

ESEA/ESSA's Maintenance of Effort Requirements and Title I Comparability Rating

Kathy Guralski
Mike Hickey
February 2017



MOE: Definition & Purpose

- LEAs demonstrate MOE by either the combined fiscal effort per student
- OR
- the aggregate expenditures (non-federal funds) of the LEA for the preceding fiscal year was not less than 90 percent of combined fiscal effort or aggregate expenditure for the second preceding fiscal year.

(No change under ESSA)



Maintenance of Effort (MOE): Definition & Purpose

- A year-by-year analysis to ensure LEAs are supporting core education in Title I schools.
- An LEA may receive its full allocation of ESSA funds if the State determines the LEA has maintained its fiscal effort.



MOE: Calculations

- The annual financial report (PI-1505) is used to determine MOE.
- Amount from preceding year must not be less than 90 percent of the second preceding year.

Example: To receive funds available July 2017, DPI will compare 2015-16 school year expenditures to 2014-15 school year expenditures.

Slide adapted from Brustein and Manasevit Fall 2012 Forum



Annual Report

Fund 27: Special Education Fund			
10E-00000-000	Total Expenditures		7,835,574.68
10E-25500-000	Total Fac Acquis/renov		0.00
10E-28000-000	Total Debt Services		98,292.00
10E-41000-000	Transfer To Special Education Fund		188,493.32
10E-41900-810	Debt Services		118,692.43
10E-49100-935	State Grants Transferred To Others		0.00
10E-49100-937	Federal Grants Transferred To Others		0.00
10E-00000-317	Federal Aid Transfers From Wisconsin Districts		0.00
10E-00000-517	Federal Aid Transferred Through Cesas Or Intermediate Sources		51,772.00
10E-00000-581	Medicaid Reimbursements Through Cesas		0.00
10E-00000-700	Total Federal Revenue		171,161.97
10E-00000-878	Long-term Debt Proceeds - Capital Leases		0.00
Fund 28: Other Special Projects Fund			
27E-00000-000	Total Expenditures		810,027.21
27E-25500-000	Total Fac Acquis/renov		0.00
27E-28000-000	Total Debt Services		0.00
27E-41000-000	Transfer To General Fund		0.00
27E-41900-810	Debt Services		0.00
27E-49100-935	State Grants Transferred To Others		0.00
27E-49100-937	Federal Grants Transferred To Others		0.00
27E-00000-317	Federal Aid Transfers From Wisconsin Districts		0.00
27E-00000-517	Federal Aid Transferred Through Cesas Or Intermediate Sources		0.00
27E-00000-581	Medicaid Transfers From Cesas		0.00
27E-00000-700	Total Federal Revenue		171,161.97
27E-00000-878	Long-term Debt Proceeds - Capital Leases		0.00
Fund 29: Other Special Projects Fund			
29E-00000-000	Total Expenditures		0.00
29E-25500-000	Total Fac Acquis/renov		0.00
29E-28000-000	Total Debt Services		0.00
29E-41000-000	Transfer To General Fund		0.00
29E-41900-810	Debt Services		0.00
29E-49100-935	State Grants Transferred To Others		0.00
29E-49100-937	Federal Grants Transferred To Others		0.00
29E-00000-317	Federal Aid Transfers From Wisconsin Districts		0.00
29E-00000-517	Federal Aid Transferred Through Cesas Or Intermediate Sources		0.00
29E-00000-581	Medicaid Transfers From Cesas		0.00
29E-00000-700	Total Federal Revenue		0.00
29E-00000-878	Long-term Debt Proceeds - Capital Leases		0.00
	Subtotals	8,645,601.89	1,600,983.05
	Subtractions	-1,600,983.05	
	Net State and Local Expenditures	\$7,044,618.84	

MOE: Consequences of Failure

ESEA

The state must reduce amount of allocation in the exact proportion by which LEA fails to maintain effort by falling below 90 percent in the previous year.

ESSA

The state must reduce amount of allocation in the exact proportion by which LEA fails to maintain effort by falling below 90 percent in the previous year and at least once in the prior five years.

Slide adapted from Brustein and Manasevit Fall 2012 Forum



Per Student

Fund 29: Other Special Projects Fund			
29E-00000-000	Total Expenditures		0.00
29E-25500-000	Total Fac Acquis/renov		0.00
29E-28000-000	Total Debt Services		0.00
29E-41000-000	Transfer To General Fund		0.00
29E-41900-810	Debt Services		0.00
29E-49100-935	State Grants Transferred To Others		0.00
29E-49100-937	Federal Grants Transferred To Others		0.00
29E-00000-317	Federal Aid Transfers From Wisconsin Districts		0.00
29E-00000-517	Federal Aid Transferred Through Cesas Or Intermediate Sources		0.00
29E-00000-581	Medicaid Transfers From Cesas		0.00
29E-00000-700	Total Federal Revenue		171,161.97
29E-00000-878	Long-term Debt Proceeds - Capital Leases		0.00
	Subtotals	8,645,601.89	1,600,983.05
	Subtractions	-1,600,983.05	
	Net State and Local Expenditures	\$7,044,618.84	
	October 15, 2014 Aid Membership	685	
	State and Local Expenditures per Member	\$10,284.12	

ESSA Programs to which MOE Applies

Reduction applies to all applicable ESEA/ESSA programs that are still funded by USDE (not just Title I):

- Title I, Part A
- Title I, Part D
- Title II, Part A
- Title III, Part A
- Title IV, Part B
- Title V, Part B, Subpart 2
- Title VI, Part A, Subpart 1



MOE: Example

Analysis for Meeting MOE in Previous Year	Aggregate Expenditures	Amount per Student
2014-15 Actual Amount	\$1,000,000	\$6,100
90% of 2014-15 Amount	\$900,000	\$5,490
2015-16 Actual Amount	\$950,000	\$5,495
Difference	\$50,000	\$5
Percent Reduction in Award for 2017-18	0%	0%

Maintenance of Effort was met.

MOE: Example

Analysis for Meeting MOE in Previous Year	Aggregate Expenditures	Amount per Student
2014-15 Actual Amount	\$1,000,000	\$6,100
90% of 2014-15 Amount	\$900,000	\$5,490
2015-16 Actual Amount	\$890,000	\$5,495
Difference (Shortfall)	<\$10,000>	\$5
Percent Shortfall/Reduction in Award for 2017-18	-1.11%	0%

Maintenance of Effort was met.

MOE: Example

Analysis for Meeting MOE in Previous Year	Aggregate Expenditures	Amount per Student
2014-15 Actual Amount	\$1,000,000	\$6,100
90% of 2014-15 Amount	\$900,000	\$5,490
2015-16 Actual Amount	\$850,000	\$5,200
Difference (Shortfall)	<\$50,000>	<\$290>
Percent Shortfall/Reduction in Award for 2017-18	-5.6%	-5.3%

Under ESEA, the 2017-18 funds will be reduced by 5.3 percent.
Under ESSA, the funds will be reduced by 5.3 percent if the LEA also failed MOE in one of the five prior fiscal years.

MOE: Waivers

ESEA

- USDE Secretary may waive if:
 - there are exceptional or uncontrollable circumstances such as natural disaster
 - OR
 - precipitous decline in financial resources of the LEA.

ESSA

- USDE Secretary may waive if:
 - there are exceptional or uncontrollable circumstance such as natural disaster or change in organizational structure of the LEA
 - OR
 - precipitous decline in financial resources of the LEA.

Slide adapted from Brustein and Manasevit Fall 2012 Forum



MOE: Waivers

Non-regulatory Guidance from USDE
issued November 21, 2016:

"In addition to these two examples listed in the statute, there can be other instances of exceptional or uncontrollable circumstances that might warrant when a waiver request will be considered."

Slide adapted from Brustein and Manasevit Fall 2012 Forum



Maintenance of Effort

Questions???



MOE: Waivers

Waiver Process:

1. DPI will contact LEAs if MOE is not met.
2. LEAs will notify DPI if they want to request a waiver.
3. DPI will request waivers on behalf of all LEAs needing waivers, and
4. DPI will notify LEAs if waivers are granted or not.



Title I Comparability Requirement



Title I Comparability Definition

- An LEA may receive Title I, Part A funds only if it uses state and local funds to provide services in Title I schools that, taken as a whole, are at least comparable to the services provided in non-Title I schools.
- If all schools in a grade span within the LEA are Title I schools, all schools must be “substantially comparable.”

ESEA Section 1120A(c)



Required LEAs

- Comparability is determined on a grade span-by-grade span basis.
- If an LEA has at least one non-Title I school and at least one Title I school within a grade span, the LEA must demonstrate comparability for that grade span.
- If an LEA has more than one Title I school at the same grade span (even without the presence of a non-Title I school), the LEA must demonstrate comparability for that grade span.



Timing

LEAs must determine comparability *annually*

- DPI is only required to collect comparability data at least once every two years.

Comparability is completed in the fall because LEAs need to review current-year resources and *make adjustments* for the current year as necessary.



Grade Spans

Elementary

- PK-5
- K-8

Middle School

- 6-8
- 6-9

High School

- 9-12
- 9-10
- 11-12



Exemptions

- LEAs are exempt if there is only one school per grade span (nothing to compare).

Example: Phelps School District has two schools, a 4K – 8 and 9 – 12. Phelps School District is exempt from completing the comparability report.

- Schools are exempt if the a school has fewer than 100 students.



Required LEAs Q & A

NO, this district is exempt

because there is only one school per grade span.



Required LEAs Q & A

A district consists of:

- One elementary school (Title I Schoolwide)
- One middle school (Title I Targeted Assistance)
- One high school (Non-Title I)

Is this district required to complete the Comparability Report?



Required LEAs Q & A

A district consists of:

- Three elementary schools (all Title I Schoolwide)
- One middle school (Title I Targeted Assistance)
- One high school (Non-Title I)

Is this district required to complete the Comparability Report?



Required LEAs Q & A

- **YES**, the district is required to complete the comparability report to demonstrate comparability among the *elementary schools only*.
- The district is not required to complete the comparability report for the middle school because there is no other school in that grade span to compare it to.



Required LEAs Q & A

NO, because the grade spans do not overlap.

BUT, if the district had two PK – 2 schools and two 3-5 schools that received Title I funds, then the district would be required to complete comparability for each grade span.



Required LEAs Q & A

A district consists of:

- Two elementary schools (PK-2 and 3-5)
- One middle school (6-8)
- One high school (9-12)
- Two elementary schools receive Title I funds.

Is this district required to complete the Comparability Report?



Required LEAs Q & A

A district consists of:

- One elementary school (PK-5, TI Schoolwide)
- One middle school (6-8, TI Schoolwide)
- One high school (9-12, TI Targeted Assistance)
- One alternative high school (9-12, Non-TI)

Is this district required to complete the Comparability Report?



Required LEAs Q & A

Only if the district entered an enrollment greater than 100 students for the alternative high school in the Title I application.

This district would be exempt from the comparability report if the alternative high school has less than 100 students.



Screenshot: Tabs

Wisconsin Department of Public Instruction
Title I, Part A Comparability Report

Instructions

1. Use current year data.
2. Do not include federal resources in this report. Local Educational Agencies (LEAs) may also exclude state and local costs for:
 - Language instruction for LEP students;
 - Excess cost of providing services to student with disabilities
 - Staff salary differentials for years of employment; and
 - Supplemental programs that meet the intent and purpose of Title I.

3. Comparability must be met in one of the three options provided. If schools are found not comparable under any of the options, make adjustments to the LEA's general ledger and re-allocate state and local resources so that schools are comparable.

4. Use the worksheet on the green tab titled, "Non TI and TI schools" to determine comparability between Title I and non-Title I schools in the same grade span. Complete one worksheet for each grade span.

5. Use the worksheet on the blue tab titled, "All TI schools in grade span" to determine comparability between all schools in the grade span because all schools receive Title I funds. Complete one worksheet for each grade span.

6. Contact your Title I Consultant for assistance as needed.

Complete 1 report for each grade span in which you need to demonstrate comparability

Why must comparability be determined?

An LEA may receive Title I, Part A funds only if it uses State and local funds to provide services in Title I schools that, taken as a whole, are at least comparable to the services provided in schools that are not Title I.

Instructions READ THESE FIRST Non TI and TI schools All TI schools in grade span

Comparability Report Workbook

- 2016-17 Comparability Report will not be collected by DPI.
- Districts required to complete the report should use the workbook which can be accessed here: <http://dpi.wi.gov/title-i/forms#TIComRep>
- Tab 1 provides instructions.
- Tabs 2 and 3 are for districts with TI and Non TI schools and then all TI schools in a given grade span.



Determining Comparability

- LEAs should use current-year data.
- LEAs should not include federal resources in the calculations.
- LEAs may exclude state and local funds expended for:
 - language instruction for Limited English Placement students,
 - excess costs of providing services to students with disabilities,
 - staff salary differentials for years of employment, and/or
 - supplemental programs that meet the intent and purpose of Title I (for example, SAGE/AGR).



Instructional Staff Q & A

How should LEAs count an instructional staff person that is shared between two or more schools, but not across all schools within the LEA?



Instructional Staff Q & A

How should LEAs count an instructional staff person that supports all the schools equally across the entire district (i.e. one art teacher for the entire district)?



Instructional Staff Q & A

LEAs should determine the FTE/salary for the staff person and include each school's share in the comparability calculation.



Instructional Staff Q & A

LEAs could either divide the staff person's time/salary equally for each school's comparability calculation or the LEA could exclude the staff person from the comparability calculations for all of the schools. Either way the LEA must be consistent across all schools.



Definition of Instructional Materials

Instructional materials and supplies include:

- general supplies for instruction,
- instructional media,
- textbooks and workbooks,
- computers, software and other technology, and
- library books and media center learning materials.



Determining Comparability

Title I Schools <i>Do not include schools in the grade span that have fewer than 100 students enrolled.</i>	Grade Span	Public School Enrollment (Column C)	Option A		Option B		Option C	
			FTE Staff (Column D)	Student Staff Ratio	Total Budgeted for Instr. Staff Salaries Minus Longevity (Column G)	Average Per Pupil Amount for Instr. Staff Salaries	Total Budgeted for Instr. Materials & Supplies (Column J)	Average Per Pupil Amount for Instr. Materials & Supplies
East	K-5	100	10.00	10.00	300,000.00	3,000.00	30,000.00	300.00
West	K-5	200	20.00	10.00	600,000.00	3,000.00	60,000.00	300.00
North	K-5	350	35.00	10.00	800,000.00	2,285.71	80,000.00	228.57
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
Total number of students in Title I schools in grade span			650 <i>Sum of column C</i>					
Totals for comparability options			65.00 <i>Sum of column D</i>		1,700,000.00 <i>Sum of column G</i>		170,000.00 <i>Sum of column J</i>	
Averages for comparability options			10.00 <i>Number of students in Title I schools in grade span divided by the total for the option.</i>		2,615.38 <i>Total for the option divided by the number of students in Title I schools in the grade span.</i>		261.54 <i>Total for the option divided by the number of students in Title I schools in the grade span.</i>	
Allowable variance for the average			11.00 <i>The variance level for each school must fall within the defined percentage for each option's average.</i>		2,353.85 <i>Shall not exceed 90% of average.</i>		235.38 <i>Shall not be less than 90% of average.</i>	
Schools in grade span need to be comparable in one option. "Not Comparable" will appear if comparability is not met.					Not Comparable		Not Comparable	

Determining Comparability

Title I Schools <i>Do not include schools in the grade span that have fewer than 100 students enrolled.</i>	Grade Span	Public School Enrollment (Column C)	Option A		Option B		Option C	
			FTE Staff (Column D)	Student Staff Ratio	Total Budgeted for Instr. Staff Salaries Minus Longevity (Column G)	Average Per Pupil Amount for Instr. Staff Salaries	Total Budgeted for Instr. Materials & Supplies (Column J)	Average Per Pupil Amount for Instr. Materials & Supplies
East	K-5	100	10.00	10.00	300,000.00	3,000.00	30,000.00	300.00
West	K-5	200	20.00	10.00	600,000.00	3,000.00	60,000.00	300.00
North	K-5	350	35.00	10.00	800,000.00	2,285.71	80,000.00	228.57
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
				0.00		0.00		0.00
Total number of students in Title I schools in grade span			650 <i>Sum of column C</i>					
Totals for comparability options			65.00 <i>Sum of column D</i>		1,700,000.00 <i>Sum of column G</i>		170,000.00 <i>Sum of column J</i>	
Averages for comparability options			10.00 <i>Number of students in Title I schools in grade span divided by the total for the option.</i>		2,615.38 <i>Total for the option divided by the number of students in Title I schools in the grade span.</i>		261.54 <i>Total for the option divided by the number of students in Title I schools in the grade span.</i>	
Allowable variance for the average			11.00 <i>The variance level for each school must fall within the defined percentage for each option's average.</i>		2,353.85 <i>Shall not exceed 90% of average.</i>		235.38 <i>Shall not be less than 90% of average.</i>	

Instructional Staff Q & A

A district is required to demonstrate comparability between their three elementary schools (all of which are Title I receiving). The district tried all three comparability options in the application, but they did not meet comparability.

What should the district do?



Instructional Staff Q & A

A district may recalculate their figures with the exclusion of state/local funds expended for:

- language instruction for LEP students,
- excess costs of providing services to students with disabilities,
- staff salary differentials for years of employment, and
- supplemental programs that meet the intent and purpose of Title I (for example, SAGE).

If the district is still not comparable, the district will need to reallocate resources and adjust their general ledger to become comparable.



Documentation

LEAs shall:

- develop procedures to be in compliance with the comparability requirement, and
- maintain supporting documentation used for the report.



Determining Comparability

When in doubt, contact your Title I Consultant:

<http://dpi.wi.gov/title-i/consultant-directory>



Audits

- At the end of the fiscal year, auditors make sure that actual expenditures are comparable.
- If not, the consequences may result in returning funds to DPI/USDE.



Supplement Not Supplant

- ESSA made changes that are similar to comparability.
- USDE has not provided any clarification or guidance yet.



Title I Comparability Requirements

QUESTIONS???

Contact your Title I Consultant for assistance
<http://dpi.wi.gov/title-i/consultant-directory>

