate MOE?

No. An LEA can use the same or different methods to meet the eligibility and compliance standards for MOE—as long as it is compared to the same method utilizing the subsequent years rule.

7. What is the MOE Calculator?

The [Connecticut MOE Calculator](#) tool is a required customized Excel spreadsheet developed by the CIFR in conjunction with the BSE to submit the LEA's MOE compliance and eligibility under IDEA Part B. The tool includes the four methods (a summary page to store previous years). The tool includes three tabs for each fiscal year, "Amounts" (red tabs), "MOE" calculator (blue tabs), and "Exception and Adjustments" (orange tabs), and uses a summary tab for historical and comparison purposes that graphically depicts the status of each standard with "Met," "Met with Exceptions," and/or "Did not Meet."

8. Does the LEA need to complete LEA MOE and CT LEA MOE calculator each year?

Yes. The LEA MOE is a critical element of the IDEA Part B Grant and the completion of the current Connecticut LEA MOE calculator for the MOE section of the IDEA Part B LEA subgrantee application is required.

9. Are there allowable exceptions and adjustments to LEA MOE?

Yes. The CSDE allows four allowable exceptions (for further information see MOE Exceptions Section 300.204 or Adjustments/Flexibility Section 300.205):

1. The **voluntary departure of special education staff** paid with State and/or local, or departure for just cause of special education or related services personnel. Examples of allowable reasons are retirement, resignation, employee does not renew contract, dismissal for misconduct, dismissal for breach of contract, not filling vacant positions, and filling vacant positions with lower-paid staff. NOTE: Be aware that layoffs or "reductions in workforce" and the entire LEA share of benefits do not qualify.
2. A **decrease in the enrollment of children with disabilities**. NOTE: This allowable exception can be automatically calculated for each method every year in the MOE calculator (refer to child count and "per capita" information in question 12).
3. The **termination of an exceptionally costly program for a particular child with an individualized education program (IEP)** that is paid with State and/or local funds. Examples of allowable reasons are any personal services (e.g., one-to-one teacher or paraeducator, personal nurse, therapies, transportation, and contracted services) and necessary for a child with an IEP, that are no longer needed due to one of the following reasons:
 - Student has left the jurisdiction of the LEA;
 - Student has exceeded the maximum age of eligibility; and/or
 - Student no longer requires special education due to improvement or there is a reduction of services in the IEP (moves from a more costly placement/program to a less costly placement/program—the difference between these placements can be used).
4. The **termination of costly expenditures for long-term purchases** (e.g., equipment, construction, and buses paid with State and/or local funds) that occur over more than one fiscal year. For a long-term purchase over multiple years, the exception amount would be the

final year's payment amount (e.g., paying off a lease-purchase for a bus or modular/facility, completion of a contracted service, paying off an equipment purchase, paying off a loan, or completing a rent-to-own agreement).

The LEA may use the above allowable exceptions and adjustments to address any shortfalls. NOTE: The MOE calculator will indicate—in particular on the summary page—that the LEA “Met with Exceptions.” Please report which allowable exception(s) used in the MOE section of the IDEA Part B LEA subgrantee application.

10. Should the LEA record all allowable exceptions available even if the LEA MOE is met?

Yes. The LEA should place in as many allowable exceptions (see above) in the MOE calculator “Exc & Adj” tab that corresponds with the fiscal year that is being addressed. This allows for greater flexibility to maximize methods available for future comparison years. Further, when the LEA records these as they occur throughout the year, it generates a historical record and decreases errors of omission when attempting to complete the process later.

11. Is the MOE Calculator easy to use and can the Connecticut MOE calculator be available for an LEA to use beyond the application process?

Yes. The LEA is encouraged to use the MOE calculator as a tool to examine and maintain LEA MOE throughout the year. The MOE calculator is an Excel spreadsheet and included as part of the IDEA Part B subgrantee application process—each LEA completes and uploads the Connecticut MOE calculator into the electronic grants management system (eGMS). The first few tabs on the MOE calculator are informational and give detailed directions with both a full explanation and condensed version. Then the LEA inputs special education fiscal information from the Education Financial System (EFS) financial reports (end of the year expenditures) in the “Amounts” tab in the MOE calculator for the identified years to include both the most recent special education audited expenditure data (compliance) from the previous year and the proposed special education budget data (eligibility) for the upcoming school year. NOTE: The LEA is responsible to keep data of the Special Education Budget and Expenditures (EFS - end of year report) supporting both the MOE eligibility and compliance standards.

12. Should the LEA gather the child count information from October 1 regarding students with disabilities and place in the MOE Calculator?

Yes. The MOE calculator utilizes child count data in the “per capita” calculations (both local and State/local methods) and as well automatically does the calculation for the allowable exception of reduced special education census (see above). The Special Education Data Application and Collection (SEDAC) system regarding the provision of special education and related services based upon the October 1 child count is used. NOTE: The district's SEDAC data manager can confirm the total 3–21 IEP/services plan count from the “Child Count Verification Reports-Summary Statistics” located in SEDAC as defined under 34 CFR 300.101-.102.

13. Can the LEA use federal dollars to demonstrate MOE?

No. Federal funding cannot be used to demonstrate either eligibility or compliance standards. The MOE obligation is to expend and budget at least the same amount of State and local or local only funds; accordingly, no federal fund expenditures may be used to demonstrate that an LEA has met MOE.

14. Can the LEA use State dollars to demonstrate MOE?

Yes. Local funds and the combination of State/local funds may be used to demonstrate LEA MOE—some of the State funds that can be used include:

- EFS financial report portions (end of the year reports) for special education;

- Education Cost Sharing portions for special education; and
- Excess Cost (high needs funds) for special education.

15. Have any of the components of IDEA, in particular IDEA Part B Grant Sections 611/619 been waived due to the COVID-19 pandemic?

No. There have been no waivers granted for IDEA due to the pandemic and in particular IDEA Part B Grant Sections 611/619.

16. Can “COVID-19” be used as an allowable exception under LEA MOE for IDEA Part B?

No. COVID-19 and elements related to the pandemic such as decreased expenditures due to school closures are not allowable exceptions (see question 9 above for reference of allowable exceptions). There have been no waivers granted for IDEA and in particular to LEA MOE under IDEA Part B Grant Sections 611/619.

17. Are there consequences for failing to meet LEA MOE?

Yes. LEAs identified with not meeting LEA MOE in either standard and are unable to demonstrate allowable exceptions and/or adjustments to address any shortfall, must have correspondence with the BSE to address the following:

- Consequences of not meeting the eligibility standard:**
If an LEA fails to budget for the education of children with disabilities at least as much as the LEA expended for that purpose from the same source in the most recent year for which information is available—the **LEA is not eligible for a federal Part B subgrant in the fiscal year for which the LEA is budgeting.**
- Consequences of not meeting the compliance standard:**
If an LEA fails to maintain its level of expenditures for the education of children with disabilities at least as much as the LEA expended for that purpose from the same source in the most recent year for which information is available—a **recovery action using non-Federal sources must be returned to OSEP** (34 CFR 300.203(d)).

The LEA will use the MOE calculator to calculate any repayment amount that is required as a consequence for not meeting the compliance standard. The calculator utilizes the IDEA Part B Sections 611/619 awards and calculates the repayment amount, “an amount equal to the amount by which the LEA failed to maintain its level of expenditures in that fiscal year or the amount of the LEA’s IDEA Part B subgrant in that fiscal year, whichever is lower.” The lowest number for the preliminary repayment identified can be found in the MOE calculator’s “Summary tab 4” under column “O” the Repayment Amount (Compliance Test Only).

18. Should the LEA develop written protocols related to MOE?

Yes. Each LEA should have written policies and practices related to LEA MOE. Protocols may include:

1. Chain of command for responsibilities for monitoring and completing MOE.
2. Explanation of LEA timeline for budget/expenditure development and reporting such as presentations of budget to the local Board of Education, annual audits, bookkeeping, and EFS reports.
3. Interoffice responsibilities of “location” (director of special education/business manager) of special education budget/expenditures such as:
 - a. Passwords to access EFS and eGMS.
 - b. EFS reports and audit findings.
 - c. MOE Calculator review and input.
 - d. Data manager information related to October 1 Child Count.

4. Explanation of budget codes and line items with an explanation highlighted that “Only Local and State Funds and No Federal Funds” can be used to demonstrate LEA MOE.

19. Are there resources that an LEA can access regarding LEA MOE?

Yes. The LEA may access the following information or contact the BSE IDEA Fiscal Manager at thomas.boudreau@ct.gov for support as needed:

- [CIFR - https://cifr.wested.org/resources/lea-moe/organizer/](https://cifr.wested.org/resources/lea-moe/organizer/)
- [Center for IDEA Fiscal Reporting \(CIFR\) LEA MOE Calculator at-a-glance, black and whitehttps://portal.ct.gov/SDE/Special-Education/Special-Education-Fiscal-RFPs-and-Grants](https://portal.ct.gov/SDE/Special-Education/Special-Education-Fiscal-RFPs-and-Grants)
- [Resources for Maintenance of Effort \(MOE\) and other elements for the IDEA Part B Grant 611/619](#)
- [Important MOE Update Information](#)
- [LEA MOE Calculator Tool Instructions](#)
- [Local Education Agency \(LEA\) MOE Calculator Version 1.3 for CT](#)
- [How to Copy and Paste Data for the LEA MOE Calculator Version 1.3](#)
- [NEW: Local Education Agency \(LEA\) MOE Calculator Version 1.4 Extended for CT](#)
- [NEW: Transitioning from LEA MOE Calculator Version 1.3 to Version 1.4 Extended for CT](#)