



Strategies for Implementing IDEA Part C Maintenance of Effort

March 13, 2024



Presenters

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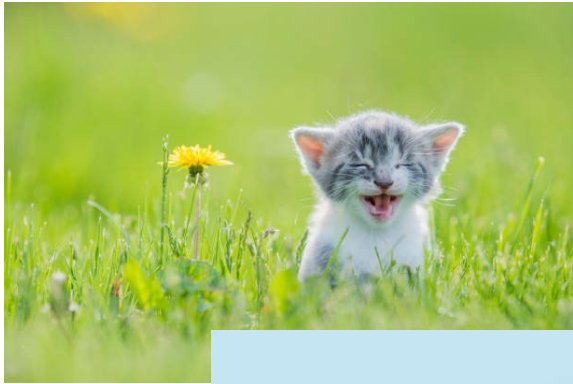
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Which Animal Best Represents How You Feel About Part C Maintenance of Effort?

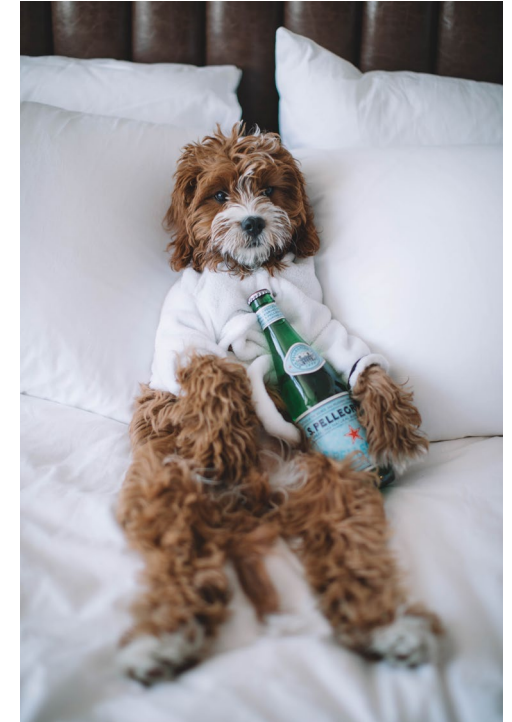
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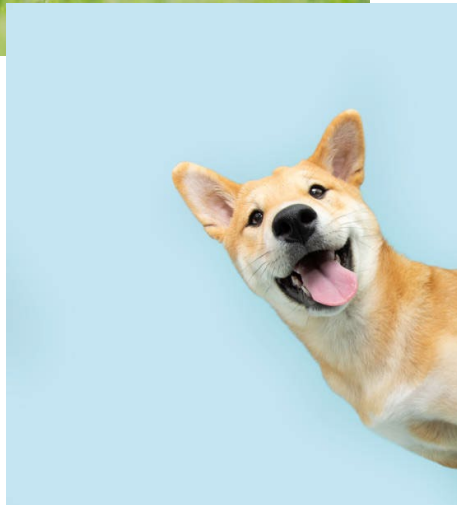
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Setting the Stage for Success with Part C Maintenance of Effort

What Can You Do?

- ✓ Know the requirement and allowances.
- ✓ Identify the funding sources.
- ✓ Track budgeting and spending.
- ✓ Understand your state's MOE calculation methodology.
- ✓ Document state procedures.
- ✓ Know where to find support.

Agenda

- Requirement and Allowances
- Funding Sources
- Tracking Budgeting and Spending
- Calculating
- Colleague Connections
- State Procedures

Part C MOE Requirement and Allowances

34 CFR §303.225(a) Prohibition Against Supplanting

Each application must provide satisfactory assurance that the Federal funds made available under section 643 of the Act to the State:

- (1) Will not be commingled with State funds; and
- (2) Will be used so as to supplement the level of State and local funds expended for infants and toddlers with disabilities and their families and in no case to supplant those State and local funds.

34 CFR §303.225(b) Prohibition Against Supplanting

To meet the supplement, not supplant, requirement:

“...the total amount of State and local funds budgeted for expenditures in the current fiscal year for early intervention services for children eligible under this part and their families must be at least equal to the total amount of State and local funds actually expended for early intervention services for these children and their families in the most recent preceding fiscal year for which the information is available.”

Allowances for MOE

An allowance may be made for:

- “a decrease in the number of infants and toddlers who are eligible to receive early intervention services under this part, and
- unusually large amounts of funds expended for such long-term purposes as the acquisition of equipment and the construction of facilities.”

34 CFR §303.225(b)(1–2)

Identify Part C MOE Funding Sources

Common State and Local Public Funding Sources (Included in MOE)

- State general funds
- State Part C appropriation
- State Medicaid match funds
- State special education funds
- Temporary Assistance for Needy Families state match funds
- Children and Youth with Special Health Care Needs state match funds
- Local educational agency funds
- County tax levies
- Other local government funds

Private and Federal Funding Sources (Excluded from MOE)

- United Way
- Private insurance
- Private contributions or endowments
- Proceeds from fundraisers
- Parental cost participation fees
- Federal Medicaid/State Children's Health Insurance Program funds
- IDEA Part C funds

Medicaid and MOE

- ✓ Establish a strong relationship with the state Medicaid office.
- ✓ Identify the specific state funding source used to pay the match.
- ✓ Determine the state's match ratio.

Track Budgeting and Spending

Tracking State and Local Public Funds

States must track budgeting and spending from state and local public funding sources to:

- ✓ Proactively identify potential shortfalls
- ✓ Demonstrate funds were not commingled
- ✓ Demonstrate federal funds were used to supplement, not replace, state and local public funds

Tracking Mechanisms

How does your state collect budgeted funds and expenditures from local programs?

How does your state track budgeting and spending of state and local public funds?

Calculating Part C MOE

Demonstrating Compliance With the Part C MOE Requirement

To demonstrate compliance, a state must:

- budget at least the same amount of state and local public funds as it expended in the *most recent preceding fiscal year for which information is available*; and
- expend at least the same amount of state and local public funds as it expended in *the prior fiscal year*.

Budget Comparison

- Demonstrates compliance with the budget requirement
- Conducted prior to the state fiscal year for which the state is preparing
- Compares the total amount of state and local public funds budgeted for the upcoming state fiscal year to the total final expenditure of state and local public funds from the most recent fiscal year for which final, audited information is available.

SFY 2024 Budget Comparison Year



Sample SFY 2024 Budget Comparison

State and Local Public Funding Sources	Comparison Year Expenditures SFY 2022	Budgeted Amount SFY 2024
State Part C Appropriation	\$13,000,000	\$13,050,000
State Medicaid Match Funds	\$1,000,000	\$1,100,000
County Tax Levies	\$400,000	\$400,000
Total	\$14,400,000	14,550,000

Expenditure Comparison

- Confirms that effort was maintained and determines the amount of any shortfall.
- Conducted after the state fiscal year is closed and expenditures are audited and final.
- Compares the total final expenditure of state and local public funds to the total final expenditure from the prior fiscal year.

SFY 2024 Expenditure Comparison Year



Sample SFY 2024 Expenditure Comparison

State and Local Public Funding Sources	Comparison Year Expenditures SFY 2023	Final Expenditures SFY 2024
State Part C Appropriation	\$13,025,000	\$13,050,000
State Medicaid Match Funds	\$1,055,000	\$1,050,000
County Tax Levies	\$375,000	\$378,000
Total	\$14,455,000	14,478,000

Colleague Connections

Colleague Connections

1. What challenges have you encountered?
2. What strategies have you used to address challenges?



State-Level Part C MOE Implementation Procedures

State-Level Implementation Procedures

- Provide greater detail than policies and procedures submitted to OSEP.
- Demonstrate compliance with IDEA requirements.
- Build internal and external understanding.
- Help ensure accurate implementation.

State-Level Implementation Procedures (continued)

Written implementation procedures help ensure:

- the state meets MOE requirements,
- continuity of operations, particularly during staff turnover,
- consistent practice over time,
- consistent communication among partners, and
- the use of valid and reliable data to determine if MOE has been met.

Recommended Implementation Procedure Components

1. Purpose and authority for procedures
2. State and local public funding sources for MOE
3. Staff responsibilities and timelines
4. MOE data collection
5. MOE determination
6. MOE allowances
7. Failure to meet MOE

Resources and Support

How Can CIFR Support You?

- ✓ Answer questions and provide team training on MOE requirement and allowances.
- ✓ Review and provide guidance on your state's MOE calculation methodology.
- ✓ Provide support to document and strengthen your state's MOE procedures.

Part C MOE Resources

Quick Reference Guide on IDEA Part C Maintenance of Effort:

<https://cifr.wested.org/resource/quick-reference-guide-on-idea-part-c-maintenance-of-effort/>

OSEP Letter to Moser and Kuester (2011):

<https://sites.ed.gov/idea/files/idea/policy/speced/guid/idea/letters/2011-2/moserkuester050411partcmoe2q2011.pdf>

OSEP Letter to Willden (2011):

<https://sites.ed.gov/idea/files/idea/policy/speced/guid/idea/letters/2011-2/wildden050511partcmoe2q2011.pdf>

Workshop on Writing IDEA Part C MOE Procedures

- In-person workshop on written state-level Part C MOE procedures.
- Participants will leave with well-developed drafts of MOE procedures that comply with IDEA and reflect their state's unique systems.
- September 17–19, 2024, in Washington, DC
- Space is limited. Watch CIFR's listserv for more information!

Contact Us



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