



IDEA MAINTENANCE OF EFFORT


March 1, 2024

ESS Program Management




Book an Appointment with ESS Program Management

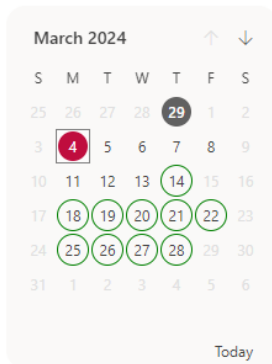
Book time with Trainor, Candice: FY24 IDEA Maintenance of Effort Compliance Testing

Choose a meeting type







 **FY24 IDEA Maintenance of Effort Compliance Testing**
30 MIN
Spend 30 minutes with ESS Program Management to discuss the MOE Compliance test results for your PEA. When setting up the appointment, please include yo...

Available times

 You are available  




Monday, March 04

10:00 AM	
11:00 AM	
11:15 AM	
11:30 AM	
1:00 PM	
1:15 PM	

Next >

Spend 30 minutes with ESS Program Management to discuss the MOE Compliance test results for your PEA. When setting up the appointment, please include your PEA name and CTDS number or Entity ID. Also, feel free to forward your meeting invitation to your colleagues responsible for the IDEA grants or Annual Financial Report submission.



Book FY24 IDEA Maintenance of Effort Compliance Testing 

Mon 3/4/2024 2:15 PM - 2:45 PM
(UTC-07:00) Arizona

Name *

Email *

Notes

Book

List of Terms

- IDEA: Individuals with Disabilities Education Act
- ADE/ESS: Arizona Department of Education Exceptional Student Services
- PEA: Public Education Agency
- IDEA Part B Funds: IDEA Section 611 and Section 619 grants
- Budget: Adopted Budget due to School Finance on July 15
- AFR: Annual Financial Report due to School Finance on October 15
- Comparison Year Value: The last year the PEA passed the MOE testing method to establish compliance or eligibility standard
- Testing year: The year that the PEA is testing the Adopted Budget or AFR
- Compliance Test: Compares the PEA's spending in fiscal year against the comparison year values (AFR to AFR)
- Eligibility test: compares the PEA's Adopted Budget against the comparison year values (Budget to AFR)

What Is Public Education Agency Maintenance of Effort?

The local maintenance of effort (MOE) requirement obligates any public education agency (PEA) 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 MOE levels for budgeting and spending are referred to, respectively, as the “eligibility standard” and the “compliance standard.”

Eligibility standard = required MOE levels for budgeting

Compliance standard = required MOE levels for spending

[CIFR Quick Reference Guide](#)

Why Is PEA Maintenance of Effort Important?

- The intent behind the PEA MOE requirement is to help ensure that the PEA is expending at least a certain level of non-federal funds for the education of students with disabilities.
 - The United States Department of Education ensures that the ADE meets the requirements for Maintenance of State Financial Support (MFS)
 - ADE ensures that PEAs maintain levels of fiscal support through the MOE tests twice a year
- The PEA MOE tests ensure that federal funds are used to *supplement not supplant* local fiscal efforts.

What Are the Consequences for Failing to Meet the MOE Standards?

MOE Eligibility (budget) standard: the PEA may not receive IDEA Part B funds.

Failing to meet the MOE Eligibility standard will prevent the PEA's IDEA Part B funding application from receiving substantial approval at the beginning of the project period in July.

[34 CFR § 300.203 \(d\)](#)

MOE Compliance (expenditure) standard: the ADE must repay the US Department of Education

The amount owed is the difference between what the PEA actually spent and what it should have spent to meet the MOE requirement or the amount the PEA received from Part B funds for that fiscal year, whichever is lower.

The ADE can require the PEA to submit payment or can opt to cover the penalty itself.

How Is MOE Calculated in Arizona?

The PEA's expenditures, or budget, are tested against comparison year values. If the testing year data meets or exceeds the value, it will pass the testing method.

Method 1: Local only

Method 2: State and local funds combined

Method 3: Local only on a per capita basis

Method 4: State and local funds combined on a per capita basis

IDEA Fund Compliance Test

Fiscal Year: 2024

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Pending

Exception Year: 2023

Calculate with allowed exceptions/reductions?

	Overall	Method 1 Local Cost	Method 2 2022 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2022 State and Local Per Capita Cost
2023 Amount		N/A	\$1,545,352.00	N/A	\$5,050.13
Comparison Year Amount		N/A	\$1,521,666.00	N/A	\$5,275.53
Difference		N/A	\$23,686.00	N/A	(\$225.40)
2023 SPED Count				N/A	x 306.0027
Total Difference		N/A	\$23,686.00	N/A	(\$68,973.35)
Status	Met	N/A	Met	N/A	Not Met

Method 2: State and Local Aggregate

IDEA Fund Compliance Method 2

Fiscal Year: 2024

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Pending

Exception Year: 2023

Method 2: Current Year State and Local Actual Amounts Compared to Actual Expenditures for the Last Year Compliance Method 2 is available.

Fiscal Year	State and Local Cost
2023	\$1,545,352.00
2022	\$1,521,666.00
Difference	\$23,686.00
Status	Met

Difference must be \$0.00 or greater to have met this MOE Test

Method 4: State and Local Per Capita

IDEA Fund Compliance Method 4

Fiscal Year: 2024

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Pending

Exception Year: 2023


Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2023	\$1,545,352.00	306.0027	\$5,050.13
2022	\$1,521,666.00	288.4387	\$5,275.53
Difference			(\$225.40)
Status			Not Met

Difference must be \$0.00 or greater to have met this MOE Test

Back

Where Do Values for State and Local Funds Come From?

 Finance System

File Submission Status Report


Fiscal Year* x ▾

Lea Type* ▾

Document Template Name ▾

EdOrg Name/CTDS/EdOrg ID ▾

[Update Submission Status Details](#)

 Finance System

File Submission Status Report

Fiscal Year* x ▾

Lea Type* ▾

Document Template Name ▾

EdOrg Name/CTDS/EdOrg ID ▾

[Update Submission Status Details](#)

The most recent District Annual Financial Report or Charter Holders Annual Financial Report

ESS sums the total reported in M&O spending for All Disability Classifications (line 1) and IEP-Required Transportation (line 9 or 10) on page 8 of the AFR for school districts and page 7 for charter schools.

These values are compared against the values on page 2 (M&O).

If there is a discrepancy between page 2 and page 7 or 8, ESS cannot perform the MOE test.

District AFR Values

District AFR compares pages 2 and 8.

The value on page 2, line 24 subtotal should be equal to the value on page 8, line 9 to reflect all M&O spending from the special education program.

The MOE calculation sums lines 1 and 10 on page 8.

B. M&O SPECIAL EDUCATION PROGRAMS BY TYPE

(A.R.S. § 15-761)

	PROGRAM 200 & 300 BUDGET	PROGRAM 200 & 300 ACTUAL	
1. Total All Disability Classifications	6,540,300	6,033,776	1.
2. Gifted Education	675,000	654,312	2.
3. Remedial Education	0	0	3.
4. ELL Incremental Costs	499,000	456,271	4.
5. ELL Compensatory Instruction	0	0	5.
6. Vocational and Technological Education (non-CTED)	0	0	6.
7. Career Education	0	0	7.
8. Career Technical Education (CTED programs in 300 range)	0	0	8.
9. Total (lines 1-8)	7,714,300	7,144,359	9.
10. IEP required pupil transportation costs coded within Program 400	328,000	456,397	10.

MAINTENANCE AND OPERATION FUND (001)—EXPENDITURES

Expenditures		Salaries 6100	Employee Benefits 6200	Purchased Services 6300, 6400, 6500	Supplies 6,600	Other 6,800	Totals			% Increase/ Decrease in Actual
							Budget	Actual	Prior Year Actual	
200 and 300 Special Education										
1000 Instruction	15.	2,668,378	972,238	415,674	20,224	0	4,625,500	4,076,514	4,305,323	-5.3%
2000 Support Services										
2100 Students	16.	1,616,202	561,430	367,450	36,897	1,050	2,547,000	2,583,029	2,351,592	9.8%
2200 Instructional Staff	17.	344,356	98,556	35,726	2,868	1,878	536,800	483,384	419,001	15.4%
2300 General Administration	18.	0	0	0	0	0	0	0	0	0.0%
2400 School Administration	19.	0	0	0	0	0	0	0	0	0.0%
2500 Central Services	20.	0	0	1,372	0	0	5,000	1,372	220	523.6%
2600 Operation & Maintenance of Plant	21.	0	0	60	0	0	0	60	0	--
2900 Other	22.	0	0	0	0	0	0	0	0	0.0%
3000 Operation of Noninstructional Services	23.	0	0	0	0	0	0	0	0	0.0%
Subtotal (lines 15-23)	24.	4,628,936	1,632,224	820,282	59,989	2,928	7,714,300	7,144,359	7,076,136	1.0%
400 Pupil Transportation	25.	1,091,343	452,018	336,111	289,477	0	2,250,000	2,168,949	1,497,509	44.8%

Charter AFR Values

C. Special education programs by type

	Program 200 budget	Program 200 actual	
1. Total all disability classifications	250,124	212,414	1.
2. Gifted education	0	0	2.
3. ELL incremental costs	0	0	3.
4. ELL compensatory instruction	0	0	4.
5. Remedial education	0	0	5.
6. Vocational and technical education	0	0	6.
7. Career education	0	0	7.
8. Total (lines 1-7)	250,124	212,414	8.
9. Expenses incurred for transporting students with disabilities (as defined in A.R.S. §15-761) unique to the IFP	0	0	9.

District AFR compares pages 2 and 7.

The value on page 2, line 28 subtotal should be equal to the value on page 7, line 8 to reflect all M&O spending from the special education program.

The MOE calculation sums lines 1 and 9 on page 7.

Expenses	Instructions	Salaries 6100	Employee benefits 6200	Purchased services 6300, 6400, 6500	Supplies 6600	Other 6800	Totals			% Increase/ decrease in actual
							Budget	Actual	Prior year actual	
1000 Schoolwide Project and 1500-1999 Other Special Project										
200 Special education										
1000 Instruction	17.	123,394	37,596	43,907	7,517	0	213,124	212,414	195,545	8.63%
2000 Support services										
2100 Students	18.	0	0	0	0	0	37,000	0	554	-100.00%
2200 Instruction	19.	0	0	0	0	0	0	0	500	-100.00%
2300 General administration	20.	0	0	0	0	0	0	0	0	0.00%
2400 School administration	21.	0	0	0	0	0	0	0	0	0.00%
2500 Central services	22.	0	0	0	0	0	0	0	0	0.00%
2600 Operation & maintenance of plant	23.	0	0	0	0	0	0	0	0	0.00%
2900 Other support services	24.	0	0	0	0	0	0	0	0	0.00%
3000 Operation of noninstructional services	25.	0	0	0	0	0	0	0	0	0.00%
4000 Facilities acquisition & construction	26.	0	0	0	0	0	0	0	0	0.00%
5000 Debt service	27.	0	0	0	0	0	0	0	0	0.00%
Subtotal (lines 17-27)	28.	123,394	37,596	43,907	7,517	0	250,124	212,414	196,599	8.04%
400 Pupil transportation	29.	0	11	24,536	4,990	448	14,947	29,985	12,643	137.17%

Manual MOE Calculation

	Method 2	190060 2022	210572 2023	Difference	Method 4	190060 2022	210572 2023	Difference
Salaries		\$ 1,038,851.00	\$ 1,045,057.00	\$ 6,206.00		\$ 1,038,851.00	\$ 1,045,057.00	\$ 6,206.00
Benefits		\$ 393,889.00	\$ 390,156.00	\$ (3,733.00)		\$ 393,889.00	\$ 390,156.00	\$ (3,733.00)
Purchased Services		\$ 79,865.00	\$ 98,235.00	\$ 18,370.00		\$ 79,865.00	\$ 98,235.00	\$ 18,370.00
Supplies		\$ 6,761.00	\$ 9,604.00	\$ 2,843.00		\$ 6,761.00	\$ 9,604.00	\$ 2,843.00
Other		\$ 2,300.00	\$ 2,300.00	\$ -		\$ 2,300.00	\$ 2,300.00	\$ -
Transportation		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Non-SPED Expenses		\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
		\$ 1,521,666.00	\$ 1,545,352.00	\$ 23,686.00		\$ 1,521,666.00	\$ 1,545,352.00	\$ 23,686.00
Exceptions								
IDEA Basic	\$ 502,775.15							
IDEA Preschool	\$ 9,834.58				SPED Count	288.4387	306.0027	
ARP IDEA Basic	\$ 67,140.77							
ARP IDEA Preschool	\$ 1,871.02					\$ 5,275.53	\$ 5,050.13	\$ (225.40)
Total received in 2023	\$ 581,621.52							\$ (68,973.35)
		Overall Test	Met					
		MOE Failure:	\$ 23,686.00			SPED20 FY22	SPED20 FY23	Student decrease
		ARP and IDEA	\$ 581,621.52			288.4387	306.0027	17.564
		Balance Due	\$ -	Method 2	Met			
				Method 4	Not Met	SPED student Decrease	Doesn't Apply	
				Overall Test	Met	17.564	\$ 5,275.53	\$ 92,659.35

Preparation for the MOE Compliance Testing Window

- PEAs at risk of failing to meet MOE Compliance standards were notified by ESS Program Management during the month of February
- PEAs must validate that the amounts reported on page 7 or 8 reflect only M&O expenses, no federal funds
- PEAs must reconcile any discrepancies between the amounts reported on page 2 and 7/8
- If necessary, a revision of the AFR should be uploaded to School Finance
- Determine if the decrease in M&O spending is considered an allowable exception to Maintenance of Effort

What if the PEA Doesn't Meet the Standards on One or More of the Methods?

During the MOE Compliance testing window, PEAs can:

- Submit Local Only funds, if applicable
- Submit allowable exceptions (A-E) to establish a new compliance threshold
 - Special Education staff departure
 - Decrease in SPED enrollment
 - Termination of obligation of child's program
 - Termination of costly long-term purchase
 - Assumption of cost by High-Cost fund operated by the SEA
- Contact ESS Program Management if 2023 AFR data was incorrectly reported and a revised AFR has been accepted by ADE School Finance

34 CFR § 300.24 – Exception to Maintenance of Effort

§ 300.204 Exception to maintenance of effort.

Notwithstanding the restriction in [§ 300.203\(b\)](#), an LEA may reduce the level of expenditures by the LEA under Part B of the [Act](#) below the level of those expenditures for the preceding fiscal year if the reduction is attributable to any of the following:

- (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.
- (c) The termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child -
 - (1) Has left the jurisdiction of the agency;
 - (2) Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or
 - (3) 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.
- (e) The assumption of cost by the high cost fund operated by the SEA under [§ 300.704\(c\)](#).

(Approved by the Office of Management and Budget under control number 1820-0600)

(Authority: [20 U.S.C. 1413\(a\)\(2\)\(B\)](#))

[[71 FR 46753](#), Aug. 14, 2006, as amended at [80 FR 23667](#), Apr. 28, 2015]

Every PEA in the state is eligible to submit exceptions in the MOE application to justify the decrease spending/budgeting levels.

Only those exceptions submitted during the MOE Compliance test can change the thresholds for future compliance and eligibility tests. If a PEA submitted exceptions in the FY24 MOE Eligibility test, it should submit those same exceptions in the FY24 MOE Compliance test to lock in the reduced spending threshold.

A. Special Education Staff Departures

B. Decrease in SPED Enrollment

C. Termination of Obligations

D. Termination of Costly Long-Term Purchases

E. The Assumption of Cost by the High Cost Fund Operated by the SEA

F. Allowable Adjustment to Local Fiscal Efforts

Consult with PEA Business Manager

Look for decreases in expenditures as reported on the 2023 AFR to determine if the decrease fits an allowable exception. These values come from Program 200 for Special Education on page 2 of the AFR.

	Method 2	2022	2023	Difference
Salaries		\$ 3,987,848.00	\$ 3,954,040.00	\$ (33,808.00)
Benefits		\$ 1,280,897.00	\$ 1,222,082.00	\$ (58,815.00)
Purchased Services		\$ 1,493,323.00	\$ 1,129,248.00	\$ (364,075.00)
Supplies		\$ 9,067.00	\$ 2,253.00	\$ (6,814.00)
Other		\$ 9,381.00	\$ 2,124.00	\$ (7,257.00)
Transportation		\$ 195,864.00	\$ 188,288.00	\$ (7,576.00)
Non-SPED Expenses		\$ (135,456.00)	\$ (375,989.00)	\$ (240,533.00)
		\$ 6,840,924.00	\$ 6,122,046.00	\$ (718,878.00)

Accessing the MOE Application

The ESS Portal of ADEConnect

How to Access the MOE Application

Applications
Access and use ADE applications.

[View Applications](#)

Applications

[Hide All]

Arizona Department of Education (79275)	[-]
ADE Motor Pool Reservation System	☆ ↗
AZDash	☆ ↗
AzEDS Identity	☆ ↗
AzEDS Identity UAT	☆ ↗
AzEDS Portal	☆ ↗
AzEDS Portal UAT	☆ ↗
Education Organization System	☆ ↗
Event Management System (EMS)	☆ ↗
Exceptional Student Services Portal	☆ ↗
Grants Management	☆ ↗
IT Change Management	☆ ↗

APPLICATION PORTAL
EXCEPTIONAL STUDENT SERVICES

Home Admin ESS Portal - Data Visualization Help Welcome, Trainor, Candice

Welcome to the Exceptional Student Services Application Portal

- Administrative Applications**
Systems that facilitate administrative business processes such as Private Day School, RTC, Vouchers and Surrogate applications.
Dispute Resolution
Public Comment
Special Education Program Approvals
Surrogate Parent
- Data Collection & Reporting**
Applications that facilitate data collection efforts which determine Federal IDEA Indicators.
Legacy - Discipline Data Collection
October 1 Data Collection
Special Education Data Dashboard
- Monitoring & Compliance**
Monitoring activities that are based on risk analysis outcomes that are aligned to the SPP/APR and reflect the importance of indicator data.
Maintenance of Effort
Monitoring
PEA Determinations
Risk Analysis
- Student Assessments**
Applications pertinent to the administration of the Alternate Assessment.
1% Threshold
Alternate Assessments

Surveys & Assurances
The Statement of Assurances and surveys for Parent Involvement, Teacher Attrition, Post School Outcomes, and other information.
Data Surveys
Post School Outcomes Survey
Statement of Assurances

Vouchers & Claims
Applications which provide funding for residential, institutional, and specific special education placements.
High Cost
Vouchers
Extraordinary Special Education Needs

The MOE Application resides in the ESS Portal of ADE Connect.

The PEA ADEConnect Administrator must assign the **“ESS Funding and Maintenance of Effort: LEA User”** role to anyone who will use the MOE Application.

If the link for ESS Maintenance of Effort is greyed out, you do not have permission to use the application.

MOE Application Homepage



IDEA MAINTENANCE OF EFFORT

EXCEPTIONAL STUDENT SERVICES

Home LEA Activities Help

Welcome, ESS LEAGroup ESS!

Home

Frequently Asked Questions (FAQs)

Alerts

- 2/29/2024 - 4:13 PM - [Comment Added: The PEA has met methods 2 and 4 using exceptions A and B. Pl...](#)
- 2/29/2024 - 4:13 PM - [This notice is to inform you that as of Thursday, February 29, 2024, you ha...](#)
- 7/17/2023 - 9:22 PM - [This notice is to inform you that as of Monday, July 17, 2023, you have sat...](#)

The FY2024 MOE Eligibility Testing window will be open from July 18 - August 18, 2023. PEAs that have met the eligibility standard will be closed by the ESS Program Management team to allow processing of the FY2024 IDEA Part B Consolidated Grants.

The MOE Eligibility testing data reflects the State & Local funds reported on your 2024 Adopted Budget and the estimated SPED count from the SPED20 report from AzEDS. These values are compared against the MOE Compliance standards established in the FY23 MOE Compliance test in March 2023. To pass the MOE Eligibility test, only one of the four available methodologies must meet or exceed your comparison year's compliance value, also known as the compliance standard.

If your PEA has failed the MOE Eligibility test, please review your test results by clicking on LEA Activities -->Eligibility. Then, choose No for Local Only funds and confirm your choice.

PEAs that have failed both method 2 and method 4 may resolve the MOE Eligibility case by:

- Submitting allowable exceptions through the MOE Application, or
- Submitting a revised budget through the ADE Budget

If you plan to submit a revised budget, you must e-mail ESS Program Management with the file reference number of the revised budget once the School Finance Budget Team has successfully processed it. The deadline to submit a revised adopted budget to School Finance or enter exceptions/reductions to the ESS MOE application is August 18, 2023.

If you plan to submit allowable exceptions, please review the FAQ document in the Help menu for details on the six allowable exceptions. You will need to enter that into the system and upload supporting documentation. Once you are ready to submit your MOE Eligibility data, please navigate to the Submission Summary page. Enter a comment in the LEA comment box, acknowledge the statement to verify your submission, and press Submit. **This year, narratives from SPED Directors are required for any exceptions from A, C, D, or E.**

Failure to meet the MOE Eligibility standard will affect your substantial approval of the IDEA grant and your PEA's ability to draw down funds for FY24.

Please [e-mail ESS Program Management](#) if you have any questions about your MOE Eligibility test.

Review training materials from the March 1, 2023, webinar below.

- March 1 - IDEA Maintenance of Effort
 - Powerpoint Presentation
 - Budget Planning Tool
 - Zoom Recording Link

Contact Information

For questions related to MOE data entry, please contact ESS Program Management via e-mail at essprogmgt@azed.gov.

Pay attention to Alerts.

Today's webinar materials will be loaded to the bottom of the screen.

Alerts

Alert

Your status has changed. Here are the details:

Date

2/29/2024

Submission Status Change

Submitted to Closed

MOE Status

Met with Exceptions

Reason

Closed

Additional Comments

This notice is to inform you that as of Thursday, February 29, 2024, you have satisfied the current fiscal year's maintenance of effort (MOE) compliance requirements for IDEA funding. The Arizona Department of Education, ESS Maintenance of Effort Program, now considers this matter CLOSED. If you have questions about this process, please direct your inquiry to (602) 542-3398.

[Review your MOE case.](#)

If you have any questions, please contact ESS Program Management via e-mail at essprogmgt@azed.gov.

Delete

Back

Alert

A comment was added.

Date

2/29/2024

MOE Status

Met with Exceptions

Additional Comments

The PEA has met methods 2 and 4 using exceptions A and B. Please note your compliance thresholds and comparison years.

Method 2: 2023 AFR, \$ 642,651.00
Method 4: 2023 per capita, \$ 5,994.32

Please note these numbers, as you must refer to them as you prepare the FY25 Adopted Budget for School Finance.

Thanks for completing your MOE Compliance test.

[Review your MOE case.](#)

If you have any questions, please contact ESS Program Management via e-mail at essprogmgt@azed.gov.

Delete

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Access the Compliance Test

Arizona Department of Education

IDEA MAINTENANCE OF EFFORT EXCEPTIONAL STUDENT SERVICES

Home LEA Activities ▾ Help ▾

Welcome, ESS LEAGroup ESS! ▾

Home

Frequency

Alerts

- 7/17/2023 - 6:58 PM - [This notice is to inform you that as of Monday, July 17, 2023, you have sat...](#)

Use the LEA Activities dropdown menu and choose Compliance.



MOE Use Case #1:

No local only funds, pass both methods

No Local Only Funds

Include Local Only?



Pending

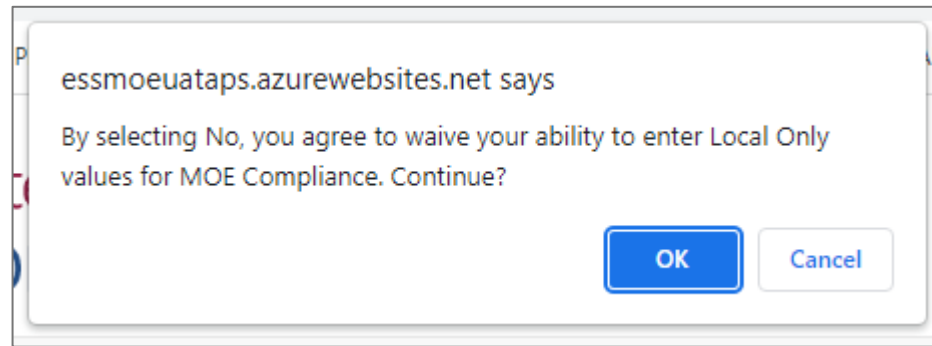
Local only funds may not include funds derived from state aid or other federal sources. Typically, the only funds that would be applied here are school districts that have levied a tax against residents or public education agencies that have received donations or other non-governmental revenue. If the PEA does not generate local only revenue, please select "No" and move on to the next section of the MOE application.

In order to accurately test for Maintenance of Effort (MOE), the public education agency must indicate whether they wish to identify local special education expenditures out of the total amount that is extracted from an annual financial report. If the user chooses "yes," he/she will be required to upload documentation that reflects the amount of local special education expenditures. Any uploaded documentation will be reviewed by an ESS fiscal specialist. If local expenditures are submitted and approved then MOE testing will be processed using all four methodologies, otherwise only two methodologies will be capitalized.

§300.203 - Maintenance of effort.

- (i) Local funds only;
- (ii) The combination of State and local funds;
- (iii) Local funds only on a per capita basis; or
- (iv) The combination of State and local funds on a per capita basis.

Yes No



If the PEA has no local only funds to report, click no and then confirm your choice on the dialog box.

Methods 2 and 4: Met; Pass MOE Overall

Compliance Test Results [Redacted] Pending

In order to meet the MOE compliance requirement in this fiscal year the district/charter must expend, at least the same total or per capita amount, of local funds or state and local funds, as it spent during the most recent year for which information is available.

	Overall	Method 1 Local Cost	Method 2 2022 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2022 State and Local Per Capita Cost
2023 Amount		N/A	\$19,690,750.00	N/A	\$9,547.70
Comparison Year Amount		N/A	\$17,192,860.00	N/A	\$8,231.08
Difference		N/A	\$2,497,890.00	N/A	\$1,316.62
2023 SPED Count				N/A	x 2,062.3552
Total Difference		N/A	\$2,497,890.00	N/A	\$2,715,345.99
Status	Met	N/A	Met	N/A	Met

If both methods are Met, the PEA only needs to click Continue to access the Submission Summary page. No exceptions or reductions need to be reviewed, but it is recommended to have the PEA review Method 4 calculation and SPED Count.

Method 4: State and local per capita Calculation

IDEA Fund Compliance Method 4

Pending

Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2023	\$19,690,750.00	2062.3552	\$9,547.70
2022	\$17,192,860.00	2088.7741	\$8,231.08
Difference			\$1,316.62
Status			Met

Difference must be \$0.00 or greater to have met this MOE Test

Back

The per capita test is used to compare local only (method 3) or state and local (method 4) values of expenditure divided by the SPED Count from the SPED20 report from ADE School Finance. If the number of students in the testing year (2023) appears different than your local records, [e-mail ESS Program Management](#) immediately. Click back to get to the previous screen.

Submit: both methods have met MOE Compliance standard

Submission Summary

Pending

Supporting Documentation

Supporting Documentation must be uploaded if you are submitting data for Exception A, Exception C, Exception D, and/or Exception E.

Upload Documents...

Comments

LEA Comments

The district has reviewed expenditures and student count. We have passed both methods.



Acknowledgement

By checking this box you certify that, to the best of your knowledge, this information is truthful and accurate. Your certification is considered an electronic record with legal effect, validity, and enforceability as defined in S. 2107 of the Government Paperwork Elimination Act.

Submit

Cancel

Back

The PEA met both method 2 (overall expenditure) and method 4 (per capita expenditure).

The PEA does not have to submit any supporting documents.

The PEA must include a comment and check the acknowledgment box to submit.

Successful submission: both methods pass

Submission Summary

Submitted

Message: Submission was successful.

The PEA MOE test will be reviewed by the ESS MOE Specialist.

The PEA will receive an automated e-mail informing them when the MOE Specialist has closed the case.

The PEA should share 2023 AFR values with the Business Office to ensure these are used for upcoming MOE Eligibility (FY25 Budget) and MOE Compliance (FY24 AFR) tests.

Use the new compliance thresholds on the [Budget Planning Tool](#).



MOE Use case #2:

Submitting local only funds

Supporting Documentation Required for Local Only Funds

Local Only Amounts

[REDACTED] Pending

Enter the local only values.

Fiscal Year	Local Only Amount	State and Local Amount
2022	<input type="text" value="4000000"/>	\$11,659,945.00

Please upload supporting documentation for your local only expenditure values. Any existing files will be overwritten.

[Upload Documents...](#)

Attachments:

Document Name	Uploaded On	
Non State Aid LEAs.xlsx	2/27/2023 5:57:17 PM	Delete

Showing 1 to 1 of 1 entries

[Back](#) [Continue](#)

The local only amount should not equal the state and local amount. The PEA will be required to upload documents to show that the local only amount entered on this screen is found within PEA Accounting Reports.

MOE Compliance Test Results: Methods 1-4

Compliance Test Results

[Redacted]

Pending

In order to meet the MOE compliance requirement in this fiscal year the district/charter must expend, at least the same total or per capita amount, of local funds or state and local funds, as it spent during the most recent year for which information is available.

	Overall	Method 1 2021 Local Cost	Method 2 2018 State and Local Cost	Method 3 2021 Local Per Capita Cost	Method 4 2018 State and Local Per Capita Cost
2022 Amount		\$4,000,000.00	\$11,659,945.00	\$3,923.04	\$11,435.62
Comparison Year Amount		\$3,116,368.00	\$14,602,024.00	\$3,063.53	\$12,203.79
Difference		\$883,632.00	(\$2,942,079.00)	\$859.51	(\$768.18)
2022 SPED Count				x 1,019.6165	x 1,019.6165
Total Difference		\$883,632.00	(\$2,942,079.00)	\$876,374.19	(\$783,244.90)
Status	Met	Met	Not Met	Met	Not Met

Back

Continue

The PEA, in this example, has established new compliance standards because local only funds exceeded the comparison year amounts from 2021 local only funds data. Method 2 and 4 are failing, so the PEA is allowed to submit data for allowable exceptions/reductions.

Allowable Exceptions/reductions 34 CFR § 300.204

Allowable Exceptions/Reductions

 Pending

SEC. 300.204 Exception to maintenance of effort.

Notwithstanding the restriction in Sec. 300.203(a), an LEA may reduce the level of expenditures by the LEA under Part B of the Act below the level of those expenditures for the preceding fiscal year if the reduction is attributable to any of the following:

- (a) The 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.
- (c) The termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child
 - (1) Has left the jurisdiction of the agency;
 - (2) Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated;
 - (3) 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.
- (e) The assumption of cost by the high cost fund operated by the SEA under Sec. 300.704(c).

(Authority: 20 U.S.C. 1413(a)(2)(B))

SEC. 300.205 Adjustment to local fiscal efforts in certain fiscal years

- (f) Amounts in excess. Notwithstanding Sec. 300.202(a)(2) and (b) and Sec. 300.203(a), and except as provided in paragraph (d) of this section and Sec. 300.230(e)(2), for any fiscal year for which the allocation received by an LEA under Sec. 300.705 exceeds the amount the LEA received for the previous fiscal year, the LEA may reduce the level of expenditures otherwise required by Sec. 300.203(a) by not more than 50 percent of the amount of that excess.

(Authority: 20 U.S.C. 1413(a)(2)(C))

Back

Continue

Submission Summary

Submission Summary for Local Only Funds

Submission Summary

Pending

Local Only		
Fiscal Year	Local Only Amount	State and Local Amount
2022	\$4,000,000.00	\$11,659,945.00

Attachments:

Document Name	Uploaded On
Non State Aid LEAs.xlsx	2/27/2023 5:57:17 PM

Comments

LEA Comments

The district will pass MOE methods 1 and 3 using local-only funds. Methods 2 and 4 will keep comparison year data.

LEA Comment History [Show](#)

Acknowledgement

By checking this box you certify that, to the best of your knowledge, this information is truthful and accurate. Your certification is considered an electronic record with legal effect, validity, and enforceability as defined in S. 2107 of the Government Paperwork Elimination Act.

Submit Cancel Back

The PEA will submit with no exceptions.

The PEA must submit a comment and click the box to acknowledge accurate data.



MOE Use Case #3:

Submitting MOE Exceptions

MOE Compliance Test Results: No Local Only Funds

Compliance Test Results

Pending

In order to meet the MOE compliance requirement in this fiscal year the district/charter must expend, at least the same total or per capita amount, of local funds or state and local funds, as it spent during the most recent year for which information is available.

	Overall	Method 1 Local Cost	Method 2 2021 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2022 State and Local Per Capita Cost
2023 Amount		N/A	\$787,080.00	N/A	\$7,633.40
Comparison Year Amount		N/A	\$1,161,065.00	N/A	\$14,822.14
Difference		N/A	(\$373,985.00)	N/A	(\$7,188.73)
2023 SPED Count				N/A	x 103.1100
Total Difference		N/A	(\$373,985.00)	N/A	(\$741,230.42)
Status	Not Met	N/A	Not Met	N/A	Not Met

Amount Owed: \$267,006.11

Repayments: \$0.00

Balance Owed: \$267,006.11

[Back](#)

[Continue](#)

Click on the hyperlink under Method 2 or 4 to view test results in detail.

Method 4 Values

ESS MOE Specialists recommend that all PEAs look at Method 4 calculation. If the testing year SPED count is less than the comparison year SPED count, one of the exceptions may be automatically applicable to your PEA.

Click Back to return to the previous screen and then Continue to see the Allowable Exceptions page.

IDEA Fund Compliance Method 4



Pending

Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2023	\$642,651.00	107.2100	\$5,994.32
2022	\$1,667,722.00	187.8571	\$8,877.61
Difference			(\$2,883.29)
Status			Not Met

Difference must be \$0.00 or greater to have met this MOE Test

ADE/ESS review of AFR Data

	Method 2	2021	2023	Difference	Method 4	2014	2023	Difference
Salaries		\$ 42,834.00	\$ 32,053.00	\$ (10,781.00)			\$ 32,053.00	\$ 32,053.00
Benefits		\$ 3,142.00	\$ 2,452.00	\$ (690.00)			\$ 2,452.00	\$ 2,452.00
Purchased Services		\$ 1,413.00	\$ 1,654.00	\$ 241.00			\$ 1,654.00	\$ 1,654.00
Supplies		\$ 1,531.00	\$ -	\$ (1,531.00)			\$ -	\$ -
Other		\$ -	\$ 133.00	\$ 133.00			\$ 133.00	\$ 133.00
Transportation				\$ -				\$ -
Non-SPED Expenses				\$ -				\$ -
		\$ 48,920.00	\$ 36,292.00	\$ (12,628.00)		\$ 41,557.00	\$ 36,292.00	\$ (5,265.00)
Exceptions								
IDEA Basic	\$ 34,956.40							
IDEA Preschool	\$ -				SPED Count	12.58	25.0428	
ARP IDEA Basic	\$ -							
ARP IDEA Preschool	\$ -					\$ 3,303.42	\$ 1,449.20	\$ (1,854.22)
Total received in 2023	\$ 34,956.40							\$ (46,434.84)
		Overall Test	Not Met					
		MOE Failure:	\$ 12,628.00		SPED20 FY22	SPED20 FY23		Student decrease
		ARP and IDEA	\$ 34,956.40			19.95	25.0428	5.0928
				Method 2	Not Met			
		Balance Due	\$ 12,628.00	Method 4	Not Met	SPED student Decrease	Doesn't Apply	
				Overall Test	Not Met			
						5.0928	\$ 3,303.42	\$ 16,823.65

PEAs can request a meeting with the ESS MOE Specialist to review data and determine which exceptions may apply. Contact [ESS Program Management](#) or [schedule your appointment](#).

Allowable Exceptions/reductions 34 CFR § 300.204 (repeated)

Allowable Exceptions/Reductions

Pending

SEC. 300.204 Exception to maintenance of effort.

Notwithstanding the restriction in Sec. 300.203(a), an LEA may reduce the level of expenditures by the LEA under Part B of the Act below the level of those expenditures for the preceding fiscal year if the reduction is attributable to any of the following:

- (a) The 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.
- (c) The termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child
 - (1) Has left the jurisdiction of the agency;
 - (2) Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated;
 - (3) 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.
- (e) The assumption of cost by the high cost fund operated by the SEA under Sec. 300.704(c).

(Authority: 20 U.S.C. 1413(a)(2)(B))

SEC. 300.205 Adjustment to local fiscal efforts in certain fiscal years

- (f) Amounts in excess. Notwithstanding Sec. 300.202(a)(2) and (b) and Sec. 300.203(a), and except as provided in paragraph (d) of this section and Sec. 300.230(e)(2), for any fiscal year for which the allocation received by an LEA under Sec. 300.705 exceeds the amount the LEA received for the previous fiscal year, the LEA may reduce the level of expenditures otherwise required by Sec. 300.203(a) by not more than 50 percent of the amount of that excess.

(Authority: 20 U.S.C. 1413(a)(2)(C))

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Submission Summary



Exception A

Special Education Staff Departures

Exception A: SPED Staff Departure

Voluntary departure, by retirement or otherwise, or departure for just cause of special education or related services personnel 34 C.F.R. § 300.204 (a)

(Reduction in force, layoffs, or reorganization are usually not permitted)

ADE doesn't distinguish between PEA employees vs. purchased professional services (contracted vendors)

Retirement	
Teacher A retires in FY22	\$65,000
Teacher B replaced in FY23	\$55,000
Total exception	\$10,000

Contracted	
Contracted Speech Services in FY21	\$100,000
SLP hired in FY23	\$75,000
Total exception	\$25,000

Exception A: SPED Staff Departures

Special Education Staff Departures

Pending

A: Allowable Exception – Special Education Staff Departure: The departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.

If applicable, enter Name, Account Number, and Amount of Salaries and Benefits previously locally/state funded. To add additional lines, click *Add Special Education Staff Departure*. When all personnel have been added or if this exception does not apply, click *Continue*.

Staff Departures

Show entries Search:

FiscalYear	Staff Name	Salary Expended	Benefit Expended	Reason
No data available in table				

Showing 0 to 0 of 0 entries ◀ Previous Next ▶

Add

Cancel

Back

Continue

Submission Summary

To enter SPED Staff Departure data, click Add.

Scenario 1: Eliminated FTE Position

Add Special Education Staff Departure

Enter the Name, Account Number, and Amount of Salaries and Benefits previously locally/state funded. When done, click Save.

Staff Departure	
Fiscal Year	
2021	
First Name	
Candice	
Last Name	
Trainor	
Salary Account	Salary Expended
001.200.6127.1000	55000
Benefit Account	Benefit Expended
001.200.62xx.1000	11550
Reason for Leaving	
Other	
Reason Comments	
Eliminated self-contained classroom	
Save	Back

If the PEA eliminated a position because a reorganization occurred, the SPED Director would need to provide a narrative as supporting documentation to explain how FAPE was still provided in the testing year (2023).

The departing staff's payroll information should also be submitted as supporting documentation for the last fiscal year the position was supported by state and local funds.

Supporting Documentation is submitted on the submission summary page.

Scenario 2: Contracted vendor to PEA Employee

Staff Departure

Fiscal Year: 2021

First Name: Contracted SLP

Last Name: Company Name

Salary Account: 001.200.63xx.2100

Salary Expended: 95000.00

Benefit Account:

Benefit Expended:

Reason for Leaving: Other

Reason Comments: 2021 contract ended and we hired SLP in district for 2022

Staff Departures Replacements

Show 10 entries

Staff Name

Showing 0 to 0 of 0 entries

Add

Staff Departure Replacement

First Name: Jane

Last Name: Doe

Salary Account: 001.200.61xx.2100

Salary Expended: 60000

Benefit Account: 001.200.62xx.2100

Benefit Expended: 12600

Replaces: Company Name, Contracted SLP

Save Back

In this example, the PEA replaced a contracted SLP (2021) with a PEA employee (2022). The contracted vendor data is entered in SPED staff departure with all applicable fields filled out. The Staff Departure Replacement record is generated to show what the PEA employee earned in 2021. The MOE application calculates the net difference.

Scenario 3: Retirement and Replacement

Staff Departure		Staff Departure Replacement	
Fiscal Year	2021	First Name	Judy
First Name	George	Last Name	Jetson
Last Name	Jetson	Salary Account	001.200.6175.1000
Salary Account	001.200.6174.1000	Salary Expended	52000
Benefit Account	001.200.62xx.1000	Benefit Expended	10920
Reason for Leaving	Retirement	Replaces	Jetson, George
Reason Comments	Teacher retired in 2021 and was replaced with new grad		

If an employee retired in the comparison year or intervening year, and the staff replacement's total compensation was less, the system will calculate the net difference and apply the exception.

Supporting Documentation for Exception A

- Accounting Statements from Comparison and Testing years (must match accounting ledger codes)
- Narratives from SPED Director to explain how FAPE was provided in the testing year if reorganization occurred or positions were eliminated



Exception B

Decrease in SPED Enrollment

Exception B: Decrease in SPED Enrollment

Decrease in SPED Enrollment

B: Allowable Exception - Decrease in SPED Enrollment: A decrease in the enrollment of children with disabilities.

FY 2022 SPED 28	-	FY 2023 SPED20	=	SPED Student Decrease
187.8571	-	107.2100	=	80.6471
Student Decrease	X	FY 2022 PPE	=	Total Decrease in SPED
80.6471	X	8877.6096	=	\$715,953.47

If applicable, by checking this box, you certify that this reduction reflects an accurate decrease in enrollment of students with disabilities for your local education agency. This acknowledges that you wish to use this reduction as an exception for purposes of Maintenance of Effort testing.

A decrease in the enrollment of children with disabilities [34 C.F.R. § 300.204 \(b\)](#)
This is a system-generated exception. If it applies to the PEA, you'll be able to check the box to take the exception. Click Save.
If your PEA did not experience a SPED student decrease, click Continue

Exception B: Check the Box, If Available

Decrease in SPED Enrollment



B: Allowable Exception – Decrease in SPED Enrollment: A decrease in the enrollment of children with disabilities.

FY 2022 SPED 28	-	FY 2023 SPED20	=	SPED Student Decrease
187.8571	-	107.2100	=	80.6471
Student Decrease	X	FY 2022 PPE	=	Total Decrease in SPED
80.6471	X	8877.6096	=	\$715,953.47



If applicable, by checking this box, you certify that this reduction reflects an accurate decrease in enrollment of students with disabilities for your local education agency. This acknowledges that you wish to use this reduction as an exception for purposes of Maintenance of Effort testing.

The PEA in this example can apply \$715,953.47 to the overall exceptions because it had a decrease in students from 2022 to 2023 in the SPED program. We use SPED20 values for student counts to calculate Method 4 per capita value and Exception B amount, if applicable.



Exception C

Termination of Obligation for Students

Exception C: Termination of Obligation for Students

The termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child—

- (1) Has left the jurisdiction of the agency;
- (2) Has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or
- (3) No longer needs the program of special education.

34 C.F.R. § 300.204 (c)

Termination of Obligations Pending

C: Allowable Exception – Termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child:

NOTE: Cost per child (for a costly special education program) should be twice the average per pupil amount for the last full year the student was in the program.

The District/Charter is expected to have and maintain the following documents related to this exception. By statute you are required to retain this documentation for five years, from the date of exception submission, and present it when asked in the event of an audit.

- Accounting information supporting expenses
 - Student program file
 - Service change in the student's IEP
 - Student's original IEP
 - Student's revised IEP
 - Document (such as meeting minutes) of the IEP team's decision
 - Instructional setting for affected student(s)
 - Dollar amount of terminated services per student

Termination of Obligations

Show 10 entries Search:

FiscalYear	State Student ID	Birth Date	Amount	Reason for Leaving
No data available in table				

Showing 0 to 0 of 0 entries ◀ Previous Next ▶

Add Cancel Back Continue Submission Summary

ADE uses twice the per-pupil expenditure of students with disabilities.
For FY24 MOE Compliance, that is just over \$18,000.

Exception C: Blank Template

Add Termination of an Obligation

Fiscal Year

State Student ID

Name

Birth Date

Account Amount

Reason for Leaving

Description

Choose from the drop-down menu the fiscal year for the last year the student's costs were paid by state & local funds.

Enter the SSID number for the student and click verify to auto-populate the student's data from AzEDS.

Enter the account number from which the expenses were paid and the amount for the expenses in the comparison year or intervening year.

Provide a reason for leaving and a short description.

Supporting documentation must be supplied to use Exception C.

Exception C: Descriptions are Required

Termination of an Obligation [Redacted]

Pending

Message: Student [Redacted] is valid. x

Fiscal Year
2020

State Student ID
[Redacted]

Name
[Redacted]

Birth Date
[Redacted]

Account	Amount
001.6520.1000.978	27000

Reason for Leaving
Has left the jurisdiction of the agency

Description
The student graduated in 2020 and services were no longer needed in 2021

- The PEA will provide the SSID of a student that was served in the comparison year (or intervening year), but not paid for in the testing year.
(Ex. *The student graduated in 2020 and services were not needed in 2021.*)
- Once the verify button is checked, the MOE application will provide the student's name and birth date.
- The PEA will provide the account number and amount expended for this student as well as the reason for leaving (*left the PEA, aged out of SPED, or was exited from SPED*) and a description of the student's costs (*tuition to out-of-district placement or other costs not reported in Exception A*).
- Supporting documentation must be supplied to use Exception C.

Supporting Documentation for Exception C

- Accounting Statements from Comparison and Testing years (must match accounting ledger codes)
- Narratives from SPED Director to explain the specific decreases in costs for the termination of student obligations



Exception D

Termination of costly long-term purchases

Exception D: Termination of Costly Long-Term Purchase

The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.

34 C.F.R. § 300.204 (d)

Termination of Costly Long-Term Purchases Pending

D: Allowable Exception - Termination of Costly Long-Term Purchases: The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.

Long-term means the item must have an anticipated life span of more than 12 months. To qualify for this exception, equipment must have a per-unit cost of \$5,000 or more.

If applicable, enter the capital expenditure that was incurred during the fiscal period using state/local funds.

Supporting Documentation related to this exception must be retained for a period of five years, from the date of exception submission. Documentation must be available and presented in the event of an audit.

Termination of Costly Purchases

Show 10 entries Search:

FiscalYear	Description	Cost
No data available in table		

Showing 0 to 0 of 0 entries ◀ Previous Next ▶

Add Termination of Costly Long-Term Purchase

Fiscal Year

Account Cost

Description

How funds were used

Exception D: Blank Template

Add Termination of Costly Long-Term Purchase

Fiscal Year

Account Cost

Description

How funds were used

The PEA must provide information about the costly long-term purchase and upload supporting documentation on the submission summary page.

Supporting Documentation for Exception D

- Accounting Statements from Comparison and Testing years (must match accounting ledger codes)
- Narratives from SPED Director to explain the specific decreases in costs for the termination of costly long-term purchase



Exception E

High-Cost Child Claims

Exception E: The assumption of Cost by the high-cost fund operated by the SEA

The Assumption of Cost by the High Cost Fund Operated by the SEA Pending

E: Allowable Exception – The assumption of cost by the high cost fund operated by the SEA under 300.704(c).

Students who have been deemed eligible as part of the IDEA High Cost Grant can be listed below as a valid exception for reducing the obligation a public education agency must meet for Maintenance of Effort. Any students submitted into this field will be validated against information submitted into AzEDS and the funding application in Grants Management.

Assumption of Cost

Show entries Search:

FiscalYear	State Student ID	Birth Date	Amount
No data available in table			

Showing 0 to 0 of 0 entries ◀ Previous Next ▶

- The assumption of cost by the high-cost fund operated by the SEA under 34 C.F.R. §300.704(c).
[34 C.F.R. § 300.204 \(e\)](#)
- This exception is only applicable if the PEA was approved for High-Cost Child claims in 2023 and those funds were paid out prior submitting the 2023 AFR.

Exception E: Student Data

The Assumption of Cost by the High Cost Fund Operated by the SEA

Message: Validation errors occurred.

Fiscal Year

2021

State Student ID

The State Student ID field is required.

Birth Date

The Birth Date field is required.

Account

001.200.6500.1000

Amount

37500

Description of Cost moved to the high cost fund

Student's tuition, transportation, and related services at an approved private day school

Choose fiscal year 2022, even though the costs were reduced in fiscal year 2023.

The ESS IT developers are working on fixing this bug in the application.

The PEA must provide the SSID and birth date of the student(s) awarded High-Cost Claims in FY23.

[E-mail the ESS Program Management team](#) for assistance in printing reports of claim amounts.

The PEA must describe the costs that would have normally been paid from state and local, or local only funds, that were moved to the HCC fund.



Supporting Documentation for Exception E

- Accounting Statements from Comparison and Testing years (must match accounting ledger codes)
- Evidence that the PEA was awarded an HCC claim in FY23 from the IDEA set-aside funds, not ESEN state funds



Exception F

Allowable adjustment to local fiscal efforts

Exception F: Allowable Adjustment to Local Fiscal Efforts

Allowable Adjustment to Local Fiscal Efforts

Pending

F: Allowable Reduction - Allowable Adjustment to Local Fiscal Efforts. SEC. 300.205 Adjustment to local fiscal efforts in certain fiscal years

Amounts are pre-populated, if applicable, insert the amount. You may use all or a portion of the amount available.

(a) *Amounts in excess.* Notwithstanding § 300.202(a)(2) and (b) and § 300.203(a), and except as provided in paragraph (d) of this section and § 300.230(e)(2), for any fiscal year for which the allocation received by an LEA under § 300.705 exceeds the amount the LEA received for the previous fiscal year, the LEA may reduce the level of expenditures otherwise required by § 300.203(a) by not more than 50 percent of the amount of that excess.

(b) *Use of amounts to carry out activities under ESEA.* If an LEA exercises the authority under paragraph (a) of this section, the LEA must use an amount of local funds equal to the reduction in expenditures under paragraph (a) of this section to carry out activities that could be supported with funds under the ESEA regardless of whether the LEA is using funds under the ESEA for those activities.

(c) *State prohibition.* Notwithstanding paragraph (a) of this section, if an SEA determines that an LEA is unable to establish and maintain programs of FAPE that meet the requirements of section 613(a) of the Act and this part or the SEA has taken action against the LEA under section 616 of the Act and subpart F of these regulations, the SEA must prohibit the LEA from reducing the level of expenditures under paragraph (a) of this section for that fiscal year.

(d) *Special rule.* The amount of funds expended by an LEA for early intervening services under § 300.226 shall count toward the maximum amount of expenditures that the LEA may reduce under paragraph (a) of this section.

(Approved by the Office of Management and Budget under control number 1820-0600) (Authority: 20 U.S.C. 1413(a)(2)(C))

Enter all eligible expenditures during the period that would qualify under these conditions. The expenditures must meet the amount that is required for reporting. Click on the Continue button when all fields have been entered.

Reduction is not applicable for test year because the amount available for reduction is zero or negative.

ESS has disabled the allowable adjustment to local fiscal efforts (Exception F) for the FY2024 MOE Compliance test.



Submission Summary

Submission Summary



Pending

Exceptions/Reductions

Description	Exception/Reduction Amount
A. Special Education Staff Departures	\$113,150.00
B. Decrease in SPED Enrollment	\$7,201.89
C. Termination of Obligations	\$0.00
D. Termination of Costly Long-Term Purchases	\$0.00
E. The Assumption of Cost by the High Cost Fund Operated by the SEA	\$0.00
F. Allowable Adjustment to Local Fiscal Efforts	\$0.00
Total Exceptions/Reductions	\$120,351.89

Total Amount of Exceptions/Reductions Requested

\$120,351.89



Supporting Documentation

Supporting Documentation must be uploaded if you are submitting data for Exception A, Exception C, Exception D, and/or Exception E.

[Upload Documents...](#)

Attachments:

Selected?	Document Name	Uploaded On	
<input type="checkbox"/>	Salary.txt	2/27/2023 9:03:03 PM	Delete

[Download Selected File\(s\)](#)

Submission Summary (Continued)

Comments

LEA Comments

Salary information was updated to support SPED Staff Departures

Acknowledgement

By checking this box you certify that, to the best of your knowledge, this information is truthful and accurate. Your certification is considered an electronic record with legal effect, validity, and enforceability as defined in S. 2107 of the Government Paperwork Elimination Act.

The PEA must add a comment and check the acknowledgment box before submitting the MOE Compliance test data.

Next Steps

Submission Summary

Submitted

Message: Submission was successful.



The PEA will see a green banner if the submission summary is successful.

The MOE Compliance case will be reviewed by an ESS MOE specialist.



MOE Use Case #4:

Pass Method 4, per Capita test

PEA Only met Method 4

IDEA Fund Compliance Test

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Pending

Exception Year: 2022

Calculate with allowed exceptions/reductions?

	Overall	Method 1 Local Cost	Method 2 2021 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2021 State and Local Per Capita Cost
2022 Amount		N/A	\$7,938,537.00	N/A	\$12,685.41
Comparison Year Amount		N/A	\$8,134,909.00	N/A	\$12,337.57
Difference		N/A	(\$196,372.00)	N/A	\$347.84
2022 SPED Count				N/A	x 625.8008
Total Difference		N/A	(\$196,372.00)	N/A	\$217,677.97
Status	Met	N/A	Not Met	N/A	Met

The overall test is met in this example because the PEA has passed the Method 4 test. If the PEA submitted test results at this point, the Method 2 value would remain the 2021 AFR value of \$8,134,909.00, and the new Method 4 value would be \$12,685.41 from the 2022 AFR.

Exception B may apply

Decrease in SPED Enrollment



Pending

B: Allowable Exception - Decrease in SPED Enrollment: A decrease in the enrollment of children with disabilities.

FY 2021 SPED 28	-	FY 2022 SPED20	=	SPED Student Decrease
659.3609	-	625.8008	=	33.5601
Student Decrease	X	FY 2021 PPE	=	Total Decrease in SPED
33.5601	X	12337.5666	=	\$414,049.97

If applicable, by checking this box, you certify that this reduction reflects an accurate decrease in enrollment of students with disabilities for your local education agency. This acknowledges that you wish to use this reduction as an exception for purposes of Maintenance of Effort testing.

The PEA can use Exception B – Decrease in SPED Enrollment to decrease the comparison year data for methods 2 and 4 by \$414,049.97.

Test Results with exceptions Applied

IDEA Fund Compliance Test

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Met)

Exception Year: 2022

	Overall	Method 1 Local Cost	Method 2 2021 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2021 State and Local Per Capita Cost
2022 Amount		N/A	\$7,938,537.00	N/A	\$12,685.41
Comparison Year Amount		N/A	\$7,720,859.03	N/A	\$11,709.61
Difference		N/A	\$217,677.97	N/A	\$975.80
2022 SPED Count				N/A	x 625.8008
Total Difference		N/A	\$217,677.97	N/A	\$610,653.65
Status	Met	N/A	Met with Exceptions	N/A	Met

The exceptions are deducted from the comparison year amount. The PEA locks in a new compliance threshold that is \$196,372 lower than the 2021 AFR amount.

Method 2 Exception Applied

IDEA Fund Compliance Method 2

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Met)

Exception Year: 2022

Method 2: Current Year State and Local Actual Amounts Compared to Actual Expenditures for the Last Year Compliance Method 2 is available.

Fiscal Year	State and Local Cost
2022	\$7,938,537.00
2021	\$8,134,909.00
Difference	(\$196,372.00)
2022 Exceptions	\$414,049.97
Adjusted Difference	\$217,677.97
Status	Met with Exceptions

Difference must be \$0.00 or greater to have met this MOE Test

Back

Another way to think of exceptions is that the value is added to the original Method 2 calculation.

As the adjusted difference is greater than \$0.00, the PEA has passed the Method 2 test with Exceptions.

Method 4 Exception applied

IDEA Fund Compliance Method 4

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Met)

Exception Year: 2022

Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2022	\$7,938,537.00	625.8008	\$12,685.41
2021	\$8,134,909.00	659.3609	\$12,337.57
Difference			\$347.84
2022 Exceptions	$\$414,049.97 / 659.3609 =$		\$627.96
Adjusted Difference			\$975.80
Status			Met

As the original Method 4 calculation was greater than \$0.00, the Method 4 test passes with a status of Met.

The PEA would have passed method 4 whether or not exceptions were applied.



MOE Use Case #5:

Pass Method 2, aggregate Test

Pea Only met Method 2

IDEA Fund Compliance Test

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Pending

Exception Year: 2022

Calculate with allowed exceptions/reductions?

	Overall	Method 1 Local Cost	Method 2 2021 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2021 State and Local Per Capita Cost
2022 Amount		N/A	\$178,461.00	N/A	\$13,489.12
Comparison Year Amount		N/A	\$151,860.00	N/A	\$14,126.51
Difference		N/A	\$26,601.00	N/A	(\$637.40)
2022 SPED Count				N/A	x 13.2300
Total Difference		N/A	\$26,601.00	N/A	(\$8,432.75)
Status	Met	N/A	Met	N/A	Not Met

The overall test is met in this example because the PEA has passed the Method 2 test. If the PEA submitted test results at this point, the Method 4 value would remain the 2021 AFR value of \$14,126.51 per pupil, and the new Method 2 value would be \$178,461 for aggregate spending.

Exception B Does not apply

IDEA Fund Compliance Method 4

Fiscal Year: 2023

Entity ID: 92865

LEA (CTDS): BASIS Charter Schools, Inc. (07-82-73-000)

Status: Pending

Exception Year: 2022

Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2022	\$178,461.00	13.2300	\$13,489.12
2021	\$151,860.00	10.7500	\$14,126.51
Difference			(\$637.40)
Status			Not Met

Difference must be \$0.00 or greater to have met this MOE Test

[Back](#)

Exception B doesn't apply in this scenario because the SPED20 count has increased to 13.23 students served since the comparison year 2021 value of 10.75 students.

The PEA must submit additional exceptions to establish \$13,489.10 as the new Method 4 Compliance threshold.

MOE Use Case #6:

2023 AFR value doesn't show any SPED Expenditures

\$0 reported on AFR

IDEA Fund Compliance Test

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Pending

Exception Year: 2022

Calculate with allowed exceptions/reductions?

	Overall	Method 1 Local Cost	Method 2 2020 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2021 State and Local Per Capita Cost
2022 Amount		N/A	\$0.00	N/A	\$0.00
Comparison Year Amount		N/A	\$2,996,347.00	N/A	\$11,991.33
Difference		N/A	(\$2,996,347.00)	N/A	(\$11,991.33)
2022 SPED Count				N/A	x 181.3227
Total Difference		N/A	(\$2,996,347.00)	N/A	(\$2,174,300.89)
Status	Not Met	N/A	Not Met	N/A	Not Met

Amount Owed: \$449,031.05

Repayments: \$0.00

Balance Owed: \$449,031.05

B. M&O SPECIAL EDUCATION PROGRAMS BY TYPE

(A.R.S. § 15-761)

	PROGRAM 200 & 300 BUDGET	PROGRAM 200 & 300 ACTUAL	
1. Total All Disability Classifications	2,803,332		1.
2. Gifted Education	0		2.
3. Remedial Education	0		3.
4. ELL Incremental Costs	0		4.
5. ELL Compensatory Instruction	0		5.
6. Vocational and Technological Education (non-CTED)	0		6.
7. Career Education	0		7.
8. Career Technical Education (CTED programs in 300 range)	0		8.
9. Total (lines 1-8)	2,803,332	0	9.
10. IEP required pupil transportation costs coded within Program 400	0		10.

The PEA must verify the [2023 AFR has been submitted and processed by School Finance](#). Verify there are values entered on page 7 (charters) or page 8 (districts) for All Disability Classifications and IEP-required transportation. A [revision and resubmission of the AFR are required](#).



MOE Use Case #7:

PEA fails all methods, no exceptions can be applied

MOE failure for methods 2 and 4

IDEA Fund Compliance Test

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Pending

Exception Year: 2022

Calculate with allowed exceptions/reductions?

	Overall	Method 1 Local Cost	Method 2 2021 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2019 State and Local Per Capita Cost
2022 Amount		N/A	\$105,178.00	N/A	\$2,915.95
Comparison Year Amount		N/A	\$208,204.00	N/A	\$6,982.00
Difference		N/A	(\$103,026.00)	N/A	(\$4,066.05)
2022 SPED Count				N/A	x 36.0699
Total Difference		N/A	(\$103,026.00)	N/A	(\$146,662.10)
Status	Not Met	N/A	Not Met	N/A	Not Met

Amount Owed: \$67,547.87

Repayments: \$0.00

Balance Owed: \$67,547.87

Comments

LEA Comments

The PEA acknowledges failure to meet MOE Compliance on all tests. It will close the MOE case and repay the amount owed.

Acknowledgement

By checking this box you certify that, to the best of your knowledge, this information is truthful and accurate. Your certification is considered an electronic record with legal effect, validity, and enforceability as defined in S. 2107 of the Government Paperwork Elimination Act.

Submit Cancel Back

Closed Pending Repayment

IDEA Fund Compliance Test

Fiscal Year: 2023

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed Pending Repayment

Exception Year: 2022

	Overall	Method 1 Local Cost	Method 2 2021 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2019 State and Local Per Capita Cost
2022 Amount		N/A	\$105,178.00	N/A	\$2,915.95
Comparison Year Amount		N/A	\$208,204.00	N/A	\$6,982.00
Difference		N/A	(\$103,026.00)	N/A	(\$4,066.05)
2022 SPED Count				N/A	x 36,0699
Total Difference		N/A	(\$103,026.00)	N/A	(\$146,662.10)
Status	Not Met	N/A	Not Met	N/A	Not Met

Amount Owed: \$67,547.87

Repayments: \$0.00

Balance Owed: \$67,547.87

At the conclusion of the MOE Compliance test, ADE/ESS will issue letters with instructions on how to submit payments for PEAs that closed the case and failed all testing methods.

PEAs will use the comparison year amounts for future MOE Eligibility and MOE Compliance values. In this example, the PEA must return to 2021 aggregate spending levels for method 2 and 2019 per capita for method 4.



How Do Exceptions Get Applied in the MOE Test?

Compliance Summary of Exceptions/Reductions Applied

Fiscal Year: 2024

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Met with Exceptions)

Exception Year: 2023

Exceptions/Reductions				
Description	Exception/Reduction Amount	Total Applied Amount	Method 2 Applied (2022)	Method 4 Applied (2022)
A. Special Education Staff Departures	\$425,000.00	\$425,000.00	\$425,000.00	\$425,000.00
B. Decrease in SPED Enrollment	\$715,953.47	\$715,953.47	\$715,953.47	\$715,953.47
C. Termination of Obligations	\$0.00	\$0.00	\$0.00	\$0.00
D. Termination of Costly Long-Term Purchases	\$0.00	\$0.00	\$0.00	\$0.00
E. The Assumption of Cost by the High Cost Fund Operated by the SEA	\$0.00	\$0.00	\$0.00	\$0.00
F. Allowable Adjustment to Local Fiscal Efforts	\$0.00	\$0.00	\$0.00	\$0.00
Total Exceptions/Reductions	\$1,140,953.47	\$1,140,953.47	\$1,140,953.47	\$1,140,953.47

Example: Met with Exceptions

IDEA Fund Compliance Test

Fiscal Year: 2024

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Met with Exceptions)

Exception Year: 2023

	Overall	Method 1 Local Cost	Method 2 2022 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2022 State and Local Per Capita Cost
2023 Amount		N/A	\$642,651.00	N/A	\$5,994.32
Comparison Year Amount		N/A	\$526,768.53	N/A	\$2,804.09
Difference		N/A	\$115,882.47	N/A	\$3,190.23
2023 SPED Count				N/A	x 107.2100
Total Difference		N/A	\$115,882.47	N/A	\$342,024.33
Status	Met with Exceptions	N/A	Met with Exceptions	N/A	Met with Exceptions

Method 2: Exceptions Applied

IDEA Fund Compliance Method 2

Fiscal Year: 2024

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Met with Exceptions)

Exception Year: 2023

Method 2: Current Year State and Local Actual Amounts Compared to Actual Expenditures for the Last Year Compliance Method 2 is available.

Fiscal Year	State and Local Cost
2023	\$642,651.00
2022	\$1,667,722.00
Difference	(\$1,025,071.00)
2023 Exceptions	\$1,140,953.47
Adjusted Difference	\$115,882.47
Status	Met with Exceptions

Difference must be \$0.00 or greater to have met this MOE Test

Method 4: Exceptions applied

IDEA Fund Compliance Method 4

Fiscal Year: 2024

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Met with Exceptions)

Exception Year: 2023

Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2023	\$642,651.00	107.2100	\$5,994.32
2022	\$1,667,722.00	187.8571	\$8,877.61
Difference			(\$2,883.29)
2023 Exceptions	$\$1,140,953.47 / 187.8571 =$		\$6,073.52
Adjusted Difference			\$3,190.23
Status			Met with Exceptions

Difference must be \$0.00 or greater to have met this MOE Test

Example of Exceptions Applied and MOE Failure

Compliance Summary of Exceptions/Reductions Applied

Fiscal Year: 2022

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Not Met)

Exception Year: 2021

Exceptions/Reductions				
Description	Exception/Reduction Amount	Total Applied Amount	Method 2 Applied (2020)	Method 4 Applied (2019)
A. Special Education Staff Departures	\$0.00	\$0.00	\$0.00	\$0.00
B. Decrease in SPED Enrollment	\$2,221.86	\$2,221.86	\$2,221.86	\$2,221.86
C. Termination of Obligations	\$0.00	\$0.00	\$0.00	\$0.00
D. Termination of Costly Long-Term Purchases	\$0.00	\$0.00	\$0.00	\$0.00
E. The Assumption of Cost by the High Cost Fund Operated by the SEA	\$0.00	\$0.00	\$0.00	\$0.00
F. Allowable Adjustment to Local Fiscal Efforts	\$0.00	\$0.00	\$0.00	\$0.00
Total Exceptions/Reductions	\$2,221.86	\$2,221.86	\$2,221.86	\$2,221.86

Method 2 Adjusted Amount Due

IDEA Fund Compliance Method 2

Fiscal Year: 2022

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Not Met)

Exception Year: 2021

Method 2: Current Year State and Local Actual Amounts Compared to Actual Expenditures for the Last Year Compliance Method 2 is available.

Fiscal Year	State and Local Cost
2021	\$61,595.00
2020	\$67,703.00
Difference	(\$6,108.00)
2021 Exceptions	\$2,221.86
Adjusted Difference	(\$3,886.14)
Status	Not Met

Difference must be \$0.00 or greater to have met this MOE Test

Method 4 Adjusted Amount Due

IDEA Fund Compliance Method 4

Fiscal Year: 2022

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Not Met)

Exception Year: 2021

Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2021	\$61,595.00	16.5953	\$3,711.59
2019	\$50,904.00	12.7015	\$4,007.72
Difference			(\$296.12)
2021 Exceptions	\$2,221.86 / 12.7015		\$174.93
Adjusted Difference			(\$121.19)
Status			Not Met

MOE Failure and Amount Owed

IDEA Fund Compliance Test

Fiscal Year: 2022

Entity ID: [REDACTED]

LEA (CTDS): [REDACTED]

Status: Closed (Not Met)

Exception Year: 2021

	Overall	Method 1 Local Cost	Method 2 2020 State and Local Cost	Method 3 Local Per Capita Cost	Method 4 2019 State and Local Per Capita Cost
2021 Amount		N/A	\$61,595.00	N/A	\$3,711.59
Comparison Year Amount		N/A	\$65,481.14	N/A	\$3,832.79
Difference		N/A	(\$3,886.14)	N/A	(\$121.19)
2021 SPED Count				N/A	x 16.5953
Total Difference		N/A	(\$3,886.14)	N/A	(\$2,011.25)
Status	Not Met	N/A	Not Met	N/A	Not Met

Amount Owed: \$2,011.25

Repayments: \$2,011.25

Balance Owed: \$0.00

Establishing new MOE Compliance Standards

If the Method Passes

The MOE Compliance standard changes to the value of the testing year data

IDEA Fund Compliance Method 2

Fiscal Year: 2024
 Entity ID: [REDACTED]
 LEA (CTDS): [REDACTED]
 Status: Closed (Met)
 Exception Year: 2023

Method 2: Current Year State and Local Actual Amounts Compared to Actual Expenditures for the Last Year Compliance Method 2 is available.

Fiscal Year	State and Local Cost
2023	\$397,528.00
2022	\$397,017.00
Difference	\$511.00
Status	Met

Difference must be \$0.00 or greater to have met this MOE Test

If the method fails

The MOE compliance standard remains the comparison year value without the exceptions applied

IDEA Fund Compliance Method 4

Fiscal Year: 2022
 Entity ID: [REDACTED]
 LEA (CTDS): [REDACTED]
 Status: Closed (Not Met)
 Exception Year: 2021

Method 4: Current Year State and Local Actual Amounts Per Capita Compared to the Per Capita Amounts from the Last Year Compliance Method 4 is available.

Fiscal Year	State and Local Cost	SPED Count	State and Local Per Capita Cost
2021	\$61,595.00	16,5953	\$3,711.59
2019	\$50,904.00	12,7015	\$4,007.72
Difference			(\$296.12)
2021 Exceptions	\$2,221.86 / 12,7015		\$174.93
Adjusted Difference			(\$121.19)
Status			Not Met

Using the ESS Budget Planning Tool

State M&O Budget Value should reflect your most recent comparison year value for method 2 or method 4 as established on the FY24 IDEA Maintenance of Effort Compliance test, March 2024.				
FY24 MOE Compliance Method 2 Value:	\$ 3,721,163.00			
FY24 MOE Compliance Method 4 Value:	\$ 9,740.45	x SPED20 Count for FY24	305.9741 =	\$ 2,980,325.42
MOE Compliance Standard Enter this value in cell C4 and E4	\$ 2,980,325.42			

Planning Available Funds and How to Spend in FY24

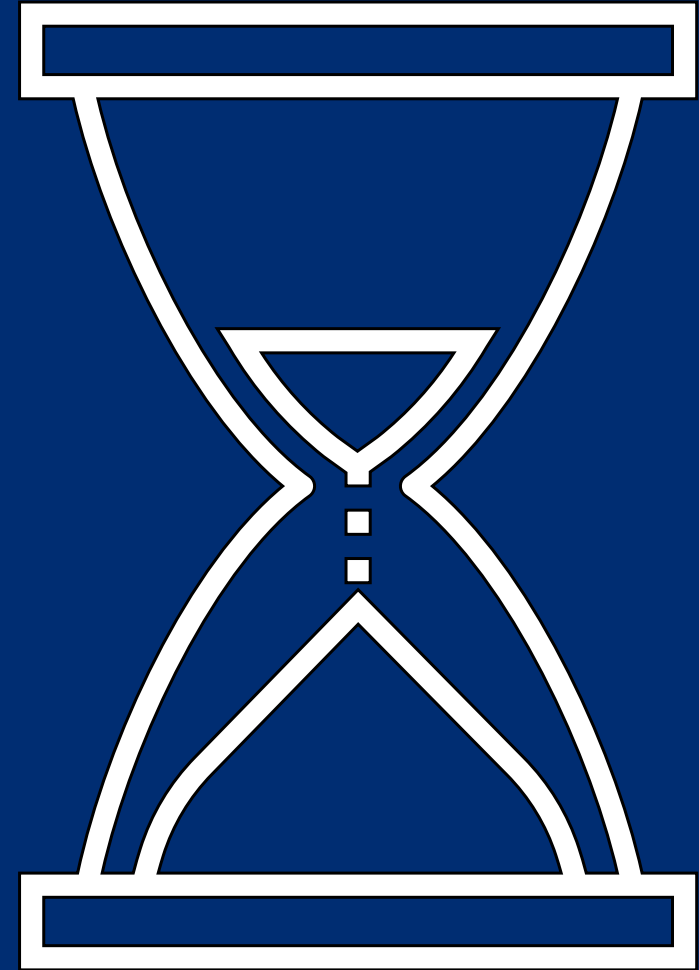
2023-2024 Budget	PEA Name	Expiration of funds	What PEA currently has budgeted (03/01/2023)
	Amount for FY24		
State M&O Budget	\$ 2,985,000.00	6/30/2024	\$ 2,985,000.00
Section 611 FY23 Carryover		9/30/2024	
Section 619 FY23 Carryover		9/30/2024	
Section 611 FY24	\$ 996,932.04	9/30/2025	
Section 619 FY24	\$ 11,716.48	9/30/2025	
Total Available to Spend	\$ 3,993,648.52		\$ 2,985,000.00
Federal Dollars	\$ 1,008,648.52		\$ -
Section 611 (Basic) ages 3-21	\$ 996,932.04		\$ -
Section 619 (Preschool) ages 3-5, including Kindergarten	\$ 11,716.48		\$ -

How Does a SPED Director Plan a Budget?

- Work closely with your Business Manager
- Know your MOE Compliance spending amounts
- Evaluate your needs for staff, services, and supplies/equipment
- Determine which funding source may be used to pay for a given cost
- Consider additional funding sources
 - Desegregation funds
 - Impact Aid
 - Medicaid School-Based Claims
 - ESS Claims (High-Cost Child)

HOW DOES A PEA PRIORITIZE FUNDING?

1. State and local funds (M&O funds that are used to calculate Maintenance of Effort)
2. IDEA Section 619 carryover
3. IDEA Section 611 carryover
4. IDEA Section 619 current year allocation
5. IDEA Section 611 current year allocation
6. ESS Claims Funds (High-Cost Child)



Excess Cost Requirements for IDEA

Excess costs are those costs for the education of an elementary school or secondary school student with a disability that are in excess of the average annual per student expenditure in a PEA during the preceding school year for an elementary or secondary school student. The PEA must spend at least the average annual per student expenditure on the education of an elementary school or secondary school child with a disability before funds under Part B of the Act are used to pay the excess costs for providing special education and related services.

Only allowed costs may be charged to the IDEA grants.

How does the PEA determine Which fund should be used to pay for a SPED Cost?

Questions to consider:

Is the PEA on track to meet MOE
Compliance thresholds?

Is the cost billable for Medicaid-school-
based claims?

Is the PEA planning to submit claims for
HCC or ESEN?

Is it a vacant position the PEA intends to
fill during the fiscal year?

IDEA MOE: Compliance vs. Eligibility

	FY24 Compliance	FY25 Eligibility
Testing Window	March 1-31,2024	July 18-August 16, 2024
Testing Year Data	2023 Annual Financial Report All Disability Classifications and IEP-Required Transportation M&O Only	2025 Adopted Budget All Disability Classifications and IEP-Required Transportation M&O Only
Comparison Year Data	Last MOE Compliance Standard for each methodology (AFR)	Last MOE Compliance Standard for each methodology (AFR)
Consequence of failure	PEA will have to return the amount it failed MOE Compliance, or IDEA and ARP-IDEA funds received in FY23, whichever is less	Delayed substantial approval date for FY25 IDEA grants (Unable to charge the grant from 7/1/2024 until eligibility is established)




Resources




Book an Appointment with ESS Program Management (duplicate)

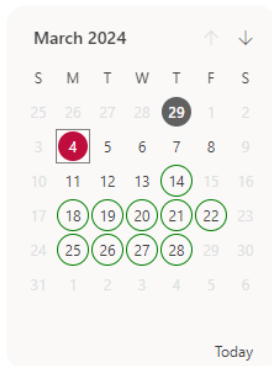
Book time with Trainor, Candice: FY24 IDEA Maintenance of Effort Compliance Testing

Choose a meeting type







 **FY24 IDEA Maintenance of Effort Compliance Testing**
30 MIN
Spend 30 minutes with ESS Program Management to discuss the MOE Compliance test results for your PEA. When setting up the appointment, please include yo...

Available times

 You are available  




Monday, March 04

10:00 AM	
11:00 AM	
11:15 AM	
11:30 AM	
1:00 PM	
1:15 PM	

Next >

Spend 30 minutes with ESS Program Management to discuss the MOE Compliance test results for your PEA. When setting up the appointment, please include your PEA name and CTDS number or Entity ID. Also, feel free to forward your meeting invitation to your colleagues responsible for the IDEA grants or Annual Financial Report submission.



Book FY24 IDEA Maintenance of Effort Compliance Testing 

Mon 3/4/2024 2:15 PM - 2:45 PM
(UTC-07:00) Arizona

Name *

Email *

Notes

Book

ESS Program Management Webinar Series

September 12: ESS Claims

October 3: Proportionate Share and the October 1 Data Collection

January 9: Allowable Costs Under the IDEA

February 13: FY25 IDEA Funding Application

March 1: Maintenance of Effort

April 9: How, When, and What Order to Spend?

May 7: Fiscal Year Wrap-Up

Contact Program Management

ESS Program Management:
www.azed.gov/specialeducation/operations

ESS Program Management
Inbox: essprogmgmt@azed.gov

Candice Trainor,
ESS Director of Finance
candice.trainor@azed.gov

602-542-3398

PEA NAME STARTS WITH	PROGRAM SPECIALIST	NUMBER
A-C	Nancy Chavarin	602-542-3270
D-K	Tanya Rodriguez	602-542-4610
L-Q	Tanya Rodriguez	602-542-4610
R-Z	Nancy Chavarin	602-542-3270