



Idaho Department
of Education

Special Education- IDEA Part B Funding 101

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Funding & Accountability Coordinator



Special Education Application & Funding 101:

Learn the mechanics of the IDEA Part B Application & Reporting while establishing a funding and accountability foundation.

This course will dive into the three funding streams of Special Education and where they are reported in the IDEA Part B Application to stay compliant. Content includes an overview of Maintenance of Effort, Medicaid, and Special Education IDEA Part B funding.

IDEA Purpose

- The Individuals with Disabilities Education Act (IDEA) is a law established to ensure that all students with disabilities have access to Free and Appropriate Public Education (FAPE).
- The Federal government appropriates funds to assist state and local education agencies with the increased costs of providing special education and related services to eligible students with disabilities.

Special Education Funding and Fiscal Accountability

Who are we, and what do we do?



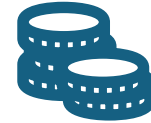
- Oversee Federal Funds for IDEA Part B



- Approve LEA grant applications



- Process reimbursement requests



- Fiscal Monitoring of sub recipients

Total Funding

\$ 317,420,917 (FY2022-2023)

To serve 35,536 Special Education Students



Idaho Special Education Federal Funding Sources

Regular Year Grant Allocations FY2024-2025

- IDEA PART B 611 School Aged Grants: \$72,392,518
- IDEA PART B 619 Preschool Grants: \$2,420,740

Section 611 - School Age

Funds for students with disabilities, ages 3 through 21

Section 619 - Preschool Age

Funds for students with disabilities, ages 3 through 5

LEAs Allocation Funding Formula

Outlined in 34 CFR §300.705

Base Allocation amount:

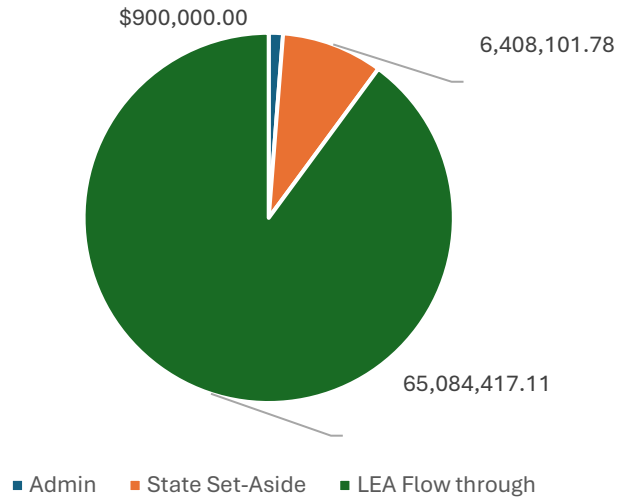
- Predetermined total amount equal to 75% of the total grant that the state received in FY 1999-2000 -\$14,289,101.
- Distribution changes under special circumstances like the creation of a new charter school within the State.

The remainder of the total after this base amount is allocated, is distributed as follows:

- 85% based on student enrollment
- 15% based on poverty level as determined by the State.

IDEA Part B Fiscal Year 2024-2025

IDEA Part B FY2024-2025



FFY 2024-2025 IDEA Part B

- Total: \$72,392,518
- Administration: \$900,000
- State Level Activities: \$6,408,102
- Flow through LEAs: \$65,084,418

FFY 2024-2025 IDEA Part B Preschool

- Total: \$2,420,740
- (100% Flow through LEAs)

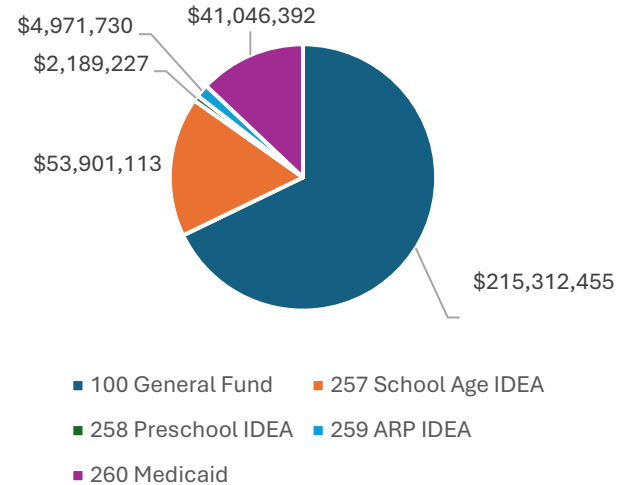
Special Education Overall Funding Sources

Annual Special Education funding for The Exceptional Child Programs for Districts and Charter schools equates to \$317,420,917 (based on FY2022-23)

This funding includes:

- State and Local funds (for all SpEd students) 68%
- Federal IDEA Part B School Aged funding 17%
- Federal IDEA Part B Preschool funding 1%
- Federal IDEA Part B ARP Funding 2%
- Federal Medicaid Reimbursement dollars 13%

Special Education Overall Funding FY2022-2023



IDEA Grants, Compliance, and Regulations

IDEA Part B and Preschool Federal Grant Funds

IDEA Part B and Preschool Federal Grant Funds:

- Idaho receives federal funding annually from the U.S. Department of Education.
- The purpose is **to assist states in meeting the costs of providing special education and related services** to children with disabilities.
- Allocations are determined according to a formula outlined in IDEA law.



Individuals with Disabilities Education Act (IDEA) Eligibility Requirements

Funding is subject to certain **eligibility requirements and other conditions**, as outlined in IDEA regulations.

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. (Otherwise known as Maintenance of Effort).

Compliance Requirements

IDEA Part B funds are Federal funds.

There are specific regulations and compliance requirements.

Ensuring the proper use of funding encourages more positive outcomes for children.



7 Fiscal Requirements for IDEA Part B

1. Eligibility 34 CFR 300.200
2. Use of IDEA Funds 34 CFR 300.202
3. LEA MOE 34 CFR 300.203
4. Private School Proportionate Share 34 CFR 300.133
5. Excess Cost 34 CFR 300.202(b)
6. Voluntary CEIS 34 CFR 300.226
7. Mandatory CCEIS 34 CFR 300.646(d)(2)

IDEA Part B – Federal Statutes

The regulations that dictate what we can and cannot do

What are the Federal Laws and Regulations?

- Individuals with Disabilities Education Act (IDEA) US Code Title 20 Chapter 33.
- Education Department General Administrative Regulations (EDGAR) 34 CFR Chapter 3.
- Uniform Grant Guidance (UGG) 2 CFR Chapter 2 Part 200 & 3474.



Compliance with State & Local Laws and Regulations

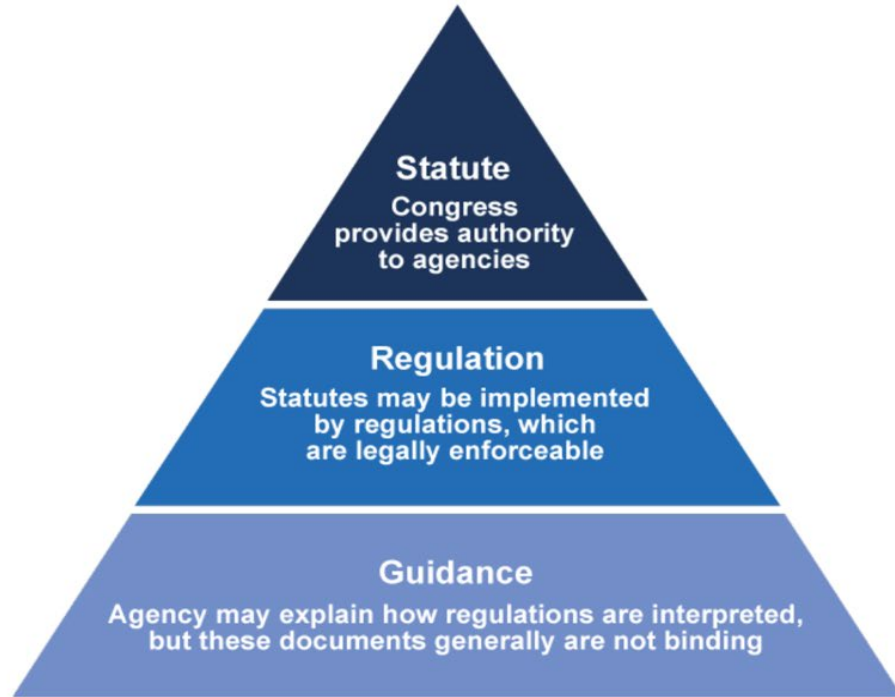


- Idaho Statutes Title 33 Chapter 20 Education of Exceptional Children.
- Idaho Administrative Code IDAPA Rule 08.
- State and LEAs policies and procedures.

Federal Regulations - Background

Federal Regulations

- A United States Code (U.S.C.) is a law that has been passed by the US Congress
- A Code of Federal Regulation (CFR) is the interpretation of the law by the relevant federal agency
- A non-regulatory guidance is the interpretation of the regulation by the relevant federal agency



Federal and State Grant Management Laws and Regulations

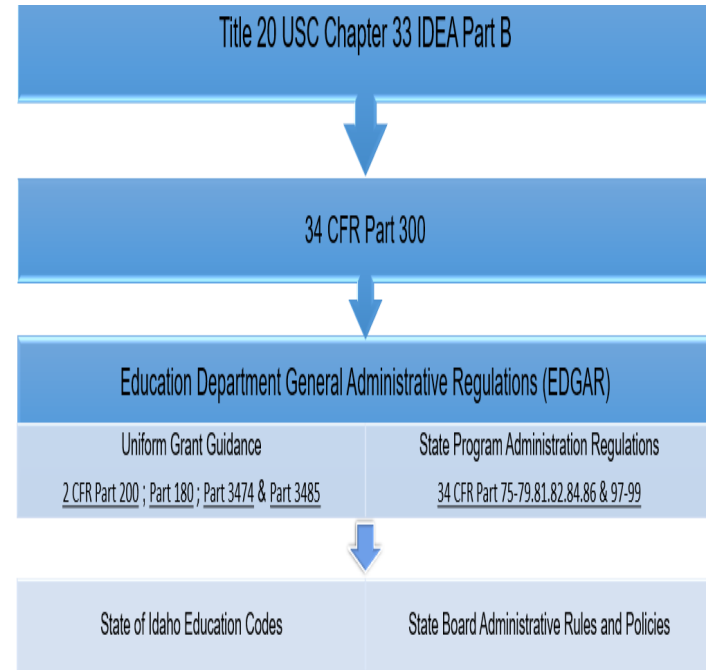
The United States Code that establishes the Individual with Disabilities Education Act (IDEA) is [Title 20 USC Chapter 33 IDEA Part B](#)

The Federal regulation that is the interpretation by the US Department of Education of IDEA is [34 CFR Part 300](#)

Additionally, the US Department of Education has federal regulations that dictate how all federal grants managed by the US Department of Education should administered. It is called the Education Department General Administrative Regulations (EDGAR).

EDGAR is divided into two sections:

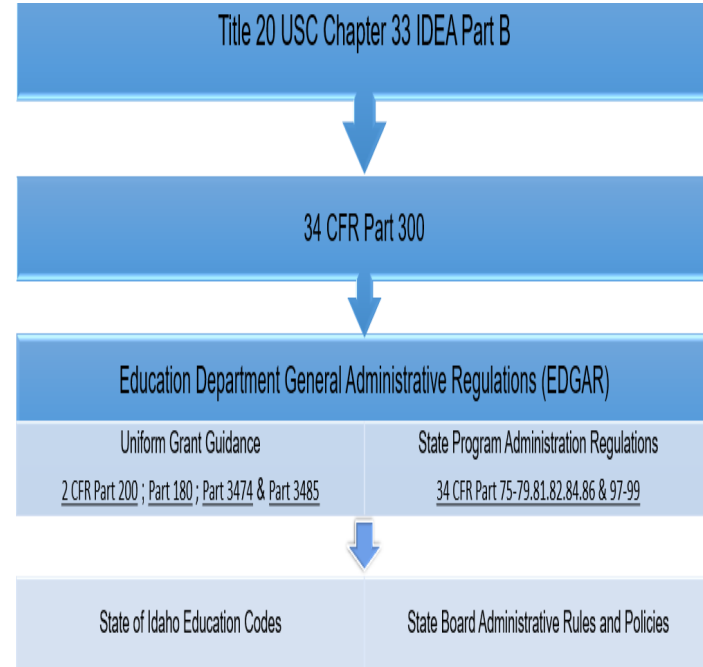
- The Uniform Grant Guidance: [2 CFR Part 200](#) ; [Part 180](#) ; [Part 3474](#) & [Part 3485](#) which can be found here [2 CFR 200](#)
- The second section is the state Program Administration Regulations from the US Department of Education: [34 CFR Part 75-79.81.82.84.86 & 97-99](#)



Idaho Regulatory Code & Administrative Rules

The fourth layer of the laws and regulations are the state level codes, rules, and policies. For Idaho:

1. There is the Idaho Statutes Title 33 Chapter 20 Education of Exceptional Children
2. Idaho Administrative Code IDAPA Rule 08
3. State and LEA policies and procedures



The IDEA Part B Funding Application

How does my LEA Qualify for Federal IDEA Part B Funding?

Each year, LEAs are eligible to apply for IDEA Part B funding through a grant application process.

The grant application covers the compliance and eligibility requirements of determining the excess cost to serve students with disabilities under IDEA.

IDEA Part B and Preschool Application

- IDEA Part B & Preschool Preliminary application for LEAs is open around May 1 with a submission due date of June 15.
- IDEA Part B & Preschool Final application is open after the preliminary approval with a submission due date of November 15.
- 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/>

The screenshot shows the website [sde.idaho.gov/sped/funding/](http://www.sde.idaho.gov/sped/funding/). The main content area features an announcement titled "ANNUAL STATE APPLICATION UNDER PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT AS AMENDED IN 2004 FOR FEDERAL FISCAL YEAR 2020". Below the announcement is a list of links for various application and funding documents, such as "Annual State Application FFP2021" and "Proposed Use of Funds FFP2021". A sidebar on the right contains a navigation menu with "Funding & Fiscal Accountability" highlighted. At the bottom of the page, there are two buttons: "IDEA Part B and Preschool Application" and "GRA Portal".

Grant Reimbursement Application (GRA)

The LEA will be reimbursed through the Grant Reimbursement Application (GRA). Best practice for reimbursements from the GRA -monthly. GRA Portal

sde.idaho.gov/sped/funding/

365 OTIS SCO SDE Special Education /... Funding & Fiscal Ac... Wing FTP Server ... PCardGrid ITC GRA Differ

Announcement:

ANNUAL STATE APPLICATION UNDER PART B OF THE INDIVIDUALS WITH DISABILITIES EDUCATION ACT AS AMENDED IN 2004 FOR FEDERAL FISCAL YEAR 2020
CFDA No. 84.027A and 84.173A

- Annual State Application FFY2021
- Proposed Use of Funds FFY2021
- Annual State Application FFY2020
- Proposed Use of Funds FFY2020
- Annual State Application FFY2019
- Proposed Use of Funds FFY2019
- Proposed Use of Funds FFY2019

Idaho receives grants each year under Section 611 of the Individuals with Disabilities Education Act (IDEA). The amount of that state allocation determined is outlined in the IDEA regulations.

After setting aside necessary and allowable amounts for state administration and other state-level activities (as described in 34 CFR 8330.734(b)), the State Department of Education (SDE) gives the remainder of the grant as flow-through subawards to Idaho school districts and Local Education Agencies (LEAs).

In addition to the IDEA Part B funds that may be used to provide special education and related services to children ages 3-21, Idaho receives an annual Preschool grant under Section 619 of IDEA. This is a smaller grant that may only be used to provide special education and related services to children ages 3-5. Although this grant allows for certain amounts to be set aside for state administration and other state-level activities, Idaho has historically flowed 100% of the award through to LEAs. The LEA funding formula for Preschool allocations is found at 34 CFR 8330.816.

The period of availability for both IDEA grants is from July 1st of the award year until September 30th two years subsequent.

Special Education >

- Dispute Resolution
- Funding & Fiscal Accountability
- Future Reporting
- EDA Monitoring System
- Special Education Advisory Panel
- Special Education Forms
- Special Education Manual

Archives >

Events >

Resource Center >

Contact Details

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Staff >

Special Education Directors

Statewide Training & Technical Assistance

IDAHO TRAINING Clearinghouse

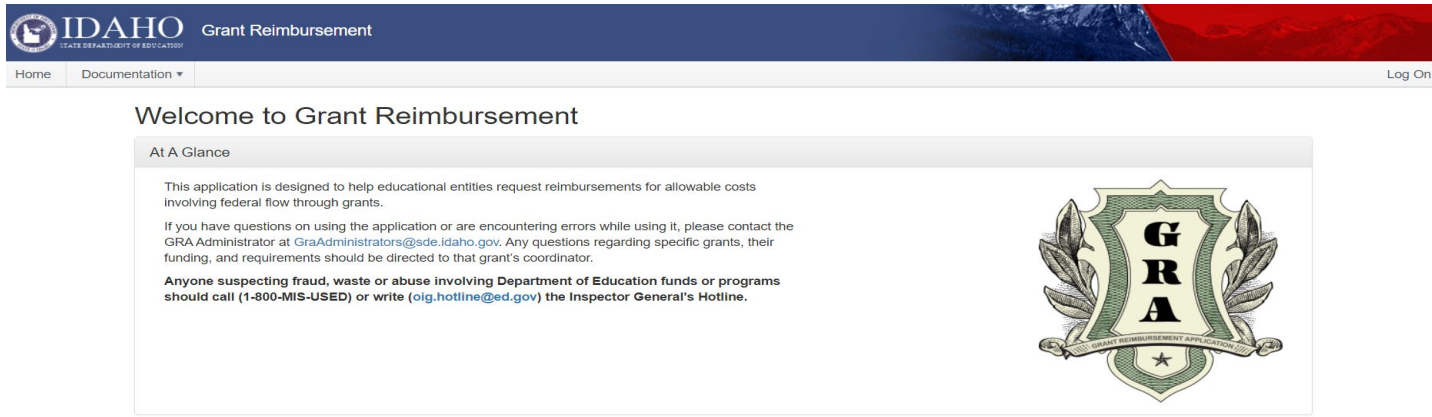
IDEA Part B and Preschool Application >

GRA Portal >

Grant Reimbursement Application

The GRA requires documentation with the submission for each claim as part of our internal controls and cost allocability measures under the Uniform Grant Guidance.

[GRA Manual Link](#)



The screenshot shows the top navigation bar with the Idaho Department of Education logo and the text "IDAHO STATE DEPARTMENT OF EDUCATION Grant Reimbursement". Below the navigation bar, there are links for "Home" and "Documentation", and a "Log On" link on the right. The main content area is titled "Welcome to Grant Reimbursement" and contains a section "At A Glance" with the following text:

This application is designed to help educational entities request reimbursements for allowable costs involving federal flow through grants.

If you have questions on using the application or are encountering errors while using it, please contact the GRA Administrator at GraAdministrators@sde.idaho.gov. Any questions regarding specific grants, their funding, and requirements should be directed to that grant's coordinator.

Anyone suspecting fraud, waste or abuse involving Department of Education funds or programs should call (1-800-MIS-USED) or write (oig.hotline@ed.gov) the Inspector General's Hotline.

To the right of the text is a logo for the Grant Reimbursement Application (GRA). The logo features a shield with the letters "G", "R", and "A" stacked vertically. The shield is flanked by two olive branches and has a banner at the bottom that reads "GRANT REIMBURSEMENT APPLICATION". A star is positioned at the bottom center of the shield.

Who Should Fill Out Each Section?

Sections of the IDEA Part B Application	Who should fill out the section	What it contains
District Home	SPED or Business Manager	LEA Contact Information
CEIS or CCEIS Budget	Business Manager	Adopted Budget info. And prior year audited expenditure info.
School-Wide Programs	SPED or Business Manager	Child Count Row A, everything else blank
School Age Budgets	Business Manager	Adopted Budget info. And prior year audited expenditure info.
Preschool Budgets	Business Manager	Adopted Budget info. And prior year audited expenditure info.
ARPA School Age Budgets	Business Manager	Adopted Budget info. And prior year audited expenditure info.
ARPA Preschool Budgets	Business Manager	Adopted Budget info. And prior year audited expenditure info.
State and Local Maintenance of Effort	Business Manager (except child count)	Adopted Budget info. And prior year audited expenditure info. And child count
Excess Cost Calculation	Business Manager (except child count)	District Level Financial Statement info, or Audited Statement Info. And child count
Comments	SPED or Business Manager	General comments you want the SDE to know about
Submit/Assurance	Business Manager or Superintendent	Gives LEA level assurances to adhere to federal and state policies and procedures
Self-Assessment Checklist	Business Manager	Most of this is about Fiscal Policies and Procedures

IDEA Part B 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

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
<input type="button" value="Save"/>					

Budget Amounts for FY ending 6/30/2022

<i>Enter your district/LEA's Budgeted General M&O expenditures, from State and Local funds, for FY 2022.</i>	
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
Combined Total	\$139,981
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
Adjusted Total	\$147,981
Estimated Child Count - November 2021	19
Average Per Pupil budgeted amount FY 2022	\$7,788
Exception Amount (from Budget Exception worksheet)	\$20,576

Final Application - Prior Year Expenditure Reporting

District Home

CEIS Budget

SchoolWide Programs

School Age Budgets

619 Budgets

ARPA School Age Budgets

ARPA 619 Budgets

State and Local Maintenance of Effort

Excess Cost Calculation

Comments

Submit/Assurance

Self-Assessment Checklist

Part B School Age Budgets

Prior Year Expenditures

Budget

Admin Review

IDEA Part B School Age Budget Expenditures for 2021-2022

IFARMS Obj. Code	Description	Amount Budgeted	Amount Expended as of 6/30/2022
521-100	Salaries - Teachers and Aides	\$41,682	\$40,867
521-200	Benefits - Teachers and Aides	\$12,564	\$10,801
521-300	Purchased Services	\$21,115	\$21,115
521-400	Supplies	\$0	\$0
521-500	Capital Objects	\$0	\$0
616-100	Salaries - Related Service Personnel	\$0	\$0
616-200	Benefits - Related Service Personnel	\$0	\$0
616-300	Purchased Services	\$0	\$0
616-400	Supplies	\$0	\$0
616-500	Capital Objects	\$0	\$0
	Professional Development	\$0	\$0
	Charter School Sub-allocation	\$0	\$0
	Coordinated Early Intervening Services <i>Please attach CCEIS/CEIS detailed expenditure report by object code</i>	\$0	\$0
	Schoolwide	\$0	\$0
	Private School Proportionate Share <i>Please attach Private School Proportionate Share detailed expenditure report by object code</i>	\$0	\$0
	Prior Year Private School Proportionate Share Carryover - Note: this must be spent prior to current year proportionate share <i>*not included in totals</i>	\$0	\$0
	Indirect Costs - Rate: 0.42%	\$0	\$0
	Adjustment to a prior year's carryover	\$0	\$0
	Totals	\$75,361	\$72,783
	Total Carryover		\$2,578

Report actual expenditures-must match IFARMS reporting.
This determines any carry forward to budget.

Breaking Down the Final Application

- Prior Year Expenditure Reporting
- Updating Budgets – Thresholds may have changed
- Meeting MOE
- Determining Excess Cost Calculation
- Self-Assessment Checklist
- Assurances

District Home

CEIS Budget

SchoolWide Programs

School Age Budgets

619 Budgets

ARPA School Age Budgets

ARPA 619 Budgets

State and Local Maintenance of Effort

Excess Cost Calculation

Comments

Submit/Assurance

Self-Assessment Checklist

Standards for Determining Maintenance of Effort

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.



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.

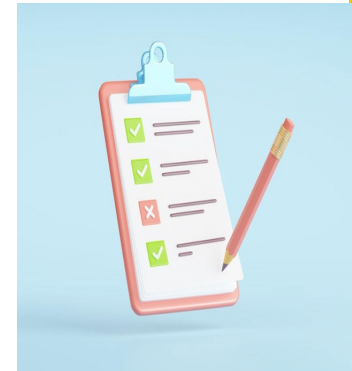
The federal code outlines in detail the 4 basic standards used by the Idaho State Department of Education Special Education to determine whether the LEA passed or failed the maintenance of effort test.

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 (known as your “threshold”).”



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

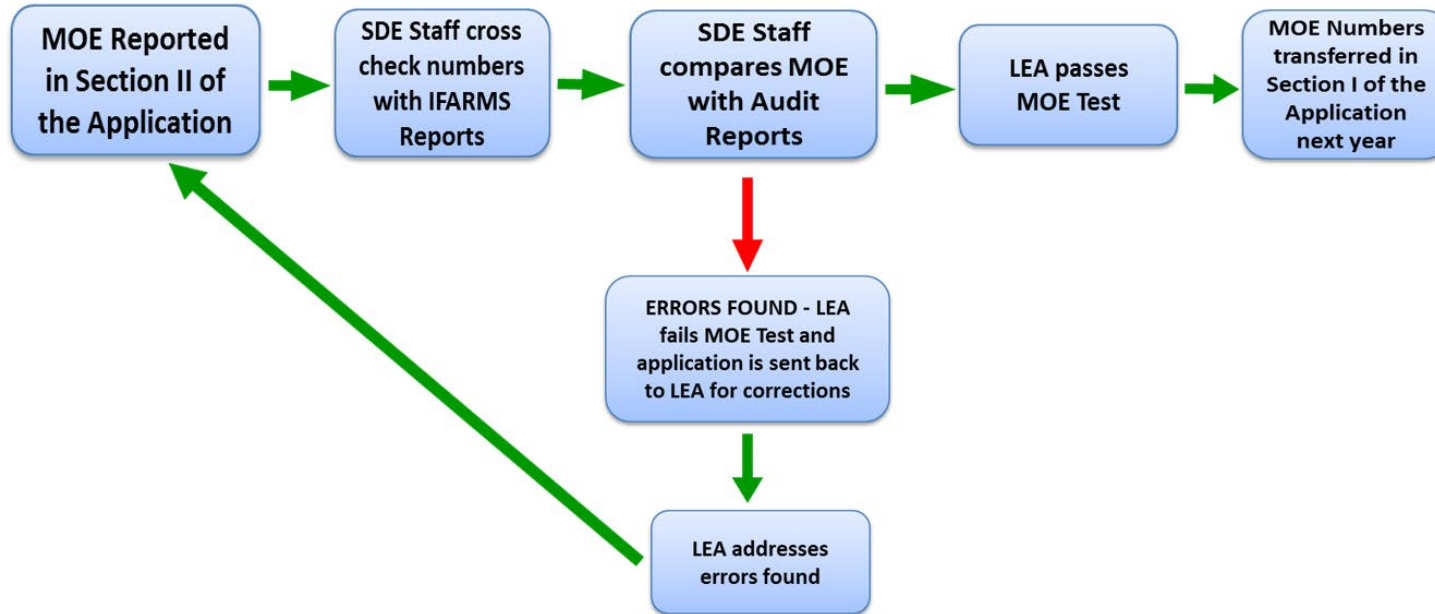
In the Federal Register Vol. 80 No. 81 pages 23647-23648, OSEP provided more guidance on the comparison rule. The SDE is required to use **FY 2012** as the starting fiscal year for MOE comparison purposes.

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.

Accountability for MOE

How do we collect MOE numbers?



IDEA Application Threshold Table and MOE

State and Local Maintenance of Effort Worksheet and Assurance Form - 2024-2025

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	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	\$1,523,493	\$0	\$0	\$0	\$1,523,493	\$0	491	\$3,103	
2014-2015	2013	\$1,535,800	\$0	\$0	\$0	\$1,535,800	\$0	517	\$2,971	
2015-2016	2014	\$1,657,443	\$1,013,789	(\$858,689)	\$0	\$1,812,543	\$0	479	\$3,784	
2016-2017	2015	\$1,967,301	\$1,020,409	(\$1,020,409)	\$0	\$1,967,301	\$0	505	\$3,896	
2017-2018	2016	\$1,968,014	\$1,078,586	(\$1,078,586)	\$0	\$1,968,014	\$0	558	\$3,527	
2018-2019	2017	\$1,968,019	\$0	\$0	\$0	\$1,968,019	\$0	583	\$3,376	
2019-2020	2018	\$1,968,010	\$0	\$0	\$0	\$1,968,010	\$0	646	\$3,046	
2020-2021	2019	\$1,999,993	\$0	\$0	\$0	\$1,999,993	\$0	672	\$2,976	
2021-2022	2020	\$2,043,467	\$186,079	\$0	\$0	\$2,229,546	\$0	751	\$2,969	
2022-2023	2021	\$2,096,987	\$231,451	\$0	\$0	\$2,328,438	\$0	737	\$3,159	
2023-2024	2022	\$2,592,797	\$158,950	\$0	\$0	\$2,751,747	\$0	796	\$3,457	
2024-2025	2023	\$3,517,387	\$105,675	\$0	\$0	\$3,623,062	\$0	837	\$4,329	

Adjusted Total Threshold = \$3,623,062
Per Pupil Amount Threshold = \$4,329

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			
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	\$86,140	\$0	\$0	\$0	\$86,140	\$0	10	\$8,614
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

MOE Section I

(Prior year audited numbers from IFARMS reporting)

State and Local Maintenance of Effort Worksheet and Assurance Form - 2024-2025

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review
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Actual General Fund Expenditures as reported on Annual Report for FY 6/30/2023

<i>Amounts as submitted on the FY 2023 IFARMS Annual Report and the 2023-2024 MOE Worksheet and Assurance</i>	
IFARMS 100-521: Special Education Program	\$3,101,538
IFARMS 100-522: Special Education Preschool Program	\$316,425
IFARMS 100-616: Special Education Support Services Program	\$99,424
Combined Total	\$3,517,387
Other Expenditures as reported on 2023-2024 MOE Assurance	\$105,675
Medicaid Reimbursements as reported on 2023-2024 MOE Assurance	\$0
Post Annual report adjustments submitted by LEA	\$0
Adjusted Total	\$3,623,062
Child Count 12/1/ 2022	837
Average Per Pupil Expenditure FY 2023	\$4,328

MOE Section II – What did my LEA spend in the year we just closed?

State and Local Maintenance of Effort Worksheet and Assurance Form - 2024-2025

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review
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General Fund Expenditures for FY ended 6/30/2024

Enter your district/LEA's actual General M&O expenditures, from State and Local funds, for FY 2024. These amounts should be the same as the amounts reported on your district/LEA's annual IFARMS report for FY 2024

IFARMS 100-521: Special Education Program	\$3,933,278
IFARMS 100-522: Special Education Preschool Program	\$438,736
IFARMS 100-616: Special Education Support Services Program	\$46,352
Combined Total	\$4,418,366

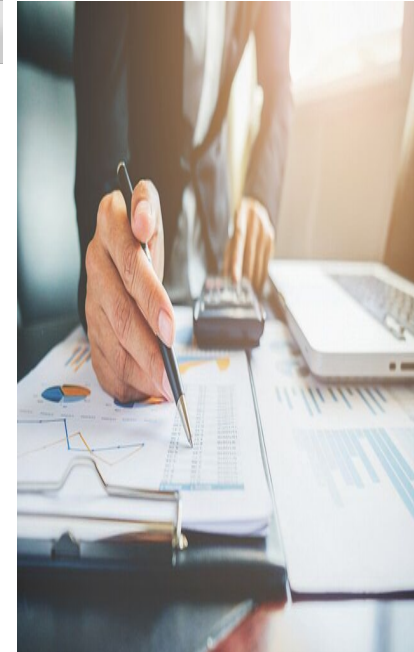
List below any general fund expenditures for the excess costs of providing Special Education and Related Services not included in one of the function program codes above

School Based Medicaid State Match	\$191,969
Professional Development	\$0
Transportation Costs	\$0
Other (Describe below)	\$0

Adjusted Total \$4,610,335

Child Count 11/1/ 2023	844
Average Per Pupil Expenditure FY 2024	\$5,462

Exception Amount (from Expenditure Exception worksheet)	\$0
Adjustment to Local Fiscal Efforts	
2023-2024 Allocation: \$953,051	
2022-2023 Allocation: \$864,227	
Allocation Increase: \$88,824	
Allocation Increase * 50%: \$44,412	
Less CEIS Expenditure Amount: \$0	
Max Adjustment (Reduction) to Local Fiscal Efforts: \$44,412	
***Subject to 34 CFR 300.205 requirements	



MOE Section III – Budget for the most current year

State and Local Maintenance of Effort Worksheet and Assurance Form - 2024-2025

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review
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Budget Amounts for FY ending 6/30/2025

<i>Enter your district/LEA's Budgeted General M&O expenditures, from State and Local funds, for FY 2025.</i>	
IFARMS 100-521: Special Education Program	\$4,102,065
IFARMS 100-522: Special Education Preschool Program	\$459,504
IFARMS 100-616: Special Education Support Services Program	\$61,828
Combined Total	\$4,623,397
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	\$200,000
Professional Development	\$0
Transportation Costs	\$0
Other (Describe below)	\$0
Adjusted Total	\$4,823,397
Estimated Child Count - November 2024	900
Average Per Pupil budgeted amount FY 2025	\$5,359
Exception Amount (from Budget Exception worksheet)	\$0
Adjustment to Local Fiscal Efforts 2024-2025 Allocation: \$960,746 2023-2024 Allocation: \$953,051 Allocation Increase: \$7,695 Allocation Increase * 50%: \$3,848 Less CEIS Budget Amount: \$0 Max Adjustment (Reduction) to Local Fiscal Efforts: \$3,848 ***Subject to 34 CFR 300.205 requirements	\$0



Accounting for Medicaid Match inside 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 - 2024-2025

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review
Budget Amounts for FY ending 6/30/2025						
<i>Enter your district/LEA's Budgeted General M&O expenditures, from State and Local funds, for FY 2025.</i>						
IFARMS 100-521: Special Education Program					\$4,102,065	
IFARMS 100-522: Special Education Preschool Program					\$459,504	
IFARMS 100-616: Special Education Support Services Program					\$61,828	
Combined Total					\$4,623,397	
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					\$200,000	
Professional Development					\$0	
Transportation Costs					\$0	
Other (Describe below)					\$0	
Adjusted Total					\$4,823,397	
Estimated Child Count - November 2024					900	
Average Per Pupil budgeted amount FY 2025					\$5,359	
Exception Amount (from Budget Exception worksheet)					\$0	
Adjustment to Local Fiscal Efforts						
2024-2025 Allocation: \$969,746						
2023-2024 Allocation: \$953,051						
Allocation Increase: \$16,695						
Allocation Increase * 50%: \$8,348						
Less CEIS Budget Amount: \$0					\$0	
Max Adjustment (Reduction) to Local Fiscal Efforts: \$3,848						
***Subject to 34 CFR 300.205 requirements						



MOE Failure

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 2022-23 was \$250,000
- LEA's MOE level for 2023-24 was \$200,000 with no valid exception
- LEA's MOE level for 2024-25 should be \$250,000 or more

Maintenance of Effort Exception

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 Types

- 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 - 2024-2025

MOE Threshold Calculation	Section I Annual Report	Section II Expenditures	Section III Budget	Expenditure Exception Worksheet	Budget Exception Worksheet	Admin Review
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• Error: Please save to revalidate

Save

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 2023-2024 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.

Expenditure Exception Documents:
Add File

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 staffing changes, you must upload documentation including prior staff member and replacement staff or vacancy documentation.</i>	\$0
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:	\$0
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:	\$0

Maintenance of Effort Adjust to Local Fiscal Efforts

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.

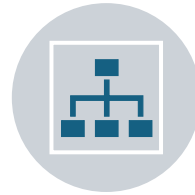
State and Local Maintenance of Effort Worksheet and Assurance Form - 2024-2025

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 6/30/2024						
<i>Enter your district/LEA's actual General M&O expenditures, from State and Local funds, for FY 2024. These amounts should be the same as the amounts reported on your district/LEA's annual IFARMS report for FY 2024</i>						
IFARMS 100-521: Special Education Program						\$3,933,278
IFARMS 100-522: Special Education Preschool Program						\$438,736
IFARMS 100-616: Special Education Support Services Program						\$46,352
						Combined Total \$4,418,366
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						\$191,969
Professional Development						\$0
Transportation Costs						\$0
Other (Describe below)						\$0
						Adjusted Total \$4,610,335
Child Count 11/1/ 2023						844
						Average Per Pupil Expenditure FY 2024 \$5,462
Exception Amount (from Expenditure Exception worksheet)						\$0
Adjustment to Local Fiscal Efforts						
2023-2024 Allocation: \$953,051						
2022-2023 Allocation: \$864,227						
Allocation Increase: \$88,824						
Allocation Increase * 50%: \$44,412						
Less CEIS Expenditure Amount: \$0						
Max Adjustment (Reduction) to Local Fiscal Efforts: \$44,412						\$0
***Subject to 34 CFR 300.205 requirements						

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 fiscal accountability office (SDE).

Excess Costs & Funding Order

Excess Costs Defined

§ 300.16 Excess costs.

Excess costs means those costs that are in excess of the average annual per-student expenditure in an LEA during the preceding school year for an elementary school or secondary school student, as may be appropriate, and that must be computed after deducting—

(a) Amounts received—

- (1) Under Part B of the Act;
- (2) Under Part A of title I of the ESEA; and
- (3) Under Part A of title III of the ESEA and;

(b) Any State or local funds expended for programs that would qualify for assistance under any of the parts described in paragraph (a) of this section, but excluding any amounts for capital outlay or debt service.

Excess Cost Requirement

34 CFR §300.202(a) - Excess Cost Requirement

- **General.** Amounts provided to the LEA under Part B of the Act—
- (1) Must be expended in accordance with the applicable provisions of this part;
- (2) Must be used only to pay the excess costs of providing special education and related services to children with disabilities, consistent with [paragraph \(b\)](#) of this section; and
- (3) Must be used to supplement State, local, and other Federal funds and not to supplant those funds.

What is the Purpose of the Excess Cost Requirement?

34 CFR §300.202(b)(1) - Excess Cost Requirement

- The excess cost requirement prevents an LEA from using funds provided under Part B of the Act to pay for all of the costs directly attributable to the education of a child with a disability, subject to [paragraph \(b\)\(1\)\(ii\)](#) of this section.
- (ii) The excess cost requirement does not prevent an LEA from using Part B funds to pay for all of the costs directly attributable to the education of a child with a disability in any of the ages 3, 4, 5, 18, 19, 20, or 21, if no local or State funds are available for nondisabled children of these ages. However, the LEA must comply with the nonsupplanting and other requirements of this part in providing the education and services for these children.

Excess Cost

34 CFR §300.202(b)(2) - Excess Cost Requirement

- (i) An LEA meets the excess cost requirement if it has spent at least a minimum average amount for the education of its children with disabilities before funds under Part B of the Act are used.
- The LEA must calculate the minimum average per student expenditures.
- Multiply the average amount per student by the child count to determine the amount that must be spent by the LEA before Part B federal grants can be used.

Excess Cost Worksheet in the Application

2021-2022 expenditures for all students (including students with disabilities)	Preschool (619)	Elementary	Secondary
From State and Local funds		\$1,604,131	\$1,252,978
From Federal Funds		\$234,561	\$183,214
Less:			
Amounts expended from federal program allocations (do not include amounts allocated but not expended in the school year and carried over)			
IDEA Part B - Preschool (619) & School Age	\$2,334	\$24,101	\$18,826
ARPA - Preschool (619) & School Age	\$617	\$3,929	\$3,069
Title I A		\$15,391	\$12,022
Title III A		\$0	\$0
State and local Funds expended specifically for programs under Title I A and Title III A		\$0	\$0
State and local funds expended specifically for providing services to children with disabilities. The total of amounts entered here <i>must equal</i> the Adjusted Total on the Maintenance of Effort Section II Expenditures Form	\$0	\$63,979	\$49,974
Any amounts for capital outlay and debt service		\$0	\$0
Net total expenditures for all students		\$1,731,292	\$1,352,301
Calculation of average 2021-2022 per pupil expenditure for all students (including students with disabilities)			
Fall Enrollment (all students including students with disabilities, as reported to SDE November 2021)		96	79
Spring Enrollment (all students including students with disabilities, as reported to SDE March 2022)		105	78
Average Enrollment, 2021-2022		100.5	78.5
Average annual per student expenditure for all students, 2021-2022		\$17,226	\$17,226
Total number of children with disabilities served by the LEA in 2021-2022 (November 2021 Child Count)	4	14	6
Total minimum amount of funds the LEA must spend for the education of children with disabilities in elementary and secondary schools before using IDEA Part B funds		\$241,164	\$103,356

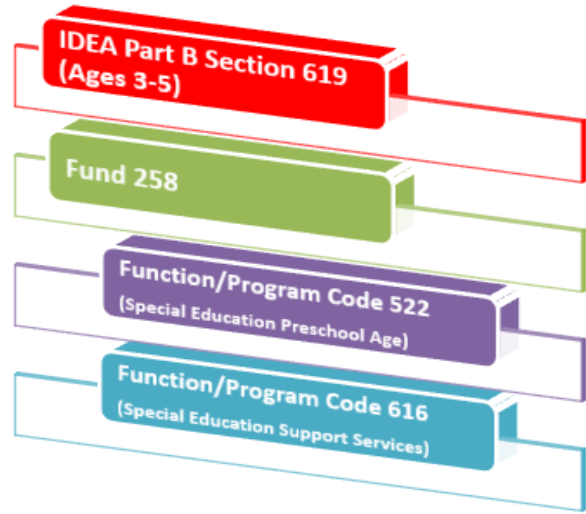
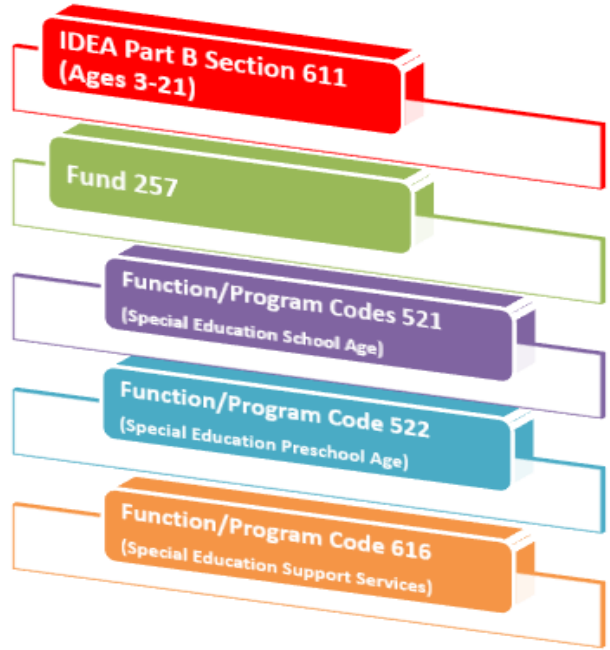
- First, we are identifying all expense for ALL students. Begin by filling in the enrollment section.
- Second, the application imports your IDEA & MOE expenditures you entered, in order to subtract specific federal funded costs, and all Special Education costs.
- Third, enter capital outlay & debt service (the application subtracts) to get a net total expenditure for “ALL STUDENTS”.
- Fourth, the application divides by enrollment and multiplies by child count to show the true amount an LEA spends on the education of children with disabilities before using IDEA Funding.

Special Education Funding Mechanisms Hierarchy

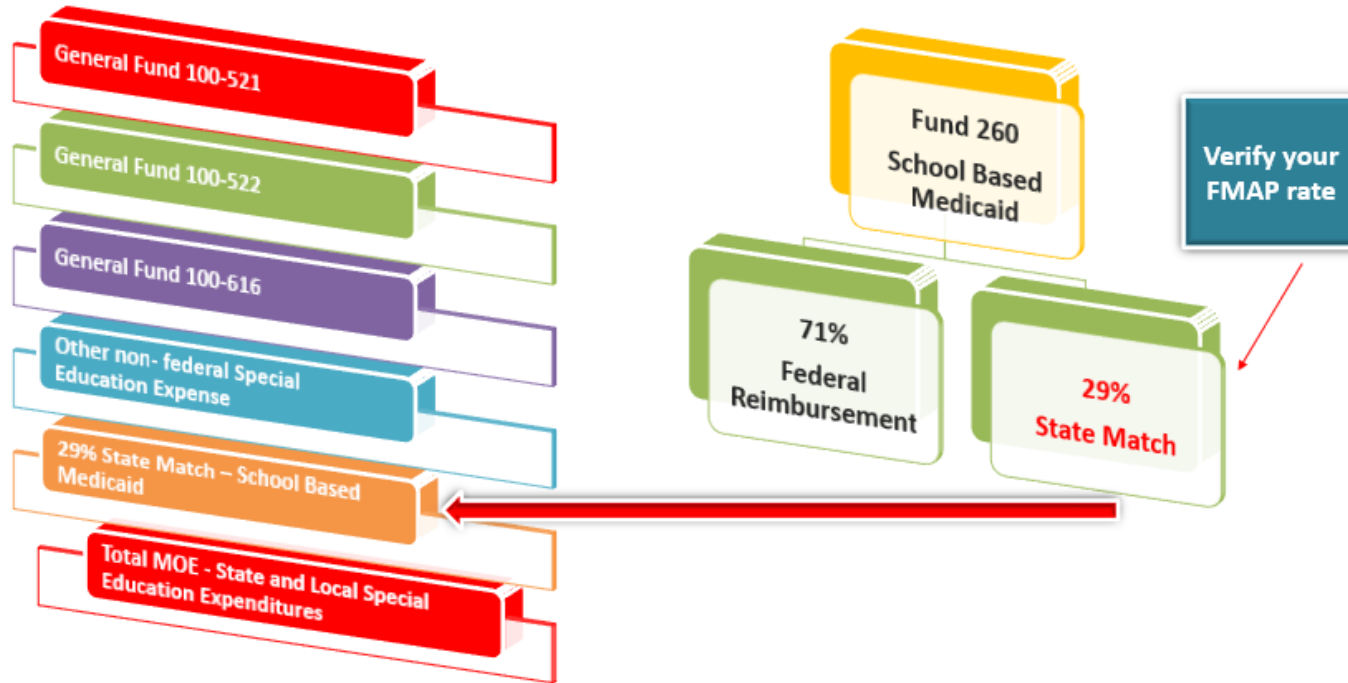
1. General Funds (Meet MOE 1st)
2. Medicaid Eligible Expenditure
Federal Reimbursements (pays before IDEA)
3. IDEA Part B Federal Entitlement Grants



IDEA Federal Grants Accounting Codes



State Funds Accounting Codes



Medicaid Reimbursements & IDEA Part B Requirements for LEAs

School-Based Medicaid – Payer of FIRST RESORT

CMS 2023 Guide Says on page 15:

For Medicaid-enrolled students with an IEP, Medicaid is payer of first resort of Medicaid-covered services included in the IEP (see section 1903(c) of the Act and IDEA sections 612(e) and 640(c), codified at 20 USC 1412(e) and 1440(c); 34 C.F.R. § 300.154(h); and 42 C.F.R. § 433.139).

Timing of Fiscal Closeout & Medicaid

LEAs must close their fiscal year out annually to prepare for required annual audits by CPAs, as required under state IDAPA code. Audits are due to the state by November.

LEAs have 365 days to bill Medicaid for reimbursement, but the timeliness of billing and reimbursements impact an LEA's expenditure closeout.

If an LEA is not reimbursed in a timely manner, they must use state or local funds, or IDEA funds for closeout. This could mean an LEA's Maintenance of Effort is raised, which must be maintained going forward (we train LEAs on this concept annually).

State Medicaid Plans

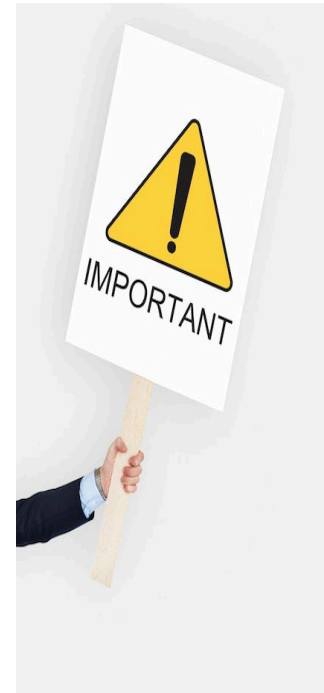
- Each state creates a Medicaid state plan that serves as an agreement between a state and the Federal government describing how each state administers its Medicaid programs.
- Our State policy defines which services are reimbursable. These policies are defined in the Medicaid “state plan.”

Why does this matter? This means if you bill for Medicaid reimbursement for services provided, then **you must spend down Medicaid prior to IDEA Part B funds**

Fiscal Annual Closeout – Best Practice

To close out and balance the three funding mechanisms for Special Education Programs, LEAs must:

- Stay caught up on School-Based Medicaid billings, and reimbursements.
- LEAs must record Medicaid State Match paid out.
- Record interest earned from the Medicaid Trust accounts.
- Reconcile, and balance the Medicaid fund to zero, before using IDEA Part B federal grant funds.
- Be prepared to report your full Medicaid match utilized for the final IDEA Part B application.



Additional Resources

[Application Refresher PDF](#)

[Application Refresher Video](#)

[More thorough Application Know How PDF](#)

[Full Step by Step Application Video](#)

[Full Application Instructions \(pending updates\)](#)

[IDEA Part B Funding Manual](#)

[Special Education Allowable Costs](#)

[Special Education Programmatic Overview PDF](#)

[Taking the Mystery out of Medicaid – Fiscal Components Training PDF](#)

[SPED Maintenance of Effort \(MOE\) & Fiscal Elements of Medicaid PDF](#)



Federal Fiscal Grants - Communities of Practice (FFGCoP)

- Is a monthly SDE hosted webinar on the 3rd 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!

[Registration Link](#)





Idaho Department
of Education

Thank You!

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