

MAINTENANCE OF EFFORT (MOE)

Introduction

The Sonoma County Charter SELPA shall meet the federal maintenance of effort (MOE) regulations requiring that federal funds provided under Part B of the IDEA not be used to reduce the level of expenditures for the education of children with disabilities made from local funds below the level of those expenditures for the preceding fiscal year except as provided in federal law and regulations. This test must be met on either an aggregate or a per capita basis. (ref: Title 34 Code of Federal Regulations C.F.R. Sections 300.203-300.205).

Determination of Maintenance of Effort

The California Department of Education (CDE) monitors compliance with the MOE requirement at the SELPA level. The administrative unit (AU) of the Sonoma County Charter SELPA monitors compliance of its member LEAs. There are two required comparison tests determining MOE:

1. Budget vs. Actual Expenditures Comparison

Budgeted special education expenditures from local funds and/or combined level of local and state funds must equal or exceed prior year expenditures for each Charter LEA and for the Sonoma County Charter SELPA as a whole. Passing this test determines eligibility to receive IDEA Part B funds.

2. Actual Expenditures vs. Actual Expenditures Comparison

Actual special education expenditures from local funds and/or combined level of local and state funds must equal or exceed prior year expenditures for each Charter LEA and for the Sonoma County Charter SELPA as a whole. If the SELPA does not meet this test, it will be billed for the repayment of federal funds equal to the amount by which it reduced state and local spending.

Calculation of the Comparison Tests

The comparison tests are made by first taking into consideration if a reduction in expenditures occurred as a result of allowable exceptions to reduce the level of expenditures below that of the prior year (Test 1). If this comparison is not met, an adjustment is allowed for a portion of federal funds received in excess of the amount received in the prior year (Test 2). Whether expenditures from local/state funds equal or exceed prior year expenditures in total or on a per capita basis (Test 3).

Test 1

Compare taking into consideration one or more of the following exceptions (34 CFR Section 300.204):

1. The voluntary departure or departure for just cause, of special education or related services personnel
2. A decrease in the enrollment of children with disabilities
3. 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 because the child:
 - a. Has left the jurisdiction of the agency
 - b. Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or
 - c. No longer needs the program of special education
4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities
5. The assumption of cost by the high cost fund operated by the SEA under 34 CCR § 300.704(c).

Test 2

Compare using 50 percent of the increase in federal funding received that year over the prior year as “local funds” (34 CFR Section 300.205). This option can **only** be used if the freed up funds will be used for activities authorized under the Elementary and Secondary Education Act (ESEA) of 1965.

Test 3

1. Combined state and local funding sources are used for comparison.
2. When the capability exists to isolate “local only” funding sources, the comparison may be made using only “local” resources
3. Comparison may be either total amount or on a per capita (per child with a disability unless some other basis is permitted by the CDE for determining “per capita”) basis (34 CFR Section 300.203(b))