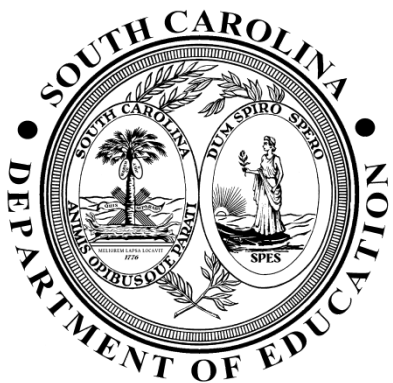




Comparability & Maintenance of Effort

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Consolidated Oversight and Monitoring Team
ESSA Academy, March 2022

Molly M. Spearman – State Superintendent of Education

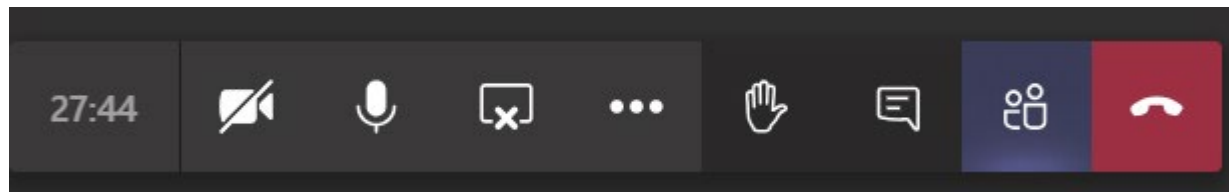
Housekeeping

To reduce distractions during the presentation, we ask that participants:

Mute your computer and/or phones during the presentation.

Turn camera function off.

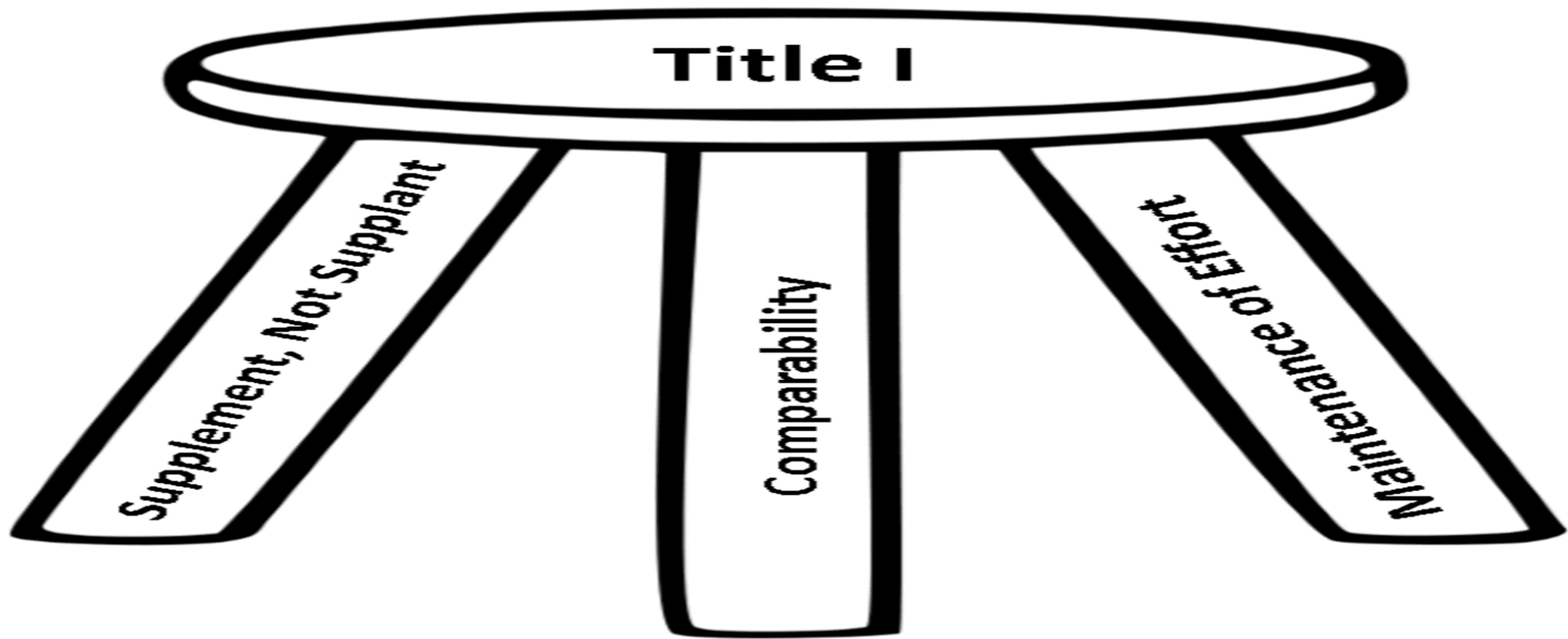
Type questions in the chat box.



This presentation is being **recorded**.



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Maintenance of Effort

What is MOE?

Maintenance of Effort (MOE) is a federal requirement that requires grant recipients and/or sub-recipients to maintain a certain level of state/local fiscal effort to be eligible for full participation in federal grant funding.



In Other Words

MOE is a test of equity.

MOE requires LEAs to demonstrate that the level of state and local funding remains relatively **constant** from year to year.

An LEA may receive Title I funds only if the LEA has maintained its fiscal effort.

Purpose

Title I is *in addition (supplemental)* to the minimum education that all students receive.

To ensure the sub-recipient of federal funds does not spend those funds in place of state and local dollars (supplanting)

To ensure the sub-recipient spends their state and local funds for the same activities that would be provided if federal dollars were not available

“Meeting” MOE

MOE is based on the two previous years

Districts meet MOE for 2021-2022 if:

- 2020 state/local effort is at least 90% of 2019
- For example:

MOE for 2019: \$7,305.50

MOE for 2020: \$7,246.03 (-59.47)

90% of \$7,305.50 = \$6,574.95

\$7,246.03 > \$6,574.95 so MOE has been met



<u>Step 1:</u>	
<u>Preceding Year</u> Audit Report Total Expenditures:	
(Refer to the audited Location Reconciliation Schedule)	\$ 15,200,000
<u>Step 2:</u>	
Items Subtracted From Total Expenditures in Step 1:	
(List page number for each data source from Audit Report.)	
Federal Expenditures (SEFA) <u>Page</u>	\$595,000
Capital Outlay (Attach Report)	170,000.00
Debt Service <u>Page</u>	73,500.00
Community Services <u>Page</u>	1,600.00
Pupil Activity Fund <u>Page</u>	45,000.00
Intergovernmental <u>Page</u>	9,800.00
Total Amount Excluded:	\$ (894,900.00)
Total Expenditures for MOE Calculation:	\$ 14,305,100.00
<u>Step 3:</u>	
135 ADM:	2,105
The per pupil MOE calculated for the <u>preceding</u> year	
from Audit Year <u>2020</u> :	\$ 6,795.77
<u>Step 4:</u>	
The per pupil MOE calculated for the <u>second preceding</u> year	
from Audit Year <u>2019</u> : (Attach Worksheet)	\$ 6,576.98
Met MOE Requirements? *	Met MOE
*Compare the per pupil MOE in step 3 to the per pupil MOE of step 4. The per pupil amount in step 3 must be not less than ninety percent of the per pupil amount in step 4 to meet the MOE requirement.	

MOE in GEMS

- GEMS Home
- Administer
- Search
- Reports
- Inbox
- Funding
- Grant Summary
- LEA Document Library
- Address Book
- SCDE Resources
- Help for Current Page
- Request Help
- GEMS Sign Out

Stanley, Jewell

Production

Session Timeout

00:59:53

Maintenance of Effort

County School District (2001) Public District - FY 2019 - Title I Part A - Rev 0 - Title I Part A

Go To

Step 1:	Audit Source Page #	Amount
Preceding Year Audit Report Total Expenditures: (Refer to the audited Location Reconciliation Schedule)	* 67	* \$ 50,111,437.00
Step 2: Items Subtracted From Total Expenditures in Step 1:	Audit Source Page #	Amount
Federal Expenditures (SEFA) (Upload page to Related Documents)	* 72	* \$ 5,457,651.00
Capital Outlay (Upload report to Related Documents page)	NA	* \$ 3,222,812.00
Debt Service (Upload page to Related Documents)	* 63	* \$ 1,237,711.00
Community Services (Upload page to Related Documents)	* 13	* \$ 114,661.00
Pupil Activity Fund (Upload page to Related Documents)	* 65	* \$ 473,263.00
Intergovernmental (Upload page to Related Documents)	* 13	* \$ 626,397.00
Total Amount Excluded:		\$ 11,132,495.00
Total Expenditures for MOE Calculation:		\$ 38,978,942.00
Step 3:	Audit Year	Amount
135 ADM:(Upload to Related Documents)		* \$ 2,511.00
The per pupil MOE calculated for the preceding year from Audit Year	* 2016-2	\$ 15,523.27
Step 4:	Audit Year	Amount
The per pupil MOE calculated for the second preceding year from Audit Year	* 2015-2	\$ 14,645.94
Met MOE Requirements? +		Met MOE
+ Compare the per pupil MOE in step 3 to the per pupil MOE of step 4. The per pupil amount in step 3 must be not less than ninety percent of the per pupil amount in step 4 to meet the MOE requirement.		

ESSA Changes

Waivers

Waiver Requests

The State has no authority to waive the MOE requirement. The U.S. Dept. of Education may waive the requirement for the following:

- exceptional or uncontrollable circumstances, such as natural disaster
- a precipitous and unforeseen decline in the financial resources of the State
- waivers may now include “a change in the organizational structure of the LEA.” 20 USC 7901 (c)

ESSA Changes

1. An LEA may fail to meet the Maintenance of Effort (MOE) test once every five years without penalty.
 - a) If an LEA fails to meet MOE in the current year **AND** has failed to meet it in the previous five years, a penalty will be assessed.
 - b) The penalties have not changed.



Penalties

Penalties

The penalties for not meeting Maintenance of Effort remain the same.

An LEA may receive a reduction in **all** federal program funding if it fails to meet the requirement and a waiver is not granted.



Penalties, Cont'd

Don't tempt fate.

Plan ahead.

We are here to help you...let us.

Tips and Friendly Advice

Tips and Friendly Advice

Don't Reinvent the Wheel

Use and fully complete the form from the SCDE website...it works! Do not use “custom” forms.

<https://ed.sc.gov/policy/federal-education-programs/title-i/maintenance-of-effort-moe/>

Tips and Friendly Advice, Cont'd

Keep everything **consistent** from year to year.

Beware of large anomalous capital outlays.

Work closely with your Finance Director.

Review in December/January (give yourself time to make adjustments).

Ask Questions.

Questions



Comparability

Comparability Defined

What is comparability?

❖ A test of **Fairness** in funding

Why do we calculate comparability?

❖ **It is Required** every year the LEA receives Title I funding

❖ ESSA, Section 1120A(c)

Comparability Exceptions

One school per grade span

One large school and one small school

Comparability Due Dates

Complete by **NOVEMBER 15**

Comparable by **JANUARY 15**

Comparability Timeline

January - April

Proactively engage in district level budget (State and local funds) discussions concerning staff assignments, equipment, and material for the purpose of ensuring compliance with Title IA comparability requirements.

May - July

Conduct an introductory meeting with Human Resources and LEA Finance representative to discuss the requirements for the completion of the upcoming Comparability Report.

Establish participant roles and responsibilities.

Establish LEA specific timelines for completion of the report.

Comparability Timeline - Continued

August

Obtain copy of preliminary district-wide school staffing report from Human Resources.

Compare list of Title IA funded staff as reflected on the School Allocation page to the Title IA funded staff as reported by Human Resources.

September

It is a recommendation and best practice to gather the data needed to complete calculations (student and staff assignments data) and run a preliminary report.

Run comparability using the Comparability Worksheet found on the SCDE website.

Make comparability corrections immediately for all schools that are shown to be non-comparable.

Comparability Timeline - Continued

October

An LEA should collect the necessary data to demonstrate comparability as of the October full time equivalent **(FTE)** count day.

November

Title IA Comparability Report is submitted annually to the Consolidated Oversight and Monitoring Team.

December – January

If all schools in an LEA are not comparable as of the October FTE count day, the LEA will file a revised comparability report with SCDE demonstrating that, as of a date determined by SCDE, comparability has been met.

Federal Criteria

Tests (8)

SCDE picks the test

In SC the test = **student:teacher**

District-wide salary schedule

District policy to ensure equivalence of staff

District policy to ensure equivalence in materials and supplies

Eligible Employees for Counting Purposes

Instructional Staff Members to Be Included

When an LEA measures compliance by comparing student/staff ratios, the LEA should **consistently** include the same categories of staff members in the ratios for both Title IA and non-Title IA schools. Instructional staff may include teachers and other personnel assigned to schools who provide direct instructional services, including music, art, and physical education teachers; guidance counselors; speech therapists; and media specialists as well as other personnel who provide services that support instruction, such as school social workers and psychologists.

In calculating comparability, an LEA should only include staff paid with State and local funds. This would exclude staff paid with private or federal funds. Other staff that would be excluded are principals, assistant principals, custodians, cafeteria personnel, school nurses, security personnel, pre-kindergarten teachers, pre-kindergarten paraprofessionals, secretaries, and non-instructional paraprofessionals.

The activities authorized by ESEA include activities that are authorized by Title VII of ESEA, the Impact Aid Program. Because Impact Aid is considered general aid to recipient LEAs, Impact Aid funds may be used for any educational activity consistent with local and State requirements. As such, Impact Aid funds are effectively deemed State and local funds for which no accountability to the federal government is required, and staff that is paid with Impact Aid funds is included in comparability determination.

Not Comparable?

If student:teacher ratio does not work:

- Adjust funding source
- Use another method (contact SCDE first)
- Move people

Comparability Procedure

Must count students and teachers **ON SAME DAY!**

Compare Title I schools by grade spans served.

Compare non-Title I to Title I schools, *or*
if all Title I schools, compare schools with the
highest poverty rates to those with the lowest
poverty rates.

Comparability Procedure- Continued

Count students using district's Membership Count.

Count **allowed** staff using best possible system (ex. personnel or finance).

Do not count 3- or 4-year-olds.

Comparability Procedure- Continued

Source data must be **verifiable** by an auditor.

Social security numbers and salaries are **not** needed.

A K-8 school can be counted as one K-5 and one 6-8 school.

Comparability Calculation Example

School	Grade Span	Student Enrollment	FTE Instructional Staff	Student/ Instructional Staff Ratio	Comparable ?
Title I Elementary Schools					
Beaufort Elementary	KG - 5	528	70.2	7.5	Yes
Broad River Elementary	KG - 5	510	49.4	10.3	Yes
Davis Elementary	KG - 5	417	38.7	10.8	Yes
Shanklin Elementary	KG - 5	726	59	12.3	Yes
Port Royal Elementary	KG - 5	189	16	11.8	Yes
St. Helena Elementary	KG - 5	808	56	14.4	No
Shell Point Elementary	KG - 5	673	60	11.2	Yes
Non-Title I Elementary Schools					
Hilton Head	KG - 5	1,764	114.5	15.4	
Lady's Island	KG - 5	757	70.0	10.8	
MC Riley	KG - 5	1,005	88.0	11.4	
Mossy Oaks	KG - 5	484	42.0	11.5	
Total		4,010	314.5	12.8	
110% of Student/FTE ratio for non-Title I schools *				14.08	

Exemptions or Exceptions

Contact us to review any and all exemptions or exceptions.

These **may** include:

- One off or unique schools (i.e. Montessori)
- A K-2, 3-5 or similar school may be excluded if only one in district
- Wild swings in enrollment

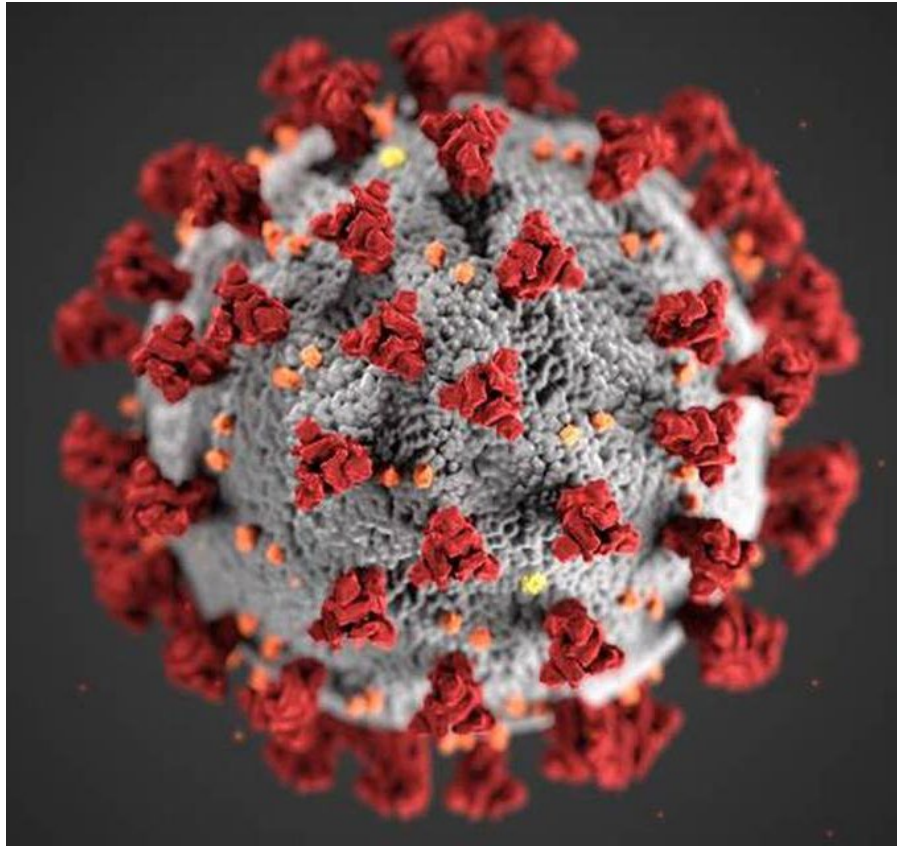
Exemptions and/or exceptions will be reviewed annually.

Plan ahead in the event that this is not approved in subsequent years.

Common Issues

Counting the wrong people.

Source documentation not provided.



Covid -19

Common Issues- Continued

The pandemic has thrown comparability into a tailspin for many districts.

No waivers for comparability – must be met.

There are options!

Unique situations require 1-on-1 meetings via telephone or Teams.

Contact SCDE if your district is not able to meet comparability **in October**.

Contract Teachers (non FTEs)



Questions



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