

# Options for Maintaining IDEA Maintenance of Effort

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With the release of the Governor's 2011-2013 biennial budget proposal, numerous questions about the Individuals with Disabilities Education Act's (IDEA) maintenance of effort (MOE) requirement have been raised, including questions about the impact of reductions in staff benefit costs and layoffs.

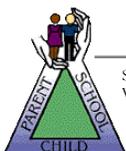
There is no waiver available for LEAs regarding complying with maintenance of effort requirements. However, there are some exceptions permitting an LEA to reduce its required local special education fiscal effort. The LEA may reduce its effort if the reduction in expenditures is attributable to:

- The voluntary departure or departure for just cause of special education or related services personnel;
- A decrease in enrollment of students with disabilities;
- A student moves out of the LEA's jurisdiction, graduates, ages out, or no longer needs the high cost special education program.
- The termination of costly expenditures for long-term purchases, such as equipment or construction of school facilities.

IDEA does **not** allow savings **from reduced staff salaries/benefits as exceptions**. For LEAs this may mean putting savings from reduced staff salaries and benefits back into special education, even though the actual level of special education services is not reduced by the benefit reduction.

The Special Education Team has determined several options an LEA may wish to consider when planning for maintenance of effort compliance in future fiscal years. These options are described at length on the following pages and include:

- 1) Moving existing special education costs from the IDEA grant to local Fund 27 costs and using the freed-up federal funds for Coordinated Early Intervening Services (CEIS) or Title I schoolwide activities, both of which are general education activities.
- 2) Special education staff retiree costs currently coded to function 291 000, Fund 10 (if not in Fund 73) may be coded in Fund 27, Project 019.
- 3) Determining costs generated by **non-special education staff** in relation to IEP development. These documented costs can be coded to Fund 27, Project 019.
- 4) Providing general education instruction / interventions beyond the core curriculum to students with disabilities. These documented costs can be coded to Fund 27, Project 019.



## OPTIONS FOR MAINTAINING EFFORT WITHOUT CREATING “NEW” COSTS

### 1) Moving existing special education costs from the IDEA grant to local Fund 27 costs and using the freed-up federal funds for Coordinated Early Intervening Services (CEIS) or Title I schoolwide activities, both of which are general education activities.

- **This option would be fairly easy for an LEA to implement.** This option increases local special education costs by moving special education expenditures from the IDEA grant to local funds and using federal grant dollars to fund general education activities as allowed under the Act.

LEAs have the flexibility to reserve up to 15% of their IDEA allocation to expend on coordinated early intervening services for students without disabilities. If not already utilizing this option, an LEA could move 15% of the special education costs currently charged to the grant to a project 011 or 019 in Fund 27, increasing local special education costs. The LEA may then use 15% of the IDEA grant on general education intervention activities permissible under the CEIS program.

For additional information on CEIS budgets and allowable activities, please visit [www.dpi.wi.gov/sped/lpp-budgets.html#ceis](http://www.dpi.wi.gov/sped/lpp-budgets.html#ceis). If an LEA plans to reserve IDEA funds for CEIS, budgets and narratives are due by November 1 of each fiscal year.

LEAs with Title I schoolwide schools may set-aside a portion of their IDEA funds to support each schoolwide school's Title I plan. As with the CEIS option, an LEA could move existing grant funded special education costs to local dollars to increase local special education costs and use federal grant funds freed-up under the Title I set-aside option to fund general education activities that support the schoolwide school.

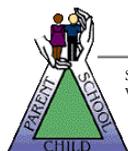
For additional information on IDEA's Title I set-aside option, please visit [www.dpi.wi.gov/sped/lpp-budgets.html#title](http://www.dpi.wi.gov/sped/lpp-budgets.html#title). A calculator has been developed to assist LEAs in determining the amount of IDEA funds that can be set-aside for each school: [http://www.dpi.wi.gov/sped/xls/idea-sws\\_calculator-FY11.xls](http://www.dpi.wi.gov/sped/xls/idea-sws_calculator-FY11.xls). There is no deadline during a fiscal year for setting aside IDEA funds to support a Title I schoolwide plan.

Staff at the Wisconsin RtI Center (<http://www.wisconsinrticenter.org/>) or PBIS Network (<http://www.wisconsinpbisnetwork.org/>) can assist districts in planning and budgeting for the use of these funds.

### 2) Special education staff retiree costs currently coded to function 291 000, Fund 10 may be coded in Fund 27, Project 019.

- **This option would be fairly easy for an LEA to implement.** This option changes the location of where an existing special education cost is coded.

If the costs an LEA is currently paying for special education staff retirees are reflected in function 291 000, Fund 10 (because the LEA does not have a Fund 73 trust), these costs could be coded to Fund 27 (special education), Project 019 (non-aidable costs) instead.



### 3) **Determining costs generated by non-special education staff in relation to IEP development.**

- **It would be moderately difficult for an LEA to track and document** the time a general education staff person spends on special education referrals, evaluations, and attendance at IEP team meetings to support costs coded to Fund 27. However, it may be fairly easy for an LEA to track only the amount of time general education staff spend attending IEP team meetings, and this time could be converted to a salary and fringe amount coded in Fund 27.

General education staff have responsibilities in the referral and evaluation of students who may have disabilities as well as required attendance at IEP team meetings. The time spent conducting these activities may be coded to the individual's regular function, Fund 27 (special education), Project 019 (non-aidable costs). The costs associated with these activities could in turn close the gap in spending created by the mandated cost savings.

An LEA that chooses to account for a general education staff person in Fund 27, Project 019, needs to maintain documentation that demonstrates the individual's time spent conducting referral and evaluation activities or time spent in IEP team meetings. Documentation should include an explanation of how the amount that is coded to Fund 27, Project 019, was determined. If this documentation is missing or inadequate, the costs will not be allowed to remain in Fund 27; and the LEA will be required to move the costs to Fund 10.

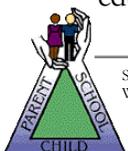
If an LEA codes general education functions in Fund 27, Project 019, DPI will require the LEA to submit supporting documentation to verify the costs are eligible for Fund 27. If your LEA is considering using this option, please contact DPI Special Education staff to schedule a review to determine eligibility of costs and review documentation plans.

### 4) **Providing general education instruction / interventions beyond the core curriculum to students with disabilities.**

- **This option would be fairly difficult for an LEA to implement.** The LEA would need to be able to track and document the time a general education staff person spends providing additional general education instruction beyond the core curriculum to a student with a disability. The type of supporting documentation required is standard data collected through a response to intervention system for all students, so LEAs who have well-established systems in place may find this option doable. There will be a high level of scrutiny with general education costs coded to Fund 27; so if supporting documentation is not available or insufficient, the general education expenditures may not be used to meet MOE.

The percentages of students with disabilities who scored at the proficient and advanced levels on regular or alternate statewide assessments in reading and math is far below the benchmarks in Wisconsin's State Performance Plan, and far below the percentages of students without disabilities.

To address this discrepancy, an LEA could assign general education teachers to provide supplemental general education instruction to students with disabilities. These instructional services are not special education services as outlined in the student's IEP, but are additional general education instruction



provided to students with disabilities struggling in specific content areas. The goal would be to close the achievement gap between students with disabilities and students without disabilities.

The time the general education teacher spends providing general education instruction beyond the core curriculum to students with disabilities may be accounted for in Fund 27 (special education), Project 019 (non-aidable costs). The costs associated with these activities could in turn close the gap in spending created by the mandated cost savings.

An LEA that chooses to account for a general education teacher in Fund 27, Project 019, needs to maintain documentation that demonstrates the teacher’s intervention work with students with disabilities. This documentation should include the teacher’s name, the type of intervention instruction provided, the students served and the frequency and amount of the intervention instruction. Documentation should also include an explanation of how the amount that is coded to Fund 27, Project 019, was determined. If this documentation is missing or inadequate, the costs will not be allowed to remain in Fund 27; and the LEA will be required to move the costs to Fund 10.

*Example:*

An algebra teacher has a salary and fringe of \$50,160. He spends ten hours a week providing supplemental algebra instruction to 15 students who have been identified as struggling in algebra. This instruction is provided in addition to what the students are receiving in their regular algebra class and constitutes approximately .25 of his schedule or \$12,540 in salary and fringe. Assuming there are 15 students receiving this supplemental instruction, the per student cost is \$860. The following chart breaks out how the funds may be coded depending on the students served.

# of Students with Disabilities	# of Students without Disabilities	Coded to Function 124 100, <b>Fund 10</b>	Coded to Function 124 100, <b>Project 019, Fund 27</b>	Total
15	0	\$37,620	\$12,540	\$50,160
10	5	\$41,800	\$8,360	\$50,160
5	10	\$45,980	\$4,180	\$50,160

If an LEA codes general education functions in Fund 27, Project 019, DPI will require the LEA to submit supporting documentation to verify the costs are eligible to be accounted for in Fund 27. If your LEA is considering using this option, please contact DPI Special Education staff to schedule a review to determine eligibility of costs and review documentation plans.

Resource: OSEP Letter to Kennedy, <http://www2.ed.gov/policy/speced/guid/idea/letters/2009-3/kennedy092509useoffedfunds3q2009.doc>

Last Updated: 4/21/2011

Document Location: [www.dpi.wi.gov/sped/pdf/moe-fund27-options.pdf](http://www.dpi.wi.gov/sped/pdf/moe-fund27-options.pdf)

