



CIFR's LEA MOE Calculator: Lessons from New York and Kentucky

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Session Overview



- Overview of Local Educational Agency Maintenance of Effort (LEA MOE)
- CIFR's LEA MOE Calculator and supporting materials
- New York's Experience with the LEA MOE Calculator
- Kentucky's Experience with the LEA MOE Calculator
- Discussion of the LEA MOE Calculator

Overview of LEA MOE

What is LEA MOE?

- The LEA MOE requirement obligates any LEA receiving IDEA Part B funds to budget and spend at least the same amount of local — or state and local — funds for the education of children with disabilities on a year-to-year basis.
- The required LEA MOE levels for budgeting and spending are referred to, respectively, as the “eligibility standard” and the “compliance standard.”

How Is LEA MOE Calculated?

LEAs can use any of four methods to meet the LEA MOE requirement:

- Total amount of local funds
- Total amount of state and local funds
- Local funds per capita
- State and local funds per capita

LEAs can change methods, but comparisons must be made using the same method.

Subsequent Years Rule



- The comparison year for determining if an LEA meets the eligibility and compliance standards is the last year the LEA met MOE using the same method.
- If an LEA fails MOE, the level of expenditures required in the following year is the amount that would have been required in the absence of that failure, not the LEA's reduced level of expenditures.

Allowable Exceptions to LEA MOE



Five allowable exceptions by which an LEA may reduce its required LEA MOE amount :

- (a) The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel;
- (b) A decrease in the enrollment of children with disabilities;

Allowable Exceptions to LEA MOE (cont.)



(c) 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 has left the jurisdiction, aged out of special education, or no longer needs the program of special education;

(d) The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities; and

(e) The assumption of cost by the high cost fund operated by the SEA under §300.704(c).

Adjustment to LEA MOE



When an LEA's IDEA Part B 611 allocation increases from the previous year, the LEA may be eligible to reduce the amount required to meet the LEA MOE eligibility and compliance standards by up to 50% of the amount of the increase.

Consequences of Not Meeting LEA MOE



Eligibility standard (budget):

- The LEA is not eligible for a federal Part B subgrant in the fiscal year for which the LEA is budgeting.

Compliance standard (expenditures):

- The SEA must return to the U.S. Department of Education, using non-federal funds, an amount equal to the amount by which the LEA failed to maintain its level of expenditures or the amount of the LEA's Part B subgrant, whichever is lower.

CIFR's LEA MOE Calculator and Supporting Materials

LEA MOE Calculator: What it does



- Allows state educational agencies (SEAs) and LEAs to determine whether the LEA MOE have been met:
 - eligibility (budget) and compliance (expenditures) standards.
 - any of the four methods (i.e., total local funds, total state and local funds, local funds per capita, and state and local funds per capita).
- Identifies the appropriate comparison year and amount, accounts for exceptions and adjustments from current and past years, and incorporates the ‘subsequent years’ rule.

LEA MOE Calculator: Supporting materials



- **Instructions At a Glance:** One-page printable document with important reminders and tips.
- **PowerPoint Training Deck:** SEA staff can customize this PowerPoint training deck to train LEAs in using the LEA MOE Calculator.
- **Sample Calculator:** This Calculator file contains sample LEA MOE data for a hypothetical LEA for the 2017–18 Eligibility Standard.

New York's Experience with CIFR's LEA MOE Calculator

New York State Education Dept (NYSED): Previous method



- The table below is from our 2015-16 IDEA LEA application. This table was the main information required by the LEAs to complete for MOE. **As you can see, we were not doing it correctly.**

		2013-14	2014-15	2015-16 (anticipated)	Check (X) Option used to Meet MOE
Option I	Total State & Local Expenditures				
Option II	Total Local Expenditures				
	October Students with Disabilities Child Count	(October 2012)	(October 2013)	(October 2014)	
Option III	Per Child State & Local Expenditures				
Option IV	Per Child Local Expenditures				

NYSED: Timeline to implement changes to LEA MOE



February 2016 – NYSED receives a letter from OSEP detailing multiple findings including about how NYSED administers the LEA MOE requirement. New staff is put in place for IDEA grant administration.

September 2016 – On-site monitoring visit from OSEP. Introduced to Anne Louise Thompson from NCSI who helps put together a plan to help NYSED with multiple findings.

November 2016 – NYSED attends the IFF in Denver. Introduced to key CIFR folks.

January 2017 – CIFR comes to NYS! The main topic of discussion is changes needed to monitor LEA MOE. Laura Johnson, Steve Smith, and Wayne Ball demonstrate the LEA MOE Calculator.

NYSED: Timeline to implement changes to LEA MOE (cont.)



February 2017 - NYSED makes the decision to use the LEA MOE Calculator to determine MOE for LEAs in NYS. NYSED customizes CIFR's *How to Use the LEA MOE Calculator* PowerPoint training deck to meet the need of the LEAs in NYS. NYSED creates step-by-step guidance for each LEA MOE requirement.

March 2017 – NYSED releases the Calculator to LEAs to complete the 2013-2016 LEA MOE compliance requirement.

June 2017 – NYSED releases the 2017-18 IDEA application to our LEAs. Application now includes instructions on how the LEAs must complete the eligibility standard as part of the application requirement.

NYSED: Key points to remember

(Slide 1 of 4)



- The key to our success in this process is we were honest that we needed help to achieve our goals.
- Thanks to OSEP, CIFR, and NCSI, we got the help we needed.
- There is not a quick fix or easy solution that will make the “problem” go away.

NYSED: Key points to remember

(Slide 2 of 4)



- SEA staff needs to learn the material so they are prepared to answer questions from LEAs.
- Make yourself available to your LEAs. LOTS of technical assistance to LEAs should be expected. In NYS, it was all done by phone.

NYSED: Key points to remember

(Slide 3 of 4)



- Be patient with your LEAs. This is all new to them. Questions will be all over the place.
- Communicate and share the MOE information with organizations that work with the LEAs. In NYS, that would be the BOCES.
- Create step-by-step guidance for the LEAs. This is important because staff turnover is a major issue when trying to build content knowledge at the LEAs.

NYSED: Key points to remember

(Slide 4 of 4)



- Keep organized files to store the LEA information. Again, staff turnover creates the need to share previous years' Calculators with the LEA when requested.
- Keep looking for ways to improve the current process. We are always listening to any suggestions.

Kentucky's Experience with CIFR's LEA MOE Calculator

Kentucky Department of Education (KDE): Previous method



- Kentucky used a spreadsheet somewhat similar to CIFR's LEA MOE Calculator in previous years.
- Numbers were populated into the spreadsheet through a financial management system (MUNIS) query for each LEA MOE year.
- LEAs were then given the spreadsheet pre-populated with all their numbers and they checked to see if they met, or did not meet, the tests.

KDE: Previous method (cont.)



- If the LEAs did not pass all 4 of the tests, they were instructed to look for exceptions to potentially help them out in future years.
- If the LEAs did not pass any of the tests, they were given additional assistance from KDE to find exceptions so that they could pass at least one of the tests for the LEA MOE year.

KDE: Problematic issues



- There was one common theme found in many LEAs that did not meet any of the tests for a year:
 - They did not correctly place expenditures into MUNIS under the 200-240 Special Education Codes.
- Because of this, their LEA MOE totals were significantly less than if they had inputted them correctly.
- KDE required the LEAs to specifically document which expenses were left out before they were added to the LEA MOE.

KDE: Current status



- Currently, Kentucky has 100% of its LEAs meeting MOE requirements in all LEA MOE years prior to fiscal year (FY) 2017.
- FY 2017 is the first year that Kentucky is using the new LEA MOE Calculator created by CIFR.
- The Calculator is a better version of what we had been using in the past.

KDE: What's changed?



- KDE chose to input all of the numbers into the LEA MOE Calculators for the LEAs.
- The only thing that the LEAs are required to do is to review their LEA MOE and provide exceptions if necessary.
- We are instructing them to provide exceptions if they do not go 4 for 4 on their tests.

KDE: What's changed? (cont.)



- We also require the LEAs to provide detailed documentation if they do not agree with the LEA MOE totals which were pulled from MUNIS.
- If they did not enter all special education expenditures correctly into MUNIS for the FY 2017 LEA MOE year, they must provide all information necessary to document this.

KDE: Support for LEAs



- KDE provided seven statewide trainings on the use of the new LEA MOE Calculator for FY 2017 in March 2018.
- FY 2017 LEA MOE Calculators were sent to all of the LEAs in the state in March 2018.

Discussion: CIFR's LEA MOE Calculator

Discussion Questions

- Has your state used CIFR's LEA MOE Calculator?
 - If yes, why did your state decide to use it?
 - If not, why not?
- Are there other supplemental materials you would like to see for the Calculator?
- Do you have any suggestions to improve the Calculator?

Discussion Questions (cont.)



- How do you monitor LEA MOE in your state? What tools do you or the LEAs use?
- What strengths do you see with your current system of monitoring LEA MOE? What particular challenges have you experienced?
- Have you considered changes or introduced recent changes to your LEA MOE monitoring process? If yes, what kinds of changes? How did you introduce these changes to your LEAs?

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