



# SPED Maintenance of Effort (MOE) & Fiscal Elements of Medicaid School Based Services

Lisa Pofelski Rosa

Principal Financial Specialist  
Special Education Funding & Accountability Coordinator



Idaho State Dept. of Education

*Idaho State Department of Education*

DEBBIE CRITCHFIELD, SUPERINTENDENT OF PUBLIC INSTRUCTION

# Agenda



- LEA Maintenance of Effort Overview
- Standards for determination
- MOE Test
- Maintenance of Effort Exceptions
- MOE in the IDEA Part B Application
- Accounting for MOE and School-Based Medicaid
- MOE Failure and Fiscal monitoring





# Local Educational Agency (LEA) Maintenance of Effort Overview



## 34 CFR §300.203 LEAs Maintenance of Effort

- IDEA Part B Funds must not be used to reduce the state and local level of expenditures for the education of children with disabilities.
- The amount of local, or State and Local Funds expended for the education of children with disabilities, is the amount of funds that establishes the level of expenditures to be maintained from year-to-year and establishes the MOE level.



# IDEA Regulations Intent



- IDEA is a federal law that requires schools to serve the educational needs of eligible students with disabilities
- Children with disabilities in education are protected groups
- IDEA was not solely implemented for the purpose of administering the federal grants
- IDEA was also about putting mechanisms in place to encourage LEAs to do more for special education.

# IDEA Regulations Funding Goals



- The US Federal government supports state and local governments by providing IDEA federal grants.
- The US Federal government needs to ensure that state and local governments support the education of students with disabilities in that State by **maintaining or increasing the level of expenditures from year to year.**



# Standards for MOE Determination

# Standards for Determining Maintenance of Effort



## Title 34 CFR §300.203 (a)

- The federal code establishes the eligibility standard based on the LEA's prior year expenditures.
- The federal code outlines in detail the 4 basic standards used by the Idaho State Department of Education Special Education to determine whether the LEA passed or failed the maintenance of effort test.



# Standards for Determining Maintenance of Effort cont'd



## The 4 basic criteria for compliance and eligibility:

- Combination of State and Local Funds – total amount
- Combination of State and Local Funds – per capita basis (Child count)
- Local Funds Only – total amount
- Local Funds Only – per capita basis (Child count)

From year to year, the LEA needs to spend at least the same amount as in prior fiscal years.



# Maintenance of Effort Test

# Maintenance of Effort Test



The Special Education Department at the SDE performs the MOE test by comparing expenditures from the most recent year for which information is available to expenditures in the last fiscal year the LEA met the MOE test.

The test has two components:

1. Compliance test
2. Eligibility test



# Compliance and Eligibility Test



- The MOE **compliance** test compares the LEA's special education actual expenditures from the most recent fiscal year to prior year expenditures.
- The MOE **eligibility** test compares the LEA's special education budgets to prior year expenditures.



# Subsequent Year Rule



- In the Federal Register Vol. 80 No. 81 pages 23647-23648, OSEP provided more guidance on the comparison rule. The SDE is required to use **FY 2012** as the starting fiscal year for MOE comparison purposes.
- To determine the last time an LEA met the MOE test, the SDE can start the test in FY 2011-12 for comparison purposes.
- If neither the total amount spent or budgeted, nor the per-student amount is greater than, or equal to those amounts in the previous year, the LEA is not eligible for a Part B grant.



# Maintenance of Effort Exceptions



## **Title 34 CFR §300.204 Exception to Maintenance of Effort**

A LEA may reduce the level of its expenditures (local, or State and local; in total or per capita) below the level of those expenditures for the preceding fiscal year under certain circumstances.



# MOE Exception cont'd



- Voluntary departure by retirement or departure for just cause of special education or related services personnel;
- Decrease in the enrollment of children with disabilities;
- Termination of costly expenditures for long-term purchases, such as the purchase of an IEP software program;
- Termination of an exceptionally costly obligation to a particular child with a disability because the child:
  - Has left the jurisdiction of the administrative unit;
  - Has reached the age at which the obligation to provide FAPE to the child is terminated; or
  - No longer needs the program of special education.



# Exceptions in the IDEA Part B Application



- Inside the Maintenance of Effort Worksheet and Assurance Form, you will enter in the category of your proposed exception.
- Attach documentation for your calculation to match the requested amount of the exception.

## State and Local Maintenance of Effort Worksheet and Assurance Form - 2021-2022

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review
---------------------------	-------------------------	-------------------------	--------------------	---------------------------------	----------------------------	--------------

### Allowances for Exceptions to Maintenance of Effort Actual Expenditures

The district's Maintenance of Effort Assurance form indicates that the actual expenditures for Special Education services in school year 2020-2021 are less than those expenditures in the previous year. IDEA Part B includes certain exceptions to the Maintenance of Effort requirement (34 CFR §300.204) that allow for reductions in expenditures by the LEA.

Indicate below if your district's reduction in expenditures is attributable to any of the following. Enter the amount of the reduction in the appropriate field.

The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel: <i>Note: for termination of staff you must upload documentation including staff member and replacement staff member documentation.</i>	\$0
Current Files <i>Loss of student related services.pdf</i>	
The termination of the obligation of the agency 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—	
Has left the jurisdiction of the LEA:	\$3,657
Has reached the age at which the obligation to provide FAPE to the child has terminated:	\$0
No longer needs the program of special education:	\$3,747
The termination of costly expenditures for long-term purchase, such as the acquisition of equipment or the construction of school facilities:	\$0
Total:	\$7,404

# MOE Exception Example 1



## 34 CFR §300.204

Voluntary departure by retirement or departure for just cause of special education or related services personnel;

- In FY 2019-20, the LEA's MOE Expenditures \$500,000
- In FY 2020-21, the LEA lost a teacher (retired, **did not fill position in 2020-21**) with a salary of \$60,000/year
- In FY 2020-21, the LEA has \$60,000 eligible *expenditure exception*
- If the LEA elects to take the exception, the MOE threshold will be reset at \$440,000 (\$500,000-\$60,000)

# MOE Example 1

Voluntary departure by retirement or departure for just cause of special education or related services personnel;



## State and Local Maintenance of Effort Worksheet and Assurance Form - 2020-2021

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	<b>Expenditure Exception Worksheet</b>	Budget Exception Worksheet	Admin Review
---------------------------	-------------------------	-------------------------	--------------------	--	----------------------------	--------------

### Allowances for Exceptions to Maintenance of Effort Actual Expenditures

The district's Maintenance of Effort Assurance form indicates that the actual expenditures for Special Education services in school year 2019-2020 are less than those expenditures in the previous year. IDEA Part B includes certain exceptions to the Maintenance of Effort requirement (34 CFR §300.204) that allow for reductions in expenditures by the LEA.

Indicate below if your district's reduction in expenditures is attributable to any of the following. Enter the amount of the reduction in the appropriate field.

The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel:

*Note: for termination of staff you must upload documentation including staff member and replacement staff member documentation.*

Current Files

[contracts\\_idea\\_2020.pdf](#)  
[2019-2020 Exception Explanation.xlsx](#)



\$15,837

The termination of the obligation of the agency 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—

Has left the jurisdiction of the LEA:

\$14,192

Has reached the age at which the obligation to provide FAPE to the child has terminated:

\$0

No longer needs the program of special education:

\$0

The termination of costly expenditures for long-term purchase, such as the acquisition of equipment or the construction of school facilities:

\$0

Total:

\$30,029



And start tracking now as part of your spending analysis. Forecast your MOE expenditures to meet MOE, then spend IDEA appropriately.

# MOE Exception Example 2



## 34 CFR §300.204

- In FY 2019-20, the LEA's MOE Expenditures \$500,000
- In FY 2019-20, child count was 100. Per student MOE was \$5,000
- In FY 2020-21, child count decreased by 10 and is now 90
- The LEA has \$50,000 ( $\$5,000 * 10$ ) eligible exception
- If the LEA elects to take the exception, the MOE threshold will be reset at \$450,000 ( $\$500,000 - \$50,000$ )



## Title 34 CFR §300.205 Adjustment to Local Fiscal Efforts

With certain exceptions, for any fiscal year in which an LEA's Part B allocation exceeds the amount the LEA received for the previous year, the LEA may reduce its State and Local support of special education by up to 50 percent of the amount of the increase in its Part B allocation.

# MOE Adjustment to Local Efforts/ Reduction Example



## 34 CFR §300.205

- The LEA's Part B allocation for 2020-21 was \$34,811
- The LEA's Part B allocation for 2021-22 was \$42,478
- Allocation increase is \$7,667 and 50% is \$3,834
- The LEA may reduce its state and local expenditures for 2021-22 by \$3,834

### State and Local Maintenance of Effort Worksheet and Assurance Form - 2021-2022

MOE Threshold Calculation	Section I Annual Report	<b>Section III Budget</b>	Budget Exception Worksheet	Admin Review
---------------------------	-------------------------	---------------------------	----------------------------	--------------

Save

#### Budget Amounts for FY ending 6/30/2022

Enter your district/LEA's Budgeted General M&O expenditures, from State and Local funds, for FY 2022.

IFARMS 100-521: Special Education Program	\$139,981
IFARMS 100-522: Special Education Preschool Program	\$0
IFARMS 100-816: Special Education Support Services Program	\$0
<b>Combined Total</b>	<b>\$139,981</b>

List below any general fund expenditures for the excess costs of providing Special Education and Related Services not included in one of the function program codes above

School Based Medicaid State Match	\$5,000
Professional Development	\$3,000
Transportation Costs	\$0
Other (Describe below)	\$0
<b>Adjusted Total</b>	<b>\$147,981</b>

Estimated Child Count - November 2021	19
<b>Average Per Pupil budgeted amount FY 2022</b>	<b>\$7,788</b>
Exception Amount (from Budget Exception worksheet)	\$20,576
<b>Adjustment to Local Fiscal Efforts</b>	
2021-2022 Allocation: \$42,478	
2020-2021 Allocation: \$34,811	
Allocation Increase: \$7,667	
Allocation Increase * 50%: \$3,834	
Less CEIS Budget Amount: \$0	\$0
<b>Max Adjustment (Reduction) to Local Fiscal Efforts: \$3,834</b>	

# MOE Adjustment to Local Efforts/ Reduction Example continued



## Additional Requirements:

- LEA must “meet requirements” in Results Driven Accountability (RDA) Determinations under IDEA section 613(a)(2)(C). An SEA must prohibit an LEA from taking the MOE reduction if the LEA’s determination is Needs Assistance, Needs Intervention, or Needs Substantial Support.
- The amount taken as an adjustment to local efforts must be expended for activities and programs allowable under the Elementary and Secondary Education Act (ESEA).
- The LEA must be able to track the use of the adjustment to local efforts, and produce an expenditure report to the SDE.



# MOE in the IDEA Part B Application





# FY2022-23 IDEA Part B and Preschool Application



- IDEA Part B & Preschool *Preliminary Application* for LEAs open on May 15, 2022 and close on June 30, 2022.
- IDEA Part B & Preschool *Final Application* for LEAs closes on November 15, 2022.
- The Special Education Program Director and/or Business manager submit the application.
- The Application is located on the Special Education Funding website: <http://www.sde.idaho.gov/sped/funding/>

A screenshot of a website navigation menu. At the top, there are two dark blue buttons with white text and right-pointing arrows: "IDEA Part B and Preschool Application" and "GRA Portal". A red arrow points to the first button. Below these are four tabs: "Files", "FAQs", "Training", and "Links". Under the "Files" tab, the text "Resource Files" is displayed in blue. Below that, the text "IDEA Application Information" is visible.

IDEA Part B and Preschool Application | →

GRA Portal | →

Files | **FAQs** | Training | Links

**Resource Files**

IDEA Application Information

# IDEA Part B Application Resources



The Idaho SDE must ensure fiscal accountability at each phase in the distribution and use of IDEA Part B and Preschool funds. The SDE has established policies and procedures for calculating, allocating, requesting, accessing, reporting and verifying IDEA Part B flow-through and discretionary funds.

DEPARTMENTS COMMUNICATIONS



Log On  
**IDEA Part B and Preschool Application**

## Links

- Home
- IDEA Part B Funding Manual
- Application Instructions
- How to fix common IDEA errors
- Application Instruction Video
- Instructional Video Time Log

## 2021-2022

Change Year

## Actions

Select District

## At A Glance

### IDEA Part B and Preschool Application

Welcome to Idaho's IDEA Part B and Preschool Application. This is the school district and LEA application for flowthrough funding under the Individuals with Disabilities Education Act (IDEA), Part B, Section 611 and Section 619 (Preschool).

The application for IDEA Part B and Preschool flowthrough funds is open for submission. Applications may be submitted at any time until 6/15/2021. Applications submitted after that date will not be accepted. After submission of the application and approval by SDE, LEAs may retroactively fund allowable costs incurred after July 1 of the current year.

If you have questions about the application or filling out the forms, please contact the Idaho IDEA Administrator at [ideaAdministrators@sde.idaho.gov](mailto:ideaAdministrators@sde.idaho.gov).

If you are encountering errors while using the IDEA application, please contact the IT Help Desk at [support@sde.idaho.gov](mailto:support@sde.idaho.gov).



## More Info

# IDEA Application Resources



[Application instructions](#)

[How to fix common IDEA errors](#)

[Recorded IDEA Part B Application training video.](#)

[Instructional Video Time Log by section.](#)

DEPARTMENTS COMMUNICATIONS

Log On  
IDEA Part B and Preschool Application

**Links**

- Home
- IDEA Part B Funding Manual
- Application Instructions
- How to fix common IDEA errors
- Application Instruction Video
- Instructional Video Time Log

**At A Glance**

## IDEA Part B and Preschool Application

Welcome to Idaho's IDEA Part B and Preschool Application. This is the school district and LEA application for flowthrough funding under the Individuals with Disabilities Education Act (IDEA), Part B, Section 611 and Section 619 (Preschool).

The application for IDEA Part B and Preschool flowthrough funds is open for submission. Applications may be submitted at any time until 6/15/2021. Applications submitted after that date will not be accepted. After submission of the application and approval by SDE, LEAs may retroactively fund allowable costs incurred after July 1 of the current year.

If you have questions about the application or filling out the forms, please contact the Idaho IDEA Administrator at [ideaAdministrators@sde.idaho.gov](mailto:ideaAdministrators@sde.idaho.gov).

If you are encountering errors while using the IDEA application, please contact the IT Help Desk at [support@sde.idaho.gov](mailto:support@sde.idaho.gov).

**2021-2022**

Change Year

**Actions**

Select District

**More Info**

IDEA Part B and Preschool Application

# IDEA Preliminary and Final Application



**The IDEA Part B Application has been broken up into two submissions:**

- **Preliminary application:**

- Open on May 1 with a submission due date of June 15.
- LEA will report **MOE budgets** used for the **eligibility test**.
- Eligibility test compares MOE budget in Section III to the expenditures in MOE history.

- **Final application:**

- Open after the preliminary approval with a submission due date of November 15.
- LEA will report **MOE actual expenditures** used for the **compliance test**
- MOE compliance test compares actual expenditures in Section II to prior year expenditures
- LEAs might have to update their budgets in Section III accordingly if the actual expenditures in Section II are higher than the budget reported in Section III during the preliminary application.

# Preliminary Application - Budget



## Preliminary application

State and Local Maintenance of Effort Worksheet and Assurance Form - 2021-2022

MOE Threshold Calculation | Section I Annual Report | **Section III Budget** | Budget Exception Worksheet | Admin Review

**Notice no Expenditure Section**

Save

### Budget Amounts for FY ending 6/30/2022

*Enter your district/LEA's Budgeted General M&O expenditures, from State and Local funds, for FY 2022.*

IFARMS 100-521: Special Education Program	\$139,981
IFARMS 100-522: Special Education Preschool Program	\$0
IFARMS 100-616: Special Education Support Services Program	\$0
<b>Combined Total</b>	<b>\$139,981</b>
List below any general fund expenditures for the excess costs of providing Special Education and Related Services not included in one of the function program codes above	
School Based Medicaid State Match	\$5,000
Professional Development	\$3,000
Transportation Costs	\$0
Other (Describe below)	\$0
<b>Adjusted Total</b>	<b>\$147,981</b>
Estimated Child Count - November 2021	19
<b>Average Per Pupil budgeted amount FY 2022</b>	<b>\$7,788</b>
Exception Amount (from Budget Exception worksheet)	\$20,576

# Final Application – Prior Year Expenditures & Final Budget



## Final application

State and Local Maintenance of Effort Worksheet and Assurance Form - 2021-2022

MOE Threshold Calculation	Section I Annual Report	<b>Section II Expenditures</b>	Section III Budget	<b>Expenditure Exception Worksheet</b>	Budget Exception Worksheet	Admin Review
---------------------------	-------------------------	--------------------------------	--------------------	--	----------------------------	--------------

### General Fund Expenditures for FY ended 6/30/2021

**Enter your district/LEA's actual General M&O expenditures, from State and Local funds, for FY 2021. These amounts should be the same as the amounts reported on your district/LEA's annual IFARMS report for FY 2021**

IFARMS 100-521: Special Education Program	\$0
IFARMS 100-522: Special Education Preschool Program	\$0
IFARMS 100-616: Special Education Support Services Program	\$44,598
<b>Combined Total</b>	<b>\$44,598</b>

List below any general fund expenditures for the excess costs of providing Special Education and Related Services not included in one of the function program codes above

School Based Medicaid State Match	\$14,365
Professional Development	\$0
Transportation Costs	\$0
Other (Describe below)	\$0
<b>Adjusted Total</b>	<b>\$58,963</b>

Child Count 11/1/ 2020	21
<b>Average Per Pupil Expenditure FY 2021</b>	<b>\$2,807</b>

# IDEA Application Threshold Table and MOE



Maintenance of Effort history table incorporated in FY 2019-2020

## State and Local Maintenance of Effort Worksheet and Assurance Form - 2021-2022

MOE Threshold Calculation	Section I <i>Annual Report</i>	Section II <i>Expenditures</i>	Section III <i>Budget</i>	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review	
---------------------------	-----------------------------------	-----------------------------------	------------------------------	------------------------------------	-------------------------------	-----------------	--

School Year	Fiscal Year for Section I	Combined Total	Other Expenditures	Medicaid Reimbursements	Post Annual Report Adjustments	Adjusted Total	Exceptions	Child Count	Per Pupil Amount
2013-2014	2012	\$57,461	\$0	\$0	\$0	\$57,461	\$0	16	\$3,591
2014-2015	2013	\$58,761	\$0	\$0	\$0	\$58,761	\$0	10	\$5,876
2015-2016	2014	\$66,140	\$0	\$0	\$0	\$66,140	\$0	10	\$6,614
2016-2017	2015	\$71,721	\$0	\$0	\$0	\$71,721	\$0	14	\$5,123
2017-2018	2016	\$71,721	\$0	\$0	\$0	\$71,721	\$0	29	\$2,473
2018-2019	2017	\$141,457	\$0	\$0	\$0	\$141,457	\$0	25	\$5,658
2019-2020	2018	\$141,471	\$0	\$0	\$0	\$141,471	\$0	29	\$4,878
2020-2021	2019	\$141,490	\$0	\$0	\$0	\$141,490	\$0	43	\$3,290
2021-2022	2020	\$141,512	\$0	\$0	\$0	\$141,512	\$0	39	\$3,629

Adjusted Total Threshold = \$141,512

Per Pupil Amount Threshold = \$6,614



# Accounting for Maintenance of Effort



# IDEA Part B EXPENDITURES – THE BASICS



- IDEA Part B funds do contain a supplement not supplant requirement. *This is different from ESSERIII.*
- IDEA funds are governed by the Uniform Grant Guidance and the Education Department General Administrative Regulations (EDGAR).
- All expenditures must be reasonable and necessary.



# Three Funding streams for Special Education



**Review: Balancing the three sources of Special Education funds is necessary, and required.**

- **First meet Maintenance of Effort** (apply any qualifying exceptions). Analyze MOE accounts 100-521,100-522,100-616, etc. Encumber expense through June.
- **Second, Balance Medicaid.** Make sure your Medicaid fund is spent out, but not overspent. Encumber expense through June, apply expected reimbursements(accrued if applicable). Sweep/journal entry or adjust final expenditures between MOE and IDEA funds.
- **Third, finalize IDEA federal funds.** If you have met MOE, and spent Medicaid and spent out IDEA Part B federal funds, sweep your final expenses to MOE ARPA IDEA is grouped with Regular Year federal IDEA funds- so spend these after meeting MOE & Medicaid.



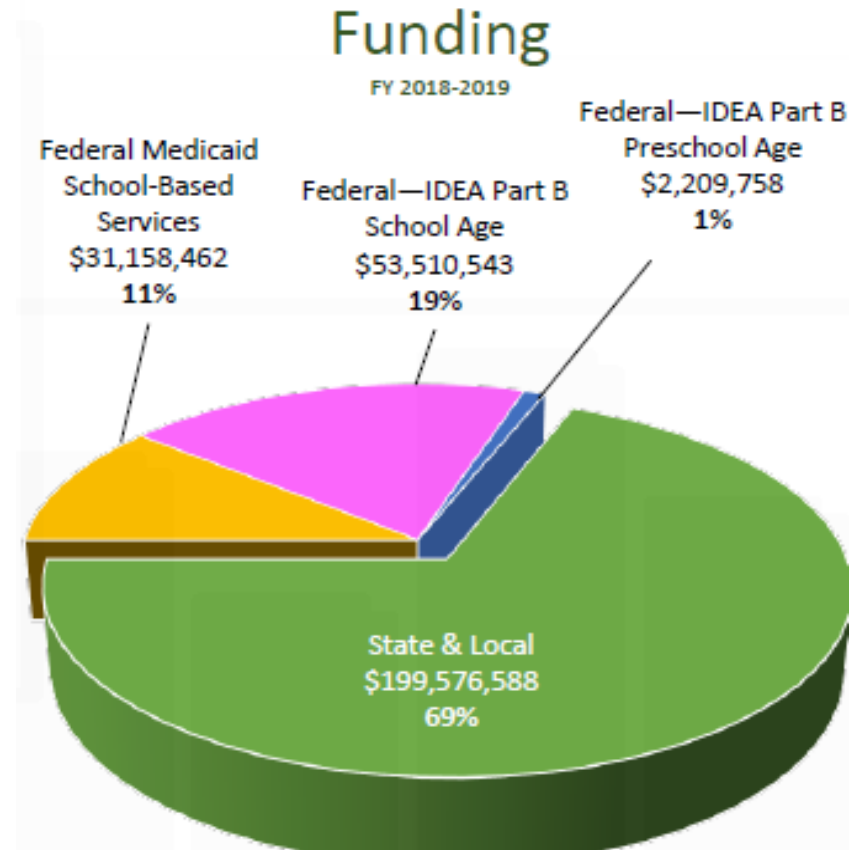
**\*\*\*Note: You should not carry a negative fund balance in IDEA funds, or Medicaid.**

# Reporting Special Education Funding



## SDE has reporting requirements to our state legislature

- How much was spent on Special Education with State and Local Funds
- How much was spent on Special Education with Federal Funds?
- How much of Federal Medicaid reimbursement was included?
- The SDE subtracts out the Medicaid match, so it doesn't look like you get more funding than you earn after match.





## Title 34 CFR §300.154 Reimbursements from Federal Funds

- *Reimbursements* from Federal Funds, including Medicaid, will not be considered “State and Local” funds and cannot be used for the purposes of maintenance of effort provisions.
- SDE recommends you keep your Medicaid expenses and reimbursements separate
  - Do not commingle with other general fund expenses
  - In FY 2017-2018: School-based Medicaid Services was given its own fund number **260**.

# Avoiding Commingling of Federal Funds



## Why do we need a separate fund?

- Commingling of federal funds is *prohibited* under 2 CFR §200.302
- Under Governmental Accounting Standards Boards (GASB) 54 rules, you must prove the funds can be separated from the general fund and prove that they are in a restricted fund and are not open for general use.



# Medicaid Funds = Federal Funds



## Two pieces of Federal legislation address how Medicaid reimbursements should be viewed as Federal Funds:

- 34 CFR §300.154(g)(2). *Reimbursements* from federal funds, e.g. Medicaid, will not be considered “State/local” for purposes of maintenance of effort.
- 2 CFR §200.502. Medicaid *expenditures* for providing patient care services to Medicaid eligible individuals are not considered federal awards expended unless a State requires the funds to be treated as federal awards expended because reimbursement is on a cost reimbursement basis.

The Idaho Medicaid State Plan reimburses LEAs’ Federal Medicaid dollars on a cost reimbursement basis; therefore, reimbursed Medicaid School-Based Services expenditures are *treated as a Federal award expended* in accordance with the uniform grant guidance.

# Ledger Fund Setup – Medicaid 260



**Fund: 260**

**Revenue function code: 445900**

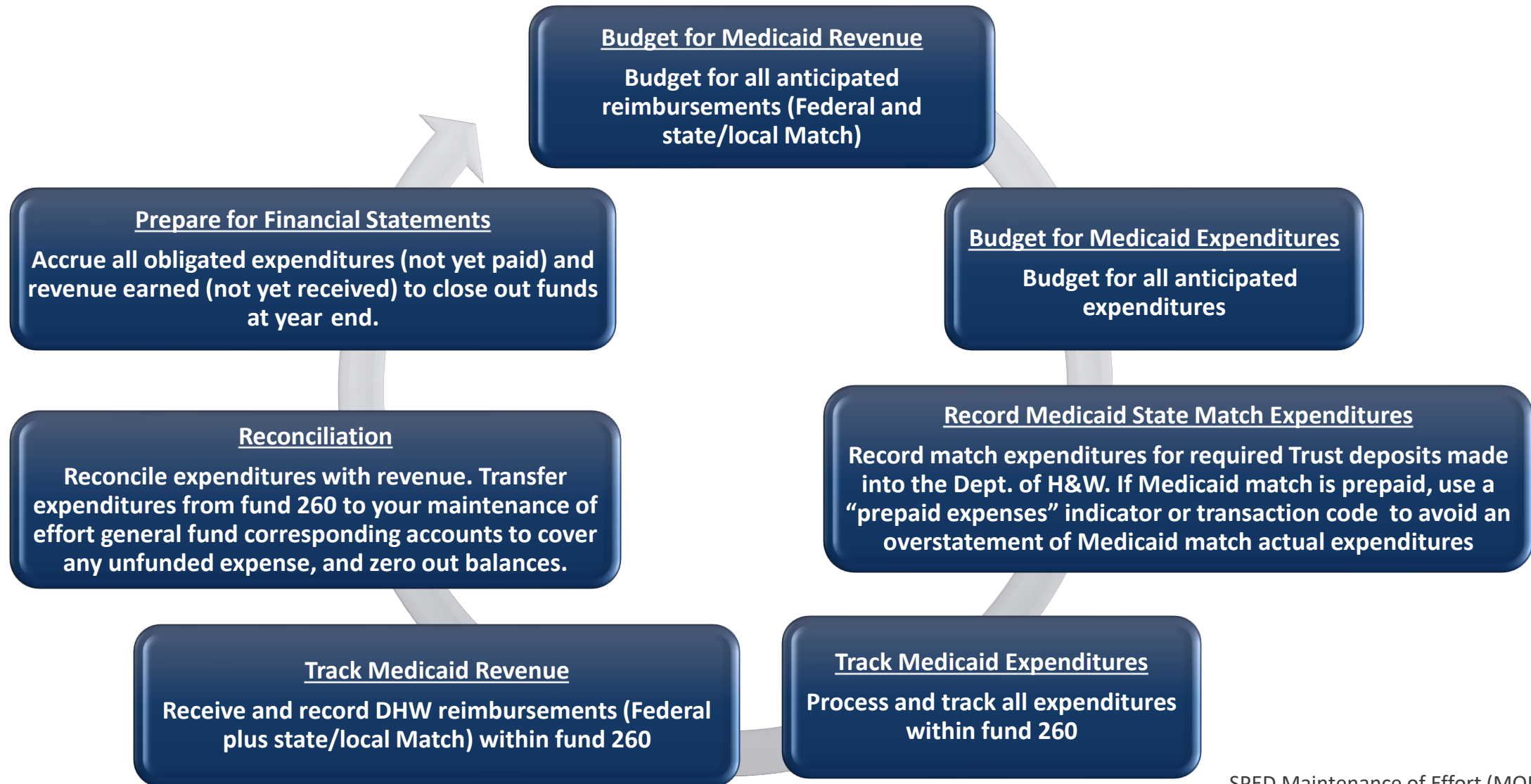
**Expenditure function codes: 521, 522, 616**

**Object Codes:** Consider a *unique object code* for match that will stand out from your other services

Example object coding for Match expense: 6163XX

Follow other object code general use guidelines

# Medicaid Fund 260 Flowchart







## Medicaid State Match OSEP MEMO 15-10

LEAs must include state and local funds spent for the education of children with disabilities regardless of whether it uses those same funds to comply with other matching requirements i.e. Medicaid state match.

- Medicaid claimable expense was \$100,000
- Reimbursed portion was 71% or \$71,000
- State **match expense** was 29% or \$29,000
- Any portion of state match used for the education of children with disabilities **must be included in the maintenance of effort report**

# Accounting for MOE in the IDEA Part B Application



- The IDEA Part B Application has several worksheet tabs for MOE.
- Inside the application, you must report the School Based Medicaid State Match expense in section II
- You must also budget that expense in section III

## State and Local Maintenance of Effort Worksheet and Assurance Form - 2021-2022

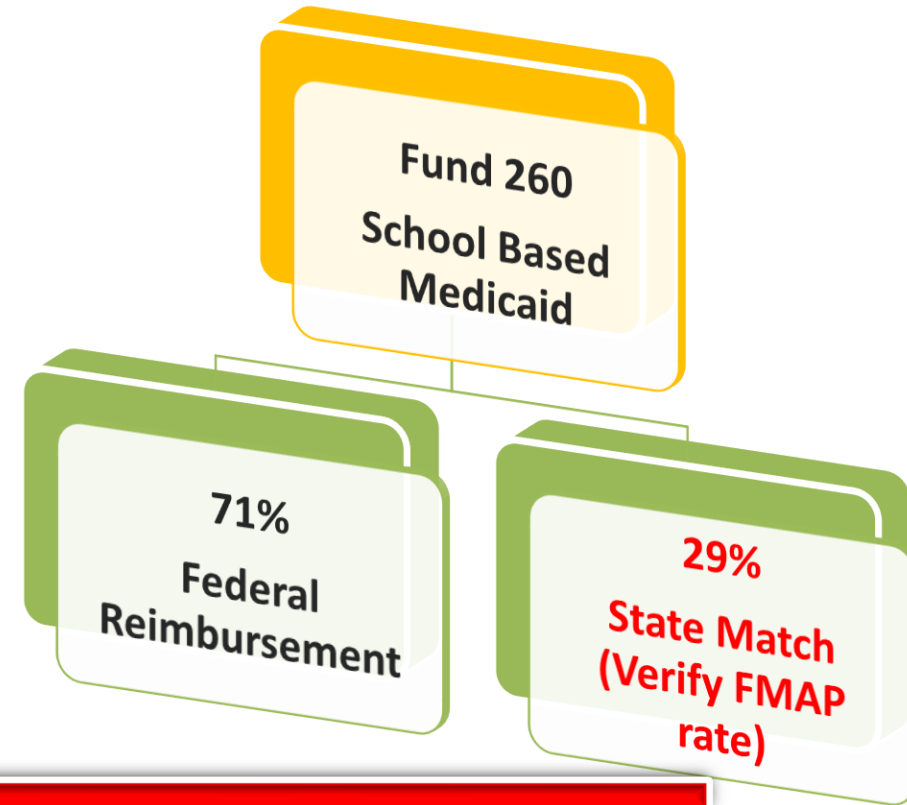
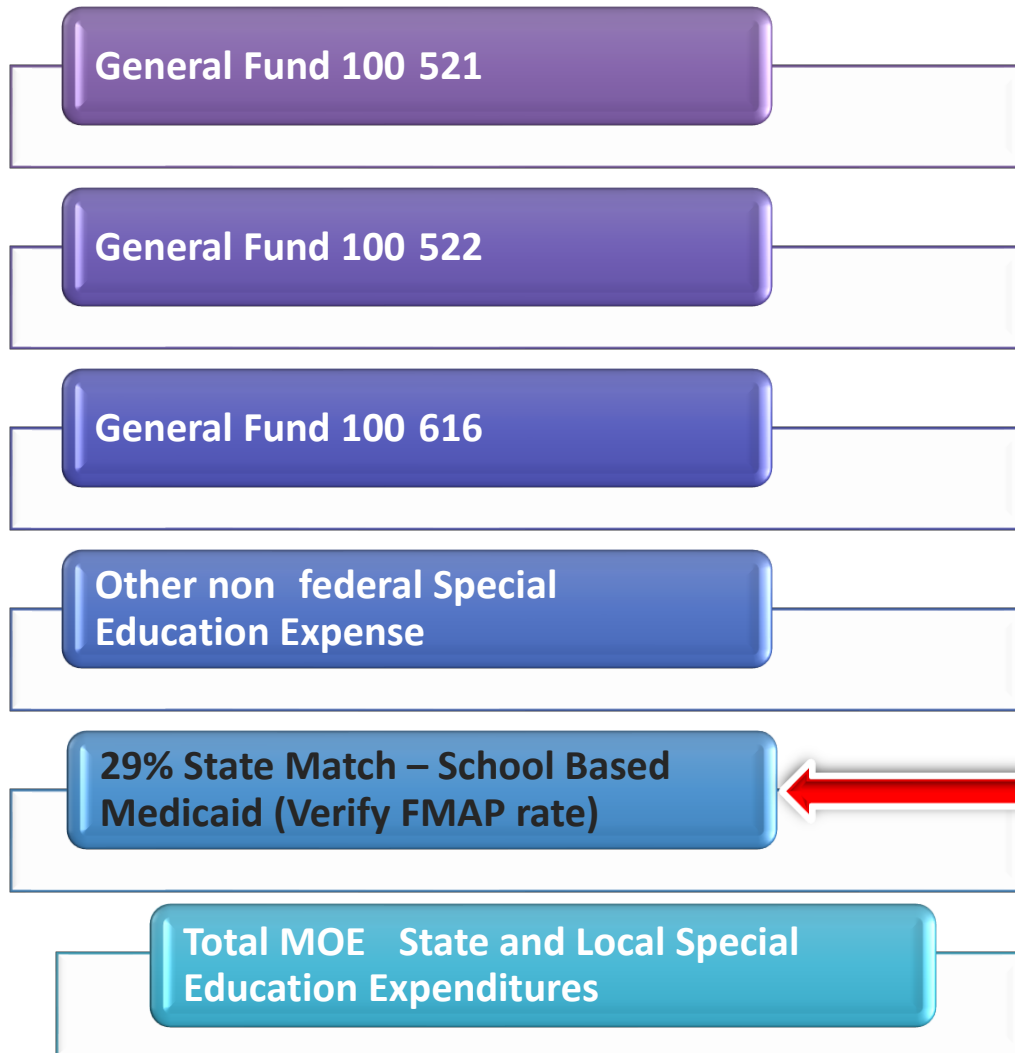
MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review
---------------------------	-------------------------	-------------------------	--------------------	---------------------------------	----------------------------	--------------

### General Fund Expenditures for FY ended 6/30/2021

Enter your district/LEA's actual General M&O expenditures, from State and Local funds, for FY 2021. These amounts should be the same as the amounts reported on your district/LEA's annual IFARMS report for FY 2021

IFARMS 100-521: Special Education Program	\$122,847
IFARMS 100-522: Special Education Preschool Program	\$0
IFARMS 100-616: Special Education Support Services Program	\$0
<b>Combined Total</b>	<b>\$122,847</b>
List below any general fund expenditures for the excess costs of providing Special Education and Related Services not included in one of the function program codes above	
School Based Medicaid State Match	\$0
Professional Development	\$0
Transportation Costs	\$0
Other (Describe below)	\$0
<b>Adjusted Total</b>	<b>\$122,847</b>
Child Count 11/1/ 2020	42
<b>Average Per Pupil Expenditure FY 2021</b>	<b>\$2,924</b>
Exception Amount (from Expenditure Exception worksheet)	\$7,404

# Accounting for IDEA Part B MOE cont'd





# MOE Failure and Fiscal Monitoring



## MOE Eligibility Failure Implications

- LEA will be ineligible for IDEA Part B funds in the year for which the budgeted amount did not meet the test.

## MOE Compliance Failure Implications

- LEA must return the amount by which it failed to meet MOE to the State.
- Paybacks must be made out of non-Federal funds or funds for which accountability to the Federal government is not required i.e. Maintenance of Effort expenditures or Medicaid match cannot be used for repayment.
- LEAs will be ineligible for IDEA Part B funds until the issue is resolved.

# MOE Failure - Consequences



**Maintenance of Effort level goes back to the year that LEA met MOE and not the year that it failed the test.**

- LEA's MOE level for 2019-20 was \$250,000
- LEA's MOE level for 2020-21 was \$200,000 with no valid exception
- LEA's MOE level for 2021-22 should be \$250,000 or more



- Maintenance of Effort is a big area of focus of our fiscal reviews.
- LEAs selected for fiscal monitoring activities in the current school year will be notified in December.



# Common Issues related to MOE



1. The belief that the amount reported for MOE needs to be the same amount as last year.
2. Keeping excess maintenance of effort expenditures in other function codes and not reporting that amount for special education.
3. The misconception that Medicaid State Match does not have anything to do with IDEA.



**Just remember that Maintenance of effort (for Special Education requirements) means special education expenditures not including federal funds.**



# Questions???



# Training Opportunity - FFGCoP



## Federal Fiscal Grants - Communities of Practice (FFGCoP)

- Is a monthly SDE hosted webinar on the 3<sup>rd</sup> Thursday of each month at 10am MST.
- This group is open to anyone desiring to learn more about 'Best Practices for Grants'
- The purpose of this community of practice is to provide learning and sharing opportunities between the SDE and the LEAs and to mitigate errors and fill in the gaps on grant management & principles, in a supportive peer learning environment.

**The SDE FFGCoP - Leading with courage, strategy, and confidence!**

[2023-2024 FFGCoP Registration Link](#)



# Thank You!



**Lisa Pofelski-Rosa** | Financial Specialist, Principal

Idaho State Department of Education

650 W State Street, Boise, ID 83702

208.332.6800

[lpofelskirosa@sde.idaho.gov](mailto:lpofelskirosa@sde.idaho.gov)

[www.sde.idaho.gov](http://www.sde.idaho.gov)



***Idaho State Department of Education***

DEBBIE CRITCHFIELD, SUPERINTENDENT OF PUBLIC INSTRUCTION

Presentation Title | 51