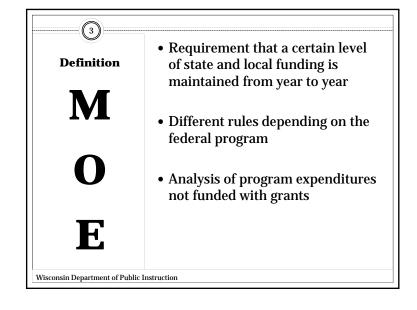
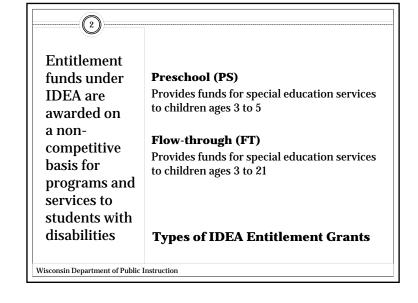
# OVERVIEW: MAINTENANCE OF EFFORT IDEA / SPECIAL EDUCATION Wisconsin Department of Public Instruction





# IDEA MOE Regulations [4] IDEA requires that LEAs must budget and expend the same amount of local funding for special education and related services as it expended in the previous fiscal year (34 CFR §300.203)

# **Special Education Accounting**



To demonstrate compliance, an LEA must use the DPIassigned accounting structure to identify special education expenditures and what type of funds were used to pay for the expenditures.

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## Fund 27 education services are coded to this fund, regardless of how the costs are paid Costs that are eligible for state categorical aid Project 011 reimbursement (salaries, transportation) are tagged with this project code Costs that are **not** eligible for state categorical Project 019 aid reimbursement and also not grant funded are tagged with this project code Costs that are reimbursed with federal IDEA Project 340 entitlement dollars (flow-through and preschool) are tagged with this project code Only project 011 and 019 tagged expenditures

are used for MOE compliance

All costs related to the provision of special

# Four Possible Ways to Pass MOE



An LEA needs to only meet ONE of the following comparison tests:

- At least the same total combination of local and state funds were expended as the last year the LEA expended the most local and state funds on special education activities.
  - ➤ Projects 011, 019, 091 and 092 less certain revenues
- 2) At least the same amount of local funds were expended as the last year the LEA expended the most local funds on special education activities.
  - ➤ Fund 10 to 27 transfer

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# Four Possible Ways to Pass MOE



- 3) At least the same student per capita amount from local and state funds were expended as the last year the LEA expended the most local and state funds on special education activities.
  - ▼ Calculation from test 1 divided by fiscal year's MOE child count (pulled from ISES)
- 4) At least the same student per capita amount from local funds were expended as the last year the LEA expended the most local funds on special education activities.
  - ➤ Fund 10 to 27 transfer (test 2) divided by fiscal year's MOE child count (pulled from ISES)

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# **OSEP Clarification – September 2013**

Regulations state: "as it expended in the *previous fiscal year*"

Use the previous fiscal year as a comparison, *only* if in the previous year the LEA spent the same or more than it did in the second preceding year.

Instead of saying 'previous fiscal year' we'll say 'last year met'

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# **Exceptions for Lowering MOE**



- Voluntary departure or departure for just cause of special education personnel.
- o Decrease in enrollment of students with disabilities.
- A student with exceptional special education costs moves out of the district, ages out, or no longer needs the program.
- $\circ\,$  The purchase of costly capital, such as a special education vehicle, is paid out.
- The assumption of the student's program costs by Wisconsin's special education high cost aid for a student with a disability.
- o The 50% Rule

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# **Utilizing MOE Exceptions**



• Multiple exceptions may apply:

# \$75,000 in exceptions:

- x \$20,000 decrease in the number of students with disabilities
- × \$40,000 staff retirement
- x \$15,000 tied to individual student who graduates
- If exceptions are approved, LEA maintains the new reduced MOE expenditure level

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# IDEA Regulation Comments on §300.204

# OSEP Letter to White

Specifically states that savings due to the negotiated reduction in staff benefits did not qualify as an exception

# **COST SAVINGS:**Not allowed exceptions

### Decrease in costs due to:

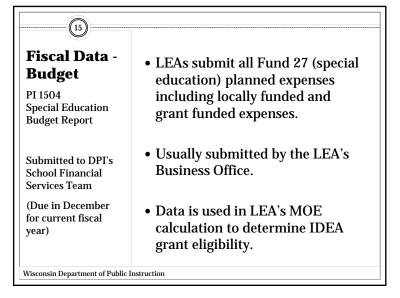
- Employee contributions to WRS
- Switching health insurance programs
- Changing the OPEB contribution
- Converting to HRA systems
- Position eliminations
- Withdrawal from shared programs
- Transportation contract savings

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## **Local Maintenance of Effort Compliance Test Eligibility Test** • Local special education · Local special education budget amounts compared actual current year expenditures compared to a to a prior year's actual expenditures (last year met) prior year's actual expenditures (last year met) · Determines whether an LEA · Determines whether an LEA is in final compliance with is "eligible" to receive the the MOE requirement **IDEA** grant

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How DPI uses existing data to monitor MOE Eligibility & Compliance



# **Fiscal Data-**• LEAs submit all Fund 27 (special **Expenditures** education) expenses including PI 1505 locally funded and grant funded Special Education expenses. **Annual Report** • Usually submitted by the LEA's Submitted to DPI's Business Office. School Financial Services Team (Due in September • Data is used to determine LEA's for previous fiscal state special education categorical year) aid **and** IDEA MOE compliance. Wisconsin Department of Public Instruction

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### Child Count Data

Individual Student Enrollment System (ISES)

Submitted to DPI's Data Management & Reporting Team

• October 1 Child Count

- Looks at an LEA's "financial" responsibility for the student
- Used to determine a "per capita" expenditure amount for purposes of MOE
- Used to determine amount for "decrease in students with disabilities" exception

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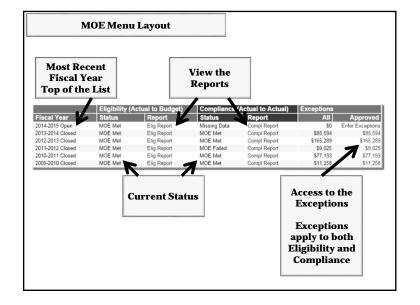
# **Web-based MOE Reports**

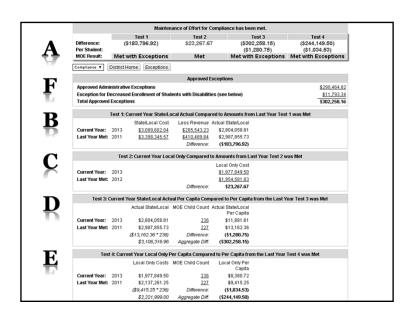


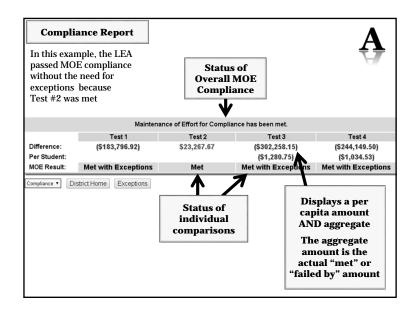
- Accessed through the Special Education web portal
- Pulls financial data from the 1504 and 1505 special education reports and ISES child count information
- Calculates the four MOE tests
- Allows the LEA to submit exceptions if failing all four tests
- Allows the LEA to run scenarios to determine future compliance

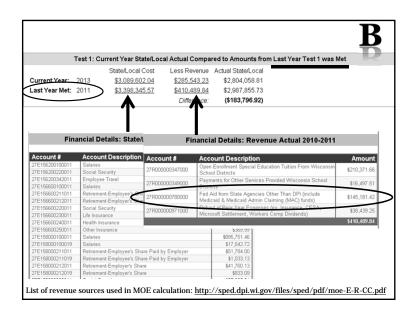
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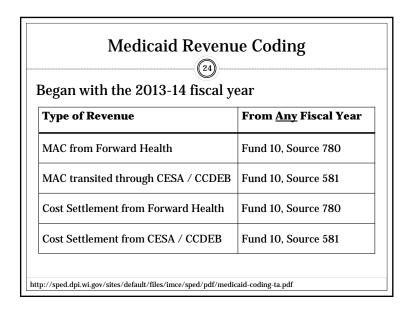
# Testing for Eligibility and Compliance

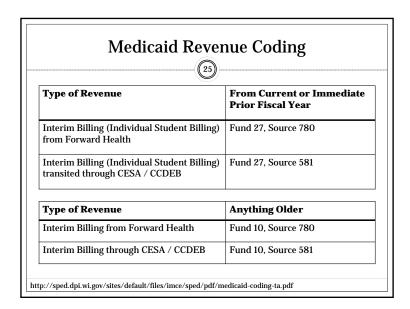


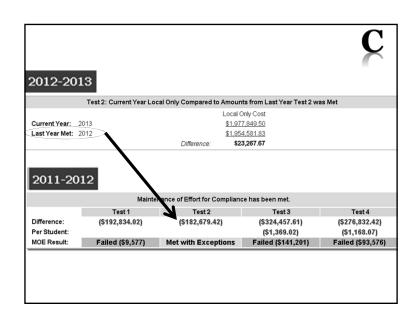


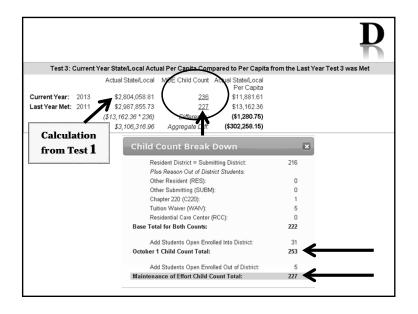


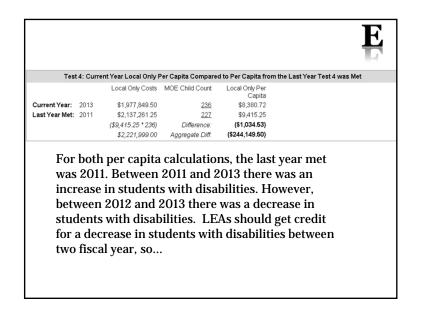


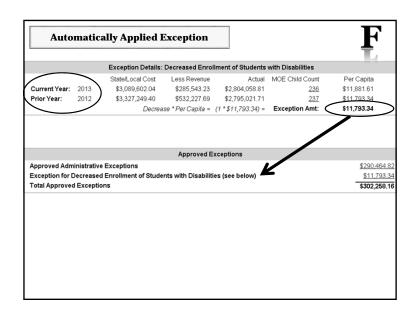










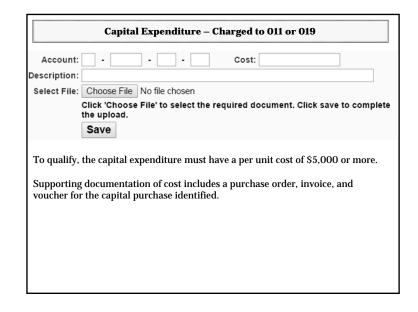


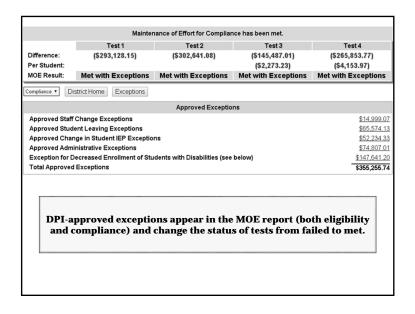
Accessing the Exceptions Screen							
Maintenance of Effort for Compliance has been met.							
		•					
Difference:	Test 1 (\$183,796.92)	Test 2 \$23,267.67	Test 3 (\$302,258.15)	Test 4 (\$244,149,50)			
Per Student:	(\$100,790.92)	\$23,207.07	(\$1,280.75)	(\$1,034.53)			
MOE Result:	Met with Exceptions	Met	Met with Exceptions	Met with Exceptions			
<ul> <li>Special education staff voluntary departure</li> <li>Student with costly services left district, aged out or graduated</li> <li>Student with costly services has a change in IEP</li> <li>Capital expenditures (vehicle purchase, remodeling, etc.)</li> </ul>							

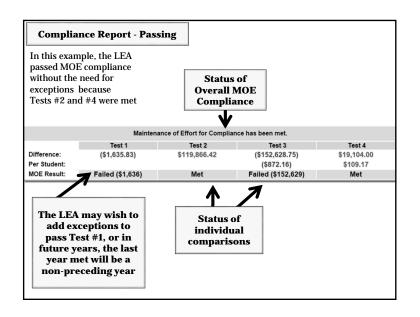
Voluntary Dep	arture of Special Educa	tion Staff – Charged to	o 011 or 019
irst Name:	*6	Last Name:	
alary Account:		Salary Amount:	
ringe Account:		Fringe Amount:	
eason For Leaving*:	•		
	ducation staff is not a departure du osts, roll up the 200 000 series whe		Save
Did a special ed	l staff person take a job at l staff person take a job in l staff person retire during	general ed at the end of	
	l staff person take a volun ition filled in with a subst		e in 2014?
	l staff person take a volun ition filled in with a subst	J 1	ence in 2015?

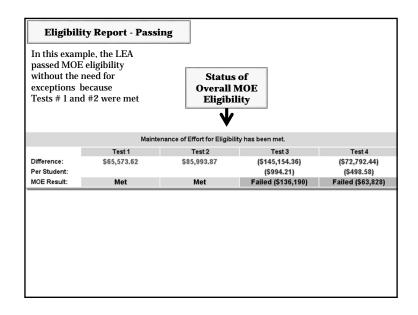
First Name:			*6	Last Name:	
Birth Date:				Reason For Leaving:	<ul><li>Left District</li><li>Graduated</li><li>Aged Out</li></ul>
Account:		[_	] - [	Amount:	
Description:					
open enro	ollment tu	ition (S	\$6,635 in	c services must be gre 2014-15) es who graduated, age	
open enro Review t from the the follow	ollment tu he studen district of ving costs	ition (§ ts with f reside (charg	\$6,635 in disabilitie ence in the ged locally	2014-15) es who graduated, aged e last two years. Did th	d out, or moved away ne student have any of
open enro Review t from the the follow	ollment tu he studen district of ving costs ne-on-one	ition (S ts with f reside (charg Para o	\$6,635 in disabilitie ence in the ged locally or Attenda	2014-15) es who graduated, aged e last two years. Did th	d out, or moved away ne student have any of
open enro Review t from the the follow • On • Sp	ollment tu he studen district of wing costs ne-on-one recialized	ition (S ts with f reside (charg Para o Transp	\$6,635 in disabilitie ence in the ged locally or Attenda ortation	2014-15) es who graduated, agedelast two years. Did the ): nt Care Aide (even if jo	d out, or moved away ne student have any of ust part of the day)
open enro Review t from the the follow • On • Sp • Pr	ollment tu he studen district of ving costs ne-on-one ecialized ivate or p	ition (S ts with f reside (charg Para o Transp ublic pl	\$6,635 in disabilitie ence in the ged locally or Attenda ortation lacement (	2014-15) es who graduated, aged e last two years. Did th	d out, or moved away ne student have any of ust part of the day)
open enro Review t from the the follow • On • Sp • Pr	ollment tu he studen district of wing costs ne-on-one recialized	ition (S ts with f reside (charg Para o Transp ublic pl	\$6,635 in disabilitie ence in the ged locally or Attenda ortation lacement (	2014-15) es who graduated, agedelast two years. Did the ): nt Care Aide (even if jo	d out, or moved away ne student have any of ust part of the day)

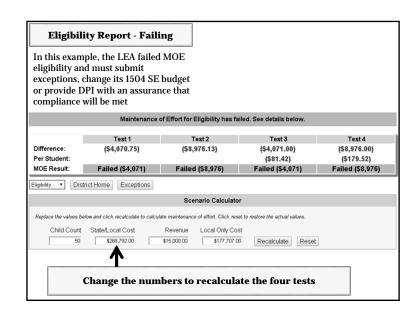
Change of Services in Student IEP – Charged to 011 or 019					
First Name:	0	Last Name:	O		
Birth Date:	0				
Account:	<b>©</b>	Amount:	0		
Description:			G		
Whan identifyir	ng fringe costs, roll up the 200 000 series whe	n the function is the same	Save		
iscal year.	students with disabilities who Since that year, have any of the				
o Transit	n <b>Placement:</b> ions out of an off-site early ch or public tuition — such as an	1 0	U		
o Transp	<b>pecific Services:</b> ortation: student was on an in t received cochlear implant an		U		

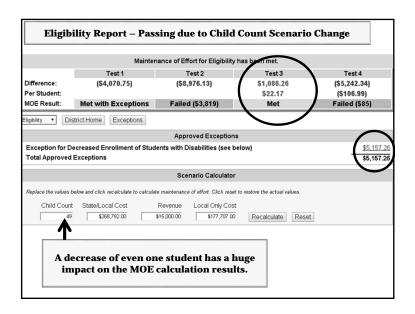


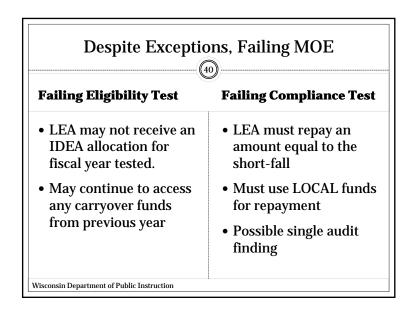












# **Failing MOE Compliance**



- Expenditure levels are not "reset" the last year met will be the last year the LEA passed one of the comparisons.
- Changes to the immediate prior fiscal year ends September 30. Always. Shifting funds previously claimed under the grant to local funds must be done prior to September 30.

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# **Understand Where Expenses Are Coded**



- Has there been analysis done of how expenses are being coded, or is it a practice of "always done that."
- Are IDEA funds being carried over from year to year, or used on non-essential items, while the local special education costs are inflating?
- When unplanned expenditures arise, how is where the costs charged examined?

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# **Understand Why Effort Was Reduced**



- Plan ahead understand the "why" if local costs are going to decrease
- If the "why" doesn't include allowable exceptions, develop long-term plans
  - Move special education costs off IDEA grant to local to boost level back up to required amount
  - Ouse the freed-up IDEA funds on collaborative initiatives!
    - ⋆ Coordinated Early Intervening Services
    - \* Title I Schoolwide Set-Aside
    - \* Professional Development or Tuition Reimbursement

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# **Technical Assistance**



IDEA MOE Technical Assistance Page <a href="http://dpi.wi.gov/sped/educators/fiscal/maintenance-of-effort">http://dpi.wi.gov/sped/educators/fiscal/maintenance-of-effort</a>

To review your Maintenance of Effort eligibility status with Rachel Zellmer, please contact Marge Schenk at <a href="mailto:marjorie.schenk@dpi.wi.gov">marjorie.schenk@dpi.wi.gov</a>. She will schedule a conference call time.

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