



West Virginia DEPARTMENT OF
EDUCATION

Office of Special Education Update

Presented by: Shana Clay, CPA

July 17, 2018

Maintenance of Effort (MOE)



Part B LEA MOE

- IDEA MOE Regulations:
 - IDEA requires that LEAs must budget and expend the same amount of local funding for special education as it expended in the previous fiscal year. (34 CFR §300.203)

Part B LEA MOE

- 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.

Supplement not Supplant

Funds under Part B must be used to supplement State, local and other Federal funds and not to supplant them (See 34 CRF §300.202(a)(3))

If a LEA **maintains** its fiscal effort, it will only be using Part B funds to supplement local, or state and local funds, and not to supplant them and thus meets the supplement/not supplant requirements.

MOE-Eligibility and Compliance

Eligibility Test

- Local special education budget amounts compared to prior year actual expenditures
- Determines whether an LEA is “eligible” to receive the IDEA entitlement grants

Compliance Test

- Local special education actual expenditures two-year comparison
- Determines whether an LEA is in final compliance with the MOE requirement

MOE-Eligibility and Compliance

Failing Eligibility Test

- LEA may not receive an IDEA allocation for fiscal year tested

Failing Compliance Test

- LEA must repay an amount equal to the short-fall
- Must use non-federal funds for repayment
- Possible single audit finding

MOE-Assurance for Funding Eligibility

- To be eligible for plan approval and to receive a grant awards for FY 19, the LEA must submit a FY 19 LEA budget that assures MOE will be met
- Medicaid funds spent for students with disabilities are NOT counted as local funds for the purpose of MOE (CSBO codes Medicaid revenues and expenditures in WVEIS which are excluded from calculation. Use Project 00Y83)



Four Tests to Meet MOE

- An LEA needs to only meet ONE of the following comparison tests:
 - 1) Local & State expenditures in total for SWD
 - 2) Local Only expenditures for SWD
 - 3) The per student amount of Local & State expenditures for SWD
 - 4) the per student amount of Local Only expenditures for SWD

First must **budget** adequate amount, then must **spend**

MOE Federal Clarification

- Consolidated Appropriations Act, 2014
 - That the level of effort a local educational agency must meet under section 613(a)(2)(A)(iii) of the IDEA, in the year after it fails to maintain effort is the level of effort that would have been required in the absence of that failure and not the LEA's reduced level of expenditures.



Examples of a Compliance Analysis Based on a Combination of State and Local Funds

Table 1. LEA Maintained Effort in 2017-2018

Fiscal Year	Actual level of effort	Required level of effort	Notes
2016-2017	\$100	\$100	LEA met MOE requirement
2017-2018	\$90	\$90	LEA properly took exceptions and adjustment allowed by code
2018-2019		\$90	Required level of effort is \$90 because LEA expended \$90 and met MOE in 2017-2018

Table 2. LEA Did Not Maintain Effort in 2017-2018

Fiscal Year	Actual level of effort	Required level of effort	Notes
2016-2017	\$100	\$100	LEA met MOE requirement
2017-2018	\$90	\$100	LEA did not maintain effort
2018-2019		\$100	Required level of effort is \$100 despite LEA's failure in 2017-2018



Examples of an Eligibility Analysis Based on a Combination of State and Local Funds

Table 3. LEA Maintained Effort in 2016-2017

Fiscal Year	Actual level of effort	Required level of effort	Notes
2015-2016	\$130	\$130	LEA met MOE requirement
2016-2017	\$150	\$130	LEA met MOE requirement
2017-2018			Final expenditure data are not available when budgeting for 2018-2019
2018-2019		\$150	Required level of effort to budget for 2018-2019 is \$150 because LEA expended \$150 and met MOE in 2016-2017

Table 4. LEA Did Not Maintain Effort in 2016-2017

Fiscal Year	Actual level of effort	Required level of effort	Notes
2015-2016	\$130	\$130	LEA met MOE requirement
2016-2017	\$100	\$130	LEA did not maintain effort
2017-2018			Final expenditure data are not available when budgeting for 2018-2019
2018-2019		\$130	Required level of effort to budget for 2018-2019 is \$130 despite LEA's failure in 2016-2017



LEA MOE Exceptions

34 CFR §300.204 provides exceptions for:

- voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel – hiring staff who fall lower on the pay scale;
- decrease in the enrollment of students with disabilities;
- termination of costly long-term purchases such as the acquisition of equipment or construction of school facilities;



LEA MOE Exceptions

- Termination of an exceptionally costly obligation to a particular child with a disability because the child
 - Has left the jurisdiction;
 - 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
- Assumption of cost by a high cost fund operated by the SEA under 34 CRF §CFR 300.704(c)

Part B LEA Adjustments

With certain exceptions, for any fiscal year for which an LEA's Part B allocation under section 611 exceeds the amount the LEA received for the previous fiscal year, the LEA may reduce the level of expenditures otherwise required for MOE by not more than 50% of the amount of the excess

See 34 CFR §300.205(a)

Part B LEA Adjustments

An LEA is eligible to make the 50% reduction if the LEA:

- Receives an increase in section 611 funds
- “meets requirements” under the sec. 616 determinations
- Has not had action taken against it by the SEA under IDEA section 616
- Has not had responsibility for providing FAPE taken from it by the SEA
- Has not been found by the SEA to have significant disproportionality under 34 CFR §300.646

LEA MOE Exceptions

- In all the exceptions noted on the previous slides, appropriate and thorough documentation must be submitted in each case to support the amount, reason, and/or justification for the exception.

MOE Calculation – State/Local

- Include
 - Total Expenditures in funds 11, 12, 2X, 3X, 4X, 5X, 61 and 71
 - Projects 00YXX – 29YXX, 52YXX and 9XYXX
 - Program/Function code 2XXXXX
- Exclude
 - Projects 04YXX, 00Y83
 - Program/Function Code 41471 (Gifted)
 - Object Codes 217 and 235

MOE Calculation – Local Only

- Total Revenues in funds 11 & 12, Project 00YXX, Revenue Source Code 01XXX (Excluding project 00Y83 – Medicaid) / Total Revenues in funds 11 & 12, Project 00YXX, ALL Revenue Source Codes (Excluding Revenue Source Code 04221 and project 00Y83 – Medicaid)
- Dividing the first total into the second total provides the percentage of local revenue to total of state and local revenue
- Total State and local expenditures in Program/Function 2XXXX, Funds 11 & 12, Project 00YXX (Excluding project 00Y83 – Medicaid and Program/Function 41471 – Gifted)
- Multiply total expenditures by the percentage of local revenue calculated above to find the amount of expenditures attributable to local sources

Maintenance of Effort <<



- Compliances
 - LEA-Special Education
 - LEA-MOE 2021
 - State/Local
 - Local Funds
 - LEA-MOE 2020
 - State/Local
 - Local Funds
 - LEA-MOE 2019
 - State/Local
 - Local Funds



██████████ COUNTY BOARD OF EDUCATION
 MAINTENANCE OF EFFORT CALCULATION
 STATE AND LOCAL FUNDS - COMPLIANCE TEST FOR FY 2019

[Requirements](#) [Resource](#)

- Total Expenditures in funds 11, 12, 2X, 3X, 4X, 5X, 61, and 71, Projects 00YXX, 29YXX and 8XYXX, Program/Function Code 2XXXX. (Excluding Program/Function Code 21271 and Objects 217, 235.
- If expenditures for OPEB were recorded to Program/Function 2XXXX but not in 217 as applicable, subtract that total now.
- Less Total Expenditures for Medicaid (Project 00y83)
- If Medicaid expenditures were not recorded in project 00Y83, enter the total expended for Medicaid for SWD now.
- Reduction in MOE (if applicable) (Approved and verified by WVDE for FY 17)

	FY 17	FY 16	Increase or (Decrease)
1. Total Expenditures in funds 11, 12, 2X, 3X, 4X, 5X, 61, and 71, Projects 00YXX, 29YXX and 8XYXX, Program/Function Code 2XXXX. (Excluding Program/Function Code 21271 and Objects 217, 235.	\$ 7,415,593.54	\$ 7,064,067.57	
2. If expenditures for OPEB were recorded to Program/Function 2XXXX but not in 217 as applicable, subtract that total now.		0	
3. Less Total Expenditures for Medicaid (Project 00y83)	7,852.64	9,577.00	
4. If Medicaid expenditures were not recorded in project 00Y83, enter the total expended for Medicaid for SWD now.		0	
5. Reduction in MOE (if applicable) (Approved and verified by WVDE for FY 17)			

Must provide basis for Reduction (see Requirements link above)

Text input field for reduction basis

(Maximum characters: 250)

You have 250 characters left.

TEST 1A

6. Total State and Local Expenditures (Excludes Medicaid, Gifted and OPEB ARC reported by CSBO)

7,407,740.90	7,054,490.57	353,250.33
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TEST 1b

7. Total State and Local Expenditures Less Approved Reduction in MOE (approved for FY18 but subtracted from prior year amount)

7,407,740.90	7,054,490.57	353,250.33
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TEST 2A

8. Child Count from previous December 1

995	940	
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9. Total State and Local expenditures on a per pupil basis

7,444.97	7,504.78	-59.81
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TEST 2B

10. Total State and Local expenditures on a per pupil basis Less Approved Reduction in MOE on a per pupil basis

7,444.97	7,504.78	-59.81
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[update](#)



RESULTS-DRIVEN PRIORITIES



CHANGES TO IMPROVE OUTCOMES

- Supporting the West Virginia Board of Education's and West Virginia Department of Education's Strategic Plan for College- and Career-Readiness through:
 - Graduation;
 - Literacy Achievement
 - Numeracy Achievement; and
 - Engagement.
- **Providing flexibility to enable local control.**
- Providing funds to be utilized for mental health and behavioral supports- \$1,000,000.00.
- **Providing discretionary funds that may be utilized for improvements in graduation rate, literacy proficiency, numeracy proficiency, and engagement of students - \$3,562,500.00.**
- Establishing Transition and Behavior/Mental Health Technical Assistance Centers.
- **Employing Numeracy Coordinator and Literacy Coordinator in Office of Special Education.**
- Enhancing the communication system between OSE and local education agencies.
- **Supporting the West Virginia Network for Educational Excellence.**
- Aligning State Performance Plan (SPP) Targets with Every Student Succeeds Act (ESSA) Measures of Interim Progress.

IMPLEMENTATION MANUAL



West Virginia Results-Driven Priorities

IMPROVING **RESULTS** FOR
STUDENTS WITH DISABILITIES

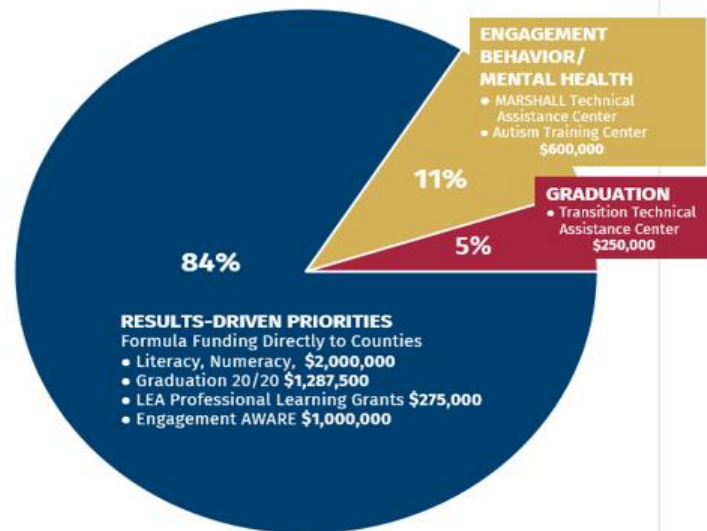
Guidance for
West Virginia
Schools and Districts

February 2018



INFRASTRUCTURE to SUPPORT The WEST VIRGINIA RESULTS-DRIVEN PRIORITIES

While primarily focused on district-level funding based on formula funding the \$5.4 million annual allocation awarded to support closing the literacy, numeracy, engagement and graduation gaps is also inclusive of components to support the longevity and success of the overall program. A breakdown of funding follows:



§ 300.208 Permissive use of funds.

(a) *Uses.* Notwithstanding §§ 300.202, 300.203(a), and 300.162(b), funds provided to an LEA under Part B of the Act may be used for the following activities:

(1) *Services and aids that also benefit nondisabled children.* For the costs of special education and related services, and supplementary aids and services, provided in a regular class or other education-related setting to a child with a disability in accordance with the IEP of the child, even if one or more nondisabled children benefit from these services.

(2) *Early intervening services.* To develop and implement coordinated, early intervening educational services in accordance with § 300.226.

(3) *High cost special education and related services.* To establish and implement cost or risk sharing funds, consortia, or cooperatives for the LEA itself, or for LEAs working in a consortium of which the LEA is a part, to pay for high cost special education and related services.

(b) *Administrative case management.* An LEA may use funds received under Part B of the Act to purchase appropriate technology for recordkeeping, data collection, and related case management activities of teachers and related services personnel providing services described in the IEP of children with disabilities, that is needed for the implementation of those case management activities.

(Approved by the Office of Management and Budget under control number 1820-0600)

(Authority: 20 U.S.C. 1413(a)(4))

In other words, IDEA funds must be used to primarily support special education. General education students may receive an incidental benefit.

RDP and MOE

Results-Driven Priorities grant program is completely funded with federal funds – Project AWARE and IDEA.

These funds should **NOT** be used to pay for special education services already being provided. Don't put your county at risk of failing to meet MOE.

FUNDING OPPORTUNITIES FROM OSE



OSE Sources of Funding

- LEA Funding Applications
 - IDEA (Federal) (43YXX)
 - State Aid for Exceptional Students (02Y1X)
- Other LEA Funding Opportunities
 - Out-of-State – state (02Y2X)
 - Out-of-County – state (02Y6X)
 - High Cost/High Acuity – IDEA (43Y3X)/state (02Y5X)
 - Assistive Technology – IDEA (43Y3X)
 - Technology Integration Specialist – IDEA (43Y3X)
 - SLP Distance Education Program – IDEA (43Y3X)



LEA IDEA & State Aid Applications

- IDEA and State funding applications – **extended to July 23rd**
- Applications are being reviewed in the order in which they were received
- SE Director & CSBO will receive an e-mail from the reviewer once the application has been reviewed
- Any items that need corrected will be noted within the GPS system
- Resubmit the plan after corrections are made
- When approved, an e-mail will be sent to the SE Director and CSBO
- Once Superintendent approves in GPS, grant awards will be released

High Cost/High Acuity Expenditure Reimbursement

- Funds available for the 2017-2018 applications:
 - \$2,351,115 (\$851,115 IDEA and \$1,500,000 State)
- Application due date - August 17, 2018
- The application and all related documents, including instructions and calculation examples, can be found on the OSE website at <https://wvde.us/special-education/finance/funding-opportunities/>.
- The minimum expenditure criteria to qualify under the plan for the 2017-2018 school year is **\$33,824** (3 times the 2016 average per pupil expenditure amount of \$11,274.69).

High Cost/High Acuity Expenditure Reimbursement

- This application is also for Court-Ordered DHHR placed Out-of-State students for which tuition amounts were withheld from the county's 2018 State Special Education Allocation. A list of eligible students for the 2017-2018 year will be distributed from Sheila Paitsel, Office of Federal Programs. In order to avoid confusion, please refer to this list when submitting your application for the court-ordered OOS students.
- Counties submitting an application for **Court-Ordered Out-of-State** students do NOT need to send with the application a copy of the IEP or the form indicating that the county has participated in the IEP development process. This information is maintained in the Office of Federal Programs. However, if information is missing or if additional information is required, the county will be contacted.

High Cost/High Acuity Expenditure Reimbursement

- For questions regarding court-ordered Out-of-State Students, contact Sheila Paitsel, Assistant Director, Office of Federal Programs at sgpaitsel@k12.wv.us.
- For questions regarding the submission of the application for in-district served students, contact Janice Hay, Coordinator, Office of Internal Operations at jehay@k12.wv.us; or, Shana Clay, Coordinator, Office of Special Education at sdclay@k12.wv.us.

Assistive Technology

- **\$200,000** Available for **2018-2019**
- Provides reimbursement for the purchase of assistive technology devices. An invoice must be submitted with the application.
- Counties are required to ensure that assistive technology services and/or devices are a part of the student's Individualized Education Program (IEP).
- A revised application is made available each summer and may be submitted at any time throughout the year **once expense is incurred**. Contact Lee Ann Brammer (lbrammer@k12.wv.us) for additional information. Application is available on the OSE website.

Questions

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Office of Special Education

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