



# ESSER III LEA Maintenance of Equity (MoEquity)

## Identifying High Poverty Schools

ADE Office Hours Session

October 6, 2021



# ESSER III Fund – LEA Grant Application



## Welcome!

Please visit

[www.azed.gov/ESSER](http://www.azed.gov/ESSER)

for all grant and program resources  
and guidance documents

If you have any questions regarding  
**LEA MoEquity**, please contact:

[Peter.Laing@azed.gov](mailto:Peter.Laing@azed.gov)



Peter Laing - *Policy Advisor*



# ESSER III LEA Maintenance of Equity (MoEquity)

## What is LEA Maintenance of Equity (MoEquity)?

ESSER III contains new **LEA Maintenance of Equity** requirements regarding Per-Pupil Funding and FTE Staff in the highest poverty schools served by the LEA. These requirements must be met as a condition of receiving ESSER III funds. LEAs may not reduce **per-pupil funding** (from combined state and local funds) or **FTE staff** in **High Poverty Schools** more than the rate that may be reduced across all schools served by the LEA in state **FY22 (SY21-22)** and **FY23 (SY22-23)**.

**NOTE:** Rate=Total Reduction/Total LEA Enrollment

**These requirements do not apply to all LEAs.** LEAs with less than 1,000 students, that operate a single school, or that serve all students within each grade span with a single school are **excluded** from these requirements

### **Exceptions:**

*Shall not apply to LEAs that meet at least one of the following criteria:*

- ✓ Total **enrollment less than 1,000** students
- ✓ **Operates a single school**
- ✓ Serves all students within each grade span with a single school
- ✓ Demonstrates an **exceptional or uncontrollable circumstance**, such as *unpredictable changes in student enrollment or a precipitous decline in the financial resources of such agency*, as determined by the Secretary of Education



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## How does an LEA claim an “*Exceptional or Uncontrollable Circumstance*”?

(Source: USED Office Hours Webinar)

”Each claim of exception will require a case-by-case review by the Department. For example, an “exceptional or uncontrollable circumstance” might include an “exceptional circumstance” such as increased one-time expenditures in the baseline year (school year 2020-2021) due to the pandemic or a very small school where the MOEquity calculations do not result in meaningful information about resource availability, or an “uncontrollable circumstance” such as a significant change in the expenses of a school that no longer serves a student whose educational and support needs required services that have a particularly high cost.

An **LEA that can demonstrate an exceptional or uncontrollable circumstance should submit a request to its State mailbox [Arizona.oese@ed.gov\*] and copy the appropriate SEA officials for awareness [Peter.Laing@azed.gov\*].**

(Updated FAQ 32)”

*\* Actual emails added for ADE Office Hours webinar*

**LEAs must still identify and submit their list of High Poverty Schools to ADE**



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## Are there LEAs *excepted* from LEA Maintenance of Equity (MoEquity) requirements for SY21-22? (Source: USED Office Hours Webinar)

”For FY 2022 MOEquity determinations, the Department recognizes that LEAs may face certain one-time implementation challenges due to the enactment of the ARP Act in March 2021—when LEA budgeting was already underway in many places—and the impact of the pandemic that has resulted in significant ongoing uncertainty about school-level enrollment for the 2021-2022 school year. Therefore, an LEA experiencing these circumstances may demonstrate that it is **excepted** from the MOEquity requirements for FY 2022 by certifying to the Department that **it did not and will not implement an aggregate reduction in combined State and local per-pupil funding in FY 2022 (i.e., is not facing overall budget reductions)**. (Updated FAQ 32)

**An LEA that certifies it will not implement an aggregate reduction in combined State and local per-pupil funding in FY 2022** in order to demonstrate an “exceptional or uncontrollable circumstance” **must complete the Certification of Exception from Local MOEquity Requirements in Appendix B to the updated FAQs and submit the certification to its SEA** (\*Peter.Laing@azed.gov). Each SEA should keep on file the Appendix B certifications submitted by LEAs. In the near future, the Department will notify SEAs on how to report this information about exceptions.” \* Actual email added for ADE Office Hours webinar

**LEAs must still identify and submit their list of High Poverty Schools to ADE**



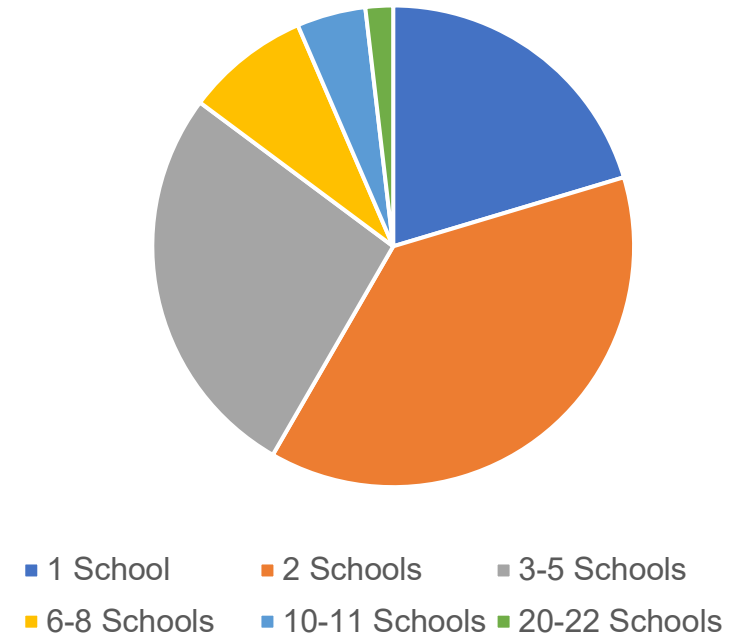
# ESSER III LEA Maintenance of Equity (MoEquity)

- We have identified **108 LEAs** that will be required to identify **Highest Poverty Schools** based on USED's requirements

## Of these LEAs:

- ✓ 22 will need to identify 1 school
- ✓ 41 will need to identify 2 schools
- ✓ 29 will need to identify 3-5 schools
- ✓ 9 will need to identify 6-8 schools
- ✓ 5 will need to identify 10-11 schools
- ✓ 2 will need to identify 20-22 schools

LEAs Required to Identify Highest Poverty Schools



# ESSER III LEA Maintenance of Equity (MoEquity)

## How do LEAs Identify their High Poverty Schools?

### ➤ **Step 1: Identify the number of schools that must be identified**

Divide the total number schools served by the LEA by 4, and then round up. For example, and LEA with 9 schools must identify 3 High Poverty Schools ( $9/4=2.25$ ; which then must be rounded up to 3)

**ADE has pre-determined the number of schools that each LEA must identify**

### ➤ **Step 2: Determine the poverty rate for each school in the LEA**

LEAs should use the same poverty data used to rank order and serve their schools for the FY22 Title I-A grant process. If these data are not available, then local poverty data should be used, based on student identified under AzEDS IncomeEligibility1 and 2 Indicators

**ADE has provided the data used in the FY22 Title I-A grant application process**

### ➤ **Step 3: Identify High Poverty Schools through choosing one of the following options:**

- I. In **overall rank order** from highest to lowest poverty percentage
- II. In **rank order within each grade span** served by the LEA

**ADE has provided a file for LEAs to help identify their High Poverty schools**

**Example:** An LEA with 9 schools must identify 3 High Poverty schools. They may choose either their top 3 schools in rank order by highest poverty percentage, or they may choose the highest poverty school in each grade span served by the LEA (for example, the highest poverty K-5, 6-8, and 9-12 schools)

**LEAs must submit  
their list of High  
Poverty Schools to  
[Peter.Laing@azed.gov](mailto:Peter.Laing@azed.gov)  
by  
**October 11, 2021****



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**Example:** An LEA with 9 schools must identify 3 High Poverty schools. They may choose **either** their top 3 schools in **rank order** by highest poverty percentage, **or** they may choose the highest poverty school **in each grade span** served by the LEA (for example, the highest poverty K-5, 6-8, and 9-12 schools)

| Option 1:<br>Overall rank order from highest to lowest poverty percentage |   |            |                      |
|---|---|------------|----------------------|
| School  | Percentage of Economically Disadvantaged Students | Grade Span | High Poverty School? |
| School A  | 80%   | Elementary | Yes                  |
| School B  | 75%   | Elementary | Yes                  |
| School C  | 65%   | Elementary | Yes                  |
| School G  | 60%   | Middle     | No                   |
| School I  | 40%   | High       | No                   |
| School D  | 35%   | Elementary | No                   |
| School E  | 25%   | Elementary | No                   |
| School H  | 25%   | Middle     | No                   |
| School F  | 15%   | Elementary | No                   |

| Option 2:<br>In rank order within each grade span served by the LEA |   |                       |                   |                        |                      |
|---|---|-----------------------|-------------------|------------------------|----------------------|
| School  | Percentage of Economically Disadvantaged Students | Elementary Grade Span | Middle Grade Span | High School Grade Span | High Poverty School? |
| School A  | 80%   | X                     |                   |                        | Yes                  |
| School B  | 75%   | X                     |                   |                        | No                   |
| School C  | 65%   | X                     |                   |                        | No                   |
| School D  | 35%   | X                     |                   |                        | No                   |
| School E  | 25%   | X                     |                   |                        | No                   |
| School F  | 15%   | X                     |                   |                        | No                   |
| School G  | 60%   |                       | X                 |                        | Yes                  |
| School H  | 25%   |                       | X                 |                        | No                   |
| School I  | 40%   |                       |                   | X                      | Yes                  |

**Note:** For **Option 2**, If the LEA were required to identify, for example, two additional schools, it could continue to identify one school in each grade span — i.e., the next highest poverty school in the elementary and middle school grade spans (Schools B and H) — or it could identify the next two highest poverty schools overall — i.e., Schools B and C.

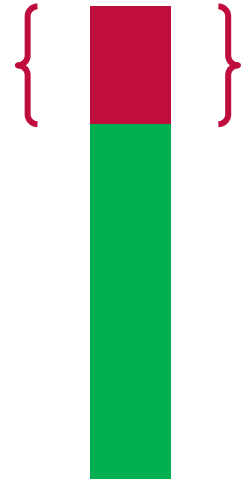




# ESSER III

## LEA Maintenance of Equity

\*State fiscal year – The applicable school year for FY22 would be SY21-22, and for FY23 SY22-23



### Highest Poverty Schools

Schools in the **top 25%** (top quartile) of the all schools in the LEA based on the percentage of poverty students served

### Per-Pupil Funding

LEAs may not reduce **per-pupil funding** (from combined state and local funds) in **High Poverty Schools** more than the rate that may be reduced across all schools in **FY22\*** and **FY23\***  
(Rate: Total Reduction/Total LEA Enrollment)

### FTE Staff

LEAs may not reduce **FTE staff** in **High Poverty Schools** more than the rate that may be reduced across all schools in **FY22\*** and **FY23\***  
(Rate: Total Reduction/Total LEA Enrollment)



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## Next Steps:

**LEAs must submit their list of High Poverty Schools to [Peter.Laing@azed.gov](mailto:Peter.Laing@azed.gov) by October 11, 2021**

- ✓ ADE will provide additional technical assistance soon regarding how LEAs will calculate MoEquity for their Highest Poverty Schools with respect to per-pupil funding and FTE staffing
- ✓ Additional data reporting by LEAs regarding MoEquity will likely be required in the future by USED:  
*"The Department intends to provide further information on the data and information each SEA and its LEAs must annually report." – USED MoEquity FAQ*



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**Questions?**

# Thank You!



**Peter Laing** - *Policy Advisor*



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