

Local Educational Agency Maintenance of Effort Calculator: Instructions

Introduction

The Center for IDEA Fiscal Reporting (CIFR) developed the *Local Educational Agency (LEA) Maintenance of Effort (MOE) Calculator* to help state educational agencies (SEAs) and LEAs:

- Document local or state and local fiscal effort in an LEA for special education and related services.
- Determine whether that effort meets the IDEA's LEA MOE requirement (34 CFR §300.203), which stipulates that every LEA must budget and expend at least the same amount of local, or state and local, funds for the education of children with disabilities as the LEA spent in previous years.

This requirement includes both an eligibility standard — the LEA must *budget* at least the same amount as spent in the most recent year for which data are available and the LEA met LEA MOE — and a compliance standard — the LEA must *expend* at least the same amount as in the last year the LEA met LEA MOE. IDEA permits LEAs to meet each standard by any of four methods: by calculating total local funds, total state and local funds, local per capita funds, or state and local per capita funds. To learn more about these standards and methods, see CIFR's *Quick Reference Guide on IDEA LEA MOE*: <http://cifr.wested.org/wp-content/uploads/2015/12/CIFR-LEA-MOE-QRG.pdf>. The Quick Reference Guide also describes the basis for allowable exceptions and adjustments.

The LEA MOE Calculator is an Excel workbook which SEA staff may use in multiple ways. Staff could complete the workbook based on data submitted by each LEA; collaborate with each LEA to complete the workbook; or ask each LEA to complete and submit the workbook. For example, SEA staff could populate previous years' data and ask each LEA to enter current data.

If SEA staff have any questions about using the Calculator, please contact CIFR at cifr_info@wested.org. LEAs are encouraged to contact their SEA for assistance.

CIFR makes the LEA MOE Calculator available to SEAs for independent use, general guidance, and estimates only. The LEA MOE Calculator is not intended to replace professional guidance or any other decision-making method or tool. SEAs and any other end users are responsible for determining their own legal, regulatory, contractual, or other responsibilities, and for ensuring their calculations and reporting are correct.

General Instructions

The LEA MOE Calculator allows users to enter data for multiple years. There are two versions: LEA MOE Calculator v1.3 includes fiscal years (FYs) 2010–11 through 2014–15 as historical data and calculates LEA MOE results for FYs 2015–16 through 2019–20; LEA MOE Calculator v1.4 Extended includes FYs 2015–16 through 2019–20 as historical data and calculates MOE results for FYs 2020–21 through 2024–25.

For the Calculator to function optimally, users should enter data going back to the last year that the LEA met MOE for each of the four methods used (total local funds, total state and local funds, local per capita funds, and state and local per capita funds). The last year met may be different for each of the four methods. Users should also enter data for any intervening years. When using this Calculator for the first time, users should have access to historical MOE results, exceptions and adjustment data, and current budget data. For earlier years, this historical information is entered on the *Multi-Year MOE Summary* worksheet. For calculated years, this information is entered in a more detailed format on the *Amounts* worksheets.

There are 24 color-coded worksheets, or tabs, in the workbook:

- *Title Page* (Tab 1, purple).
- *Instructions* (Tab 2, purple). A PDF version of the instructions is available for download and printing with the Calculator on CIFR's website and is included in the .zip file when a user downloads the Calculator.
- *Getting Started* (Tab 3, purple) is a worksheet for entering basic information.
- *Multi-Year MOE Summary* (Tab 4, purple) contains the table showing whether the LEA met LEA MOE for past and current years.
- Five *Amounts* worksheets (Tabs 5, 8, 11, 14, and 17, red) are for users to enter budget and expenditure amounts.
- Five *MOE* worksheets (Tabs 6, 9, 12, 15, and 18, blue) that summarize the LEA MOE calculations for each method, for each year.
- Nine *Exc & Adj* worksheets (Tabs 7, 10, 13, 16, and 19–23, orange) are for entering exceptions and adjustment data for each calculated year.
- *LEA or SEA Worksheet* (Tab 24, green) is a blank worksheet for LEA or SEA use.

For the years calculated on Tab 4, the worksheets are arranged by year. *Exc & Adj* worksheets for historical years follow the yearly worksheets.

Shaded cells are for data entry. Unshaded cells are headers or will calculate automatically. "Copying" and "pasting" is permitted in the Calculator, but the "cut" function should not be used as using it will decrease the functionality of the Calculator.

Getting Started Worksheet (Tab 3, Purple)

LEA name and ID (rows 2–3):

- Enter the LEA name and ID. The LEA name will populate on subsequent tabs, but it is not used in the tool's calculations.

State fiscal year (rows 4–5):

- Enter the start and end dates for the state fiscal year (month and day). This information is for reference and is not used in the tool's calculations.

State and local funds (row 6):

- Select (Yes/No) to indicate whether the LEA is able to separately account for the expenditure of local funds and state funds from 2010–11 to the present year. If not able to do this local/state separation for each year, the LEA will not be able to use the local funds test methods to demonstrate it has met LEA MOE requirements (i.e., all "Local" columns in the other worksheets will be unavailable), and the LEA will have to enter all amounts into the "State" columns throughout all the relevant worksheets.

Automatic calculation (row 7):

- Select (Yes/No) to indicate whether you opt to have the Calculator automatically calculate Exception 34 CFR §300.204(b), which is a decrease in the enrollment of children with disabilities. If you choose "Yes," the Calculator will use a method approved by OSEP for the calculation of Exception (b). If you choose "No," you must use a method allowed by your SEA that is justifiable and consistent with IDEA regulations.

High cost fund (rows 9–17):

- For each year in rows 9–17 of the Calculator, select "Yes" if the SEA operates a high cost fund under §300.704(c). The default is "No." We recommend that LEA users contact their state to determine if the high cost fund is funded with federal dollars and is explicitly operated under §300.704(c).

However, an LEA may not have historical decisions available for every year from FYs 2010–11 to the present. At a minimum, data must be entered for each method in row 7. If row 7 is not the “last year met” for a given method, data may also be required in rows 3 through 6 to document that the LEA met MOE in one of those years. For each method, data are required for all years between the last year that compliance was met and the year being calculated.

Only for LEA MOE Calculator v1.4 Extended: SEAs, if you have an LEA that did not meet MOE by a particular method between 2015–16 and 2019–20, and the LEA would like to consider using that method and the Calculator, please contact CIFR for assistance.

Enter available data in the shaded cells for the FYs shown in rows 3–7. Information for the FYs shown in rows 8–12 will be auto-filled based on data entered in the *Amounts*, *MOE*, and *Exc & Adj* worksheets.

Amounts entered in the columns for IDEA Part B section 611 and section 619 subgrant will be used to calculate a total IDEA Part B subgrant. This total is needed to calculate the amount the SEA is responsible for repaying to the U.S. Department of Education (and may require an LEA to repay), in case of LEA MOE failure.

Detailed directions for completing the worksheet

Columns A–K:

In the *Multi-Year MOE Summary* worksheet, the Standard column (column B) is set to the compliance (expenditures) standard in rows 3–7. For all future years, the worksheet defaults to the eligibility (budget) standard. To change the standard that is being monitored, go to the *MOE* worksheet for the relevant year and select either eligibility or compliance in row 1, column B.

Note: In the LEA MOE Calculator 1.4 Extended, the default for 2019–20 is set to the eligibility (budget) standard. To change it to compliance (expenditures), use the dropdown menu in cell B7 on the *Multi-Year MOE Summary* worksheet.

Enter historical data, as needed, to include the most recent year when LEA MOE was met for each method (columns C–K, rows 3–7):

- Under Child Count (column C), enter the child count of students with disabilities for each year (as defined by 34 CFR §300.101–300.102). The numbers entered here will be used to automatically calculate the per capita amounts in columns H and J.
- Under Local Total Amount, and State and Local Total Amount (columns D and F, respectively), enter the LEA’s final expenditure amounts for each fiscal year.
- Per capita amounts in columns H and J will automatically calculate.
- For each method and year (in columns E, G, I, and K), select an MOE Compliance Result: “Met,” “Met with Exceptions or Adjustments,” or “Did Not Meet.” Select “Met as Baseline” for a new LEA. Note for LEA MOE Calculator v1.3: For FY 2010–11, all methods are preset to “Met as Baseline” because this is the baseline year.

The worksheet will automatically calculate this information for the FYs in rows 8–12 in columns C–K, based on data entered in the *Amounts* and *Exc & Adj* worksheets for those respective years.

Columns L–Q:

In addition, the Calculator enables users to collect and track information needed by the SEA to meet its reporting requirements, including Subgrant and Repayment Amounts, as needed (columns L–Q, rows 8–12).

- Under Amount of IDEA Part B, Section 611 and Section 619 Subgrant (columns L and M, respectively), enter the amounts of the Section 611 and Section 619 subgrants to the LEA.
- Total IDEA Part B Subgrant (column N) will automatically calculate the sum of the amounts entered in columns L and M.
- Repayment Amount (column O), using data entered in the *Amounts* and *Exc & Adj* worksheets and summarized in the *MOE* worksheet, will calculate the amount to be repaid, which is: (a) the least of the amounts by which the LEA failed to maintain its level of expenditures by each of the four tests, or (b) the total amount of the LEA’s Part B Subgrant for that year — whichever is smaller. (Intermediary calculations of the shortfall for each method for each year are shown in columns V–X.)
- Under Date SEA/LEA Paid Amount (columns P and Q, respectively), enter the dates the SEA and/or LEA made repayments, if required.

Amounts Worksheets (Tabs 5, 8, 11, 14, and 17, Red)

These are the input sheets to record the LEA’s annual fiscal effort. Two identical tables are used to record budgeted amounts for the eligibility standard and final expenditure amounts for the compliance standard. Amounts may be copied and pasted from one table to the other if the amounts do not change. Do not use the cut function, as using it may cause errors in the data calculations.

Note that when entering data in the Eligibility Standard table, it is also necessary to enter the data for eligibility for the previous year in the corresponding *Amounts* worksheet for that year in order for all automatic calculations to function properly.

Detailed directions for completing the worksheet for each year

Child Count (row 1):

- Enter the Projected (column B) or Actual (column I) special education child count of children receiving services under IDEA. These numbers will be used for all per capita calculations on the *Amounts*, *MOE*, and *Multi-Year Summary* worksheets, and for Exception (b): Decrease in enrollment on the *Exc & Adj* and *MOE* worksheets.

Eligibility Standard (Budgeted Amounts) and Compliance Standard (Final Expenditures) Tables:

- Note that if you indicated in the *Getting Started* worksheet that the LEA is unable to separate state and local funds, the local columns in these tables are not available for data entry. All funds must be entered into the State columns (E and/or L). If the SEA is completing this worksheet on behalf of its LEAs but cannot distinguish state from local funds, it must provide each LEA with the opportunity to demonstrate that it can meet MOE by any of the four methods, including the local-only methods.
- Under Object Description (columns A and H) and Code (columns B–C and I–J), enter available descriptions and codes for all local and state budget or expenditure items for the noted fiscal year. An Object Description describes the expenditure (e.g., teacher salaries and benefits, supplies, therapist contracts), and the Code references the billing code used by the LEA to track the funds. The headers for these columns are editable and can be customized based on the terminology used by your SEA or LEA. There are two Code columns to allow SEAs and LEAs flexibility in entering budget codes or other information.
- In the Local (column D) and State (column E) columns in the Eligibility Standard table and the Local (column K) and State (column L) columns in the Compliance Standard table, enter the corresponding budgeted amounts (columns D and E) and/or expended amounts (columns K and L) at the local (if possible) and state level for each object entered in column A or H. If an LEA cannot separately account for local and state funds, all funds should be entered in the State columns (columns E and L).
- The State and Local columns (columns F and M) are auto-calculated.
- The worksheet calculates Grand Totals (row 30) and Per Capita Amounts (row 31) for budgeted and expended amounts.

MOE Worksheets (Tabs 6, 9, 12, 15, and 18, Blue)

These worksheets draw on the information entered in the *Getting Started*, *Multi-Year MOE Summary*, *Amounts*, and *Exc & Adj* worksheets to calculate whether the LEA MOE eligibility and compliance standards are met, and the difference between what has been budgeted or expended and what must be budgeted or expended to meet the standards, by each of the four methods.

The tables on these sheets should be completed for each method unless the user indicated on the *Getting Started* worksheet that the LEA is unable to account separately for state and local funds, in which case the local methods (i.e., Method 1: Local Total and Method 3: Local Per Capita) for meeting the LEA MOE standards will not be displayed.

Detailed directions for completing the worksheet for each year

Which standard do you want to measure? (row 1):

- Select whether the compliance or eligibility standard is being measured. Select compliance if you have final expenditure data for that year.

Calculation tables (rows 3–11):

- The Calculation tables for each of the four methods are automatically filled and do not require user input.
- Comparison Year and Comparison Year Amount (rows 4 and 5) are determined by the most recent year in which the LEA met the LEA MOE compliance standard for each of the four methods. This information is obtained from the *Multi-Year MOE Summary* worksheet.
- Version 1.4 Extended only: If the LEA has not met the LEA MOE compliance standard for a particular method since 2015–16, rows 4 onwards in this worksheet will display #N/A for that method.
- Row 6 displays total amounts from the Grand Totals and Per Capita Amounts rows in the *Amounts* worksheet for the correlating fiscal year.
- Based on the data entered in the *Amounts* and *Exc & Adj* worksheets and the comparison data in the *Multi-Year MOE Summary*, an LEA MOE result will appear in the MOE Result columns (row 6 in columns C, G, K, and O). If LEA MOE is not met based on the comparison of the current year's budget or expenditure amounts to the amounts from the last year when LEA MOE was met (reduced, as appropriate, by exceptions and/or an MOE adjustment), the Initial Difference row (row 7) will show the initial difference between the two amounts.
- Rows 8–11 display Total Exceptions and Total Adjustment, along with Difference with Exceptions, and the Final Shortfall, based upon those exceptions and adjustment. LEA MOE Results are displayed in adjacent columns in rows 9 and 11. These values are calculated based on the Exceptions and Adjustment tables in rows 13–73.

Exceptions and Adjustment tables (rows 13–73):

- These tables summarize the exceptions and adjustment data entered on the *Exc & Adj* sheets for the current year and for previous years, when applicable.

Exceptions & Adjustment (Exc & Adj) Worksheets for Current and Previous Years (Tabs 7, 10, 13, 16, and 19–23, Orange)

When reporting an LEA's MOE, enter information on any relevant qualifying MOE exceptions or adjustment in the *Exc & Adj* worksheets, which will auto-populate the correlating *MOE* worksheets. The *Exc & Adj* worksheets provide places for an LEA to document the five exceptions permitted by 34 CFR §300.204 and the MOE adjustment permitted by 34 CFR §300.205. If an LEA does not meet MOE requirements based on its budgeted amounts (eligibility) or final expenditures (compliance), enter information in the *Exc & Adj* worksheets to potentially meet MOE based on the exceptions or adjustment. Even an LEA that meets MOE by one or more methods should consider entering all exceptions and adjustment data, since this information may be helpful for future years to lower the amount needed to meet MOE.

The *Exc & Adj* worksheets require only the final expenditure data for the earlier (historical) years. For those years, an LEA may simply enter summary information and total numbers and does not need to enter the same level of detail as for later (calculated) years. For the calculated years, the tables are duplicated for budgeted or projected reductions (to meet the eligibility standard) and actual reductions taken, based on final expenditures (to meet the compliance standard).

Detailed directions for completing the worksheet for each year

Note: In the *Exc & Adj* worksheets for the calculated years, the data entry fields in the Eligibility Standard table and the Compliance Standard table are identical.

Exception 34 CFR §300.204(a) [Voluntary departure] – The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel, rows 3–21:¹

- Enter information about all departing personnel and replacement personnel, including amounts of salary and benefits paid from local, or state and local, funds.

Exception 34 CFR §300.204(b) [Decrease in enrollment] – A decrease in the enrollment of children with disabilities, rows 23–35:

- Option 1. If “No” was selected in the *Getting Started* worksheet to indicate the SEA or LEA would use its own method to calculate exception (b), enter the amounts for this exception in row 25, for each of the four methods (the per capita amount is not automatically calculated as it is elsewhere). The amounts must be based on a method that is allowed by the SEA and is justifiable and consistent with IDEA regulations.
- Option 2. If “Yes” was selected in the *Getting Started* worksheet to indicate the SEA or LEA would not use its own method to calculate exception (b), the worksheet will auto-calculate the exception (b) amount based on the child count data entered in the *Multi-Year MOE Summary* and *Amounts* worksheets. For this exception only, the worksheet shows how the exception applies differently to the Local (column B) and State and Local (column C) methods.

Exception 34 CFR §300.204(c) [Exceptionally costly program] – The termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child: (1) has left the jurisdiction of the agency; (2) has reached the age at

¹The row numbers for the *Exc & Adj* worksheets apply to calculated years. In historical years, because no eligibility table is needed, all row numbers are one lower.

which the obligation of the agency to provide free and appropriate education to the child has terminated; or (3) no longer needs the program of special education, rows 37–46:

- Enter a Student Identifier; the Reason for the termination of the obligation of the agency to provide special education; and local, or state and local, expenditures for each child with a disability requiring an exceptionally costly program.

Exception 34 CFR §300.204(d) [Long-term purchases] – The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities, rows 48–56:

- Enter a description for each costly expenditure for a long-term purchase that has terminated, and provide local, or state and local, expenditures in the final year of purchase.

Exception 34 CFR §300.204(e) [SEA high cost fund] – The assumption of cost by the high cost fund operated by the SEA under 34 CFR §300.704(c), rows 58–66:

- For each year for which the user selected “Yes” in the *Getting Started* worksheet to indicate that the SEA operated a high cost fund under §300.704(c), this exception will be available for data entry.
- Enter a student identifier and the total cost assumed by the SEA for each student for whom the SEA assumed (or is projected to assume) costs in a given year.

If the rows provided in these tables for the exceptions are not sufficient, include a summary in the provided rows (e.g., a total of Salary and Benefits for all departing personnel for exception (a) [Voluntary departure]) and maintain the appropriate additional documentation separately.

Adjustment, rows 68–70:

- If an LEA intends to take an MOE adjustment, use the *IDEA* Data Center’s MOE Reduction Eligibility Decision Tree (<https://ideadata.org/resources/resource/1495/maintenance-of-effort-moe-reduction-eligibility-decision-tree>) and Worksheets (<https://ideadata.org/resources/resource/1496/maintenance-of-effort-moe-reduction-eligibility-worksheets>) to determine if the LEA is eligible, and the amount available for an adjustment.
- Enter the amount, up to the total available adjustment, projected or taken in row 70.

LEA or SEA Worksheet (Tab 24, Green)

The final tab in the Calculator is a blank worksheet that the LEA or SEA can use as needed. Possible uses include:

- Notes related to the LEA MOE calculations.

- Calculations for the *Amounts* worksheets.
- Calculations for the *Exc & Adj* worksheets, including SEA or LEA calculations for Exception (b): Decrease in enrollment, if you choose not to have it auto-calculated.
- Historical LEA MOE data for the *Multi-Year MOE Summary* worksheet.

You can create a link to this worksheet in any shaded cell on the *Amounts*, *Exc & Adj*, or *Multi-Year MOE Summary* worksheets.

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