



WYOMING STATE DEPARTMENT OF EDUCATION

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# LEA Maintenance of Effort (MOE) Manual

## Table of Contents

|                                                                                            |    |
|--------------------------------------------------------------------------------------------|----|
| Overview and Authority.....                                                                | 1  |
| Applicability of Procedures to Eligible LEAs, Including Eligible Charter School LEAs ..... | 2  |
| Four Methods for Calculating LEA MOE .....                                                 | 3  |
| LEA MOE Standards .....                                                                    | 4  |
| Eligibility Standard.....                                                                  | 4  |
| Compliance Standard .....                                                                  | 4  |
| WDE Local and State Funding Sources.....                                                   | 4  |
| Historical LEA MOE Data .....                                                              | 5  |
| Subsequent Years Rule.....                                                                 | 5  |
| Intervening Years .....                                                                    | 5  |
| Allowable LEA MOE Exceptions .....                                                         | 6  |
| LEA MOE Exceptions.....                                                                    | 6  |
| MOE Exception Calculation and Documentation.....                                           | 6  |
| MOE Exception per Capita Methods.....                                                      | 7  |
| MOE Exception Examples.....                                                                | 7  |
| Adjustment to LEA MOE .....                                                                | 11 |
| Notification to LEAs of IDEA Part B Section 611 Subgrant Amounts .....                     | 11 |
| Eligibility for an Adjustment to LEA MOE.....                                              | 12 |
| MOE Adjustment Calculation and Documentation.....                                          | 12 |
| WDE LEA MOE Tests .....                                                                    | 14 |
| MOE Eligibility Test and Data Collection .....                                             | 14 |
| MOE Compliance Test and Data Collection .....                                              | 15 |
| LEA MOE Failure.....                                                                       | 16 |
| Notification of MOE Eligibility Failure .....                                              | 16 |
| Notification of MOE Compliance Failure.....                                                | 16 |
| Calculation of the LEA MOE Shortfall and Repayment Amount .....                            | 16 |
| Repayment to the U.S. Department of Education .....                                        | 17 |
| Recovery of Funds From an LEA for Repayment to the U.S. Department of Education.....       | 17 |
| Storage .....                                                                              | 17 |

## WDE LEA MOE Manual

|                                                        |    |
|--------------------------------------------------------|----|
| WDE LEA MOE Data Reporting Procedures .....            | 18 |
| Process for Training and Communicating With LEAs.....  | 20 |
| Timeline and Due Dates for LEAs and/or WDE Staff ..... | 21 |
| Appendices.....                                        | 22 |
| Appendix A: LEA MOE Notification to LEAs.....          | 22 |

## Overview and Authority

Any local educational agency (LEA) receiving an IDEA Part B subgrant from the state educational agency (SEA) is required, pursuant to IDEA's LEA Maintenance of Effort (MOE) regulations, to budget and spend at least the same amount of local—or local and state—funds for the education of children with disabilities on a year-to-year basis. The required LEA MOE levels for budgeting and spending are referred to, respectively, as the *eligibility standard* and the *compliance standard*.

The purpose of these state-level procedures is to define expectations and activities for monitoring the LEA MOE requirements. Although LEAs are responsible for budgeting and spending the same amount of local—or local and state—funds, the SEA has an obligation to monitor whether LEAs are meeting those requirements and to track and report that information to the federal government. This document outlines SEA procedures for implementing the LEA MOE requirements.

The Individuals with Disabilities Education Act (IDEA) federal regulations 34 CFR §§ [300.203](#), [300.204](#), and [300.205](#) establish authority for the LEA MOE requirements.

## Applicability of Procedures to Eligible LEAs, Including Eligible Charter School LEAs

LEAs that are responsible for providing a free appropriate public education (FAPE) to children with disabilities under IDEA may be eligible to receive IDEA subgrants and must comply with LEA MOE requirements. The LEA MOE eligibility and compliance standards apply to all eligible LEAs in the state, including charter school LEAs. Under IDEA, charter schools that are not LEAs under state law are not eligible for an IDEA subgrant ([34 CFR § 300.209](#)). In general, SEA allocates subgrants to charter school LEAs in the same manner that it allocates subgrants to other LEAs in the state. Each eligible LEA that receives an IDEA Part B subgrant is responsible for complying with the LEA MOE eligibility and compliance standards.

In Wyoming, an LEA is defined as a public authority legally constituted by the state as an administrative agency to provide control of and direction for kindergarten through 12th grade public educational institutions ([W.S. 21-24-102\[a\]\[viii\]](#)). Wyoming currently has five charter schools that operate under the LEA in which they are located. **In the event this may change, the SEA will update current policy.**

## Four Methods for Calculating LEA MOE

There are four calculation methods by which an LEA can meet the LEA MOE requirements (34 CFR § 300.203[a]-[b]):

- local funds only
- combination of local and state funds
- local funds only on a per capita basis
- combination of local and state funds on a per capita basis

Each LEA has the opportunity to meet the LEA MOE requirements by any of the four calculation methods.

# LEA MOE Standards

## Eligibility Standard

For the eligibility standard, each LEA reports its projected budgets from state or local and state funds for the education of students with disabilities for the upcoming fiscal year to the SEA ([34 CFR §§ 300.203\[a\]\[1\]](#)).

In Wyoming, LEAs submit their MOE eligibility data through the IDEA Part B Consolidated Application, which is open on May 1. This must be submitted by July 1 and approved by September 30 each year. On an annual basis, the WDE Senior Fiscal Analyst reviews the LEA IDEA Part B Consolidated Application to determine whether each LEA met the LEA MOE eligibility standard. LEAs meet the standard by budgeting at least the same amount of local or local and state funding for special education as the LEA expended in the most recent year for which information is available. The WDE Senior Fiscal Analyst copies the MOE budget data to the LEA MOE Calculator for the eligibility test.

Because the application is due annually in June, LEAs report the per capita estimated budget for the upcoming fiscal year using the projected child count for the upcoming school year.

## Compliance Standard

The WDE School Foundation Team Education Consultant submits a report called the “IDEA MOE Verification Report” received from LEAs to the WDE Senior Fiscal Analyst in December. Special Education expenditures are fully reimbursable in Wyoming. So, the “401 Expenditures Report” is the state special education reimbursement report that tracks state funds reimbursement to LEAs for expenditures incurred for the education of students with disabilities during a fiscal year. The WDE Senior Fiscal Analyst copies the IDEA MOE Verification Report by district/LEA to the LEA MOE calculator for the compliance test that is completed each year in spring.

To monitor the validity of LEA MOE expenditures data reported by LEAs to the WDE for the reimbursement of state funds, the WDE Senior Fiscal Analyst relies on the single audit report to identify whether there is a finding related to LEA MOE. The School Foundation receives and compiles the Single Audit Report and works with the WDE Senior Fiscal Analyst to issue a letter of audit findings with recommended corrective action plans.

## WDE Local and State Funding Sources

In Wyoming, local funds are collected by local counties and redistributed to LEAs through the special education reimbursement process. Therefore, the funds reported for LEA MOE purposes include local and state funds. The WDE funds LEAs with a combination of state tax revenue, mineral income, and local property taxes earmarked for education, collected by the county office, sent to the state, and redistributed to LEAs.

The [Wyoming School District Accounting Manual](#) defines revenue from local sources as the amount of money earned, raised, and collected within the boundaries of the school district and available to the district. It includes money collected by another governmental entity (the County Treasurer) as an agent of the school district. This classification also includes shared revenue, which may be levied by another school district but is due to the district for services performed. Therefore, MOE local funds expenditures are defined as expenditures paid from local revenue sources for the education of students with disabilities.

LEAs submit their 401 Expenditures Report to the School Foundation. Once the School Foundation receives the expenditure report, it breaks down the funds between local and state funds used to measure local funds expenditures for MOE purposes.

## Historical LEA MOE Data

The WDE maintains historical data on LEA MOE compliance standard status, expenditures, exceptions, adjustments, and counts of children with disabilities from 2010/11 to the present within the [LEA MOE Calculator](#).

## Subsequent Years Rule

The WDE applies the subsequent years rule ([34 CFR § 300.203\[c\]](#)) to determine the LEA MOE amount for the eligibility and compliance standard that must be met by the LEA for each calculation method. This rule states that the level of expenditures required of the LEA for the fiscal year subsequent to the year of a failure is the amount that would have been required in the absence of that failure, not the LEA's reduced level of expenditures. The comparison year for the eligibility and compliance standard is the most recent fiscal year for which there is information demonstrating that the LEA met the LEA MOE compliance standard (i.e., expenditures) for a specific method.

The WDE uses historical expenditures data and LEA MOE compliance decisions to determine the most recent year(s) for which the LEA met LEA MOE by each calculation method. These years are used as the comparison years for the eligibility standard. Because the LEA may meet LEA MOE in different years with different methods, there may be more than one comparison year.

## Intervening Years

When there are years between the comparison year (i.e., the last time an LEA met the LEA MOE compliance standard using a specific method) and the current year, the WDE must allow the LEA to take allowable exceptions and adjustments for the intervening years.



# Allowable LEA MOE Exceptions

## LEA MOE Exceptions

Per [34 CFR § 300.204](#), an LEA may reduce its level of expenditures of local only or local and state funds below the level of those expenditures for the preceding fiscal year for any of the following reasons:

- The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.
- A decrease in the enrollment of children with disabilities.
- 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 has left the jurisdiction of the agency; has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or no longer needs the program of special education.
- The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.
- The assumption of cost by the high-cost fund operated by the SEA under [34 CFR § 300.704\(c\)](#)

Allowable exceptions may be applied in calculating both the eligibility and compliance standards, but requests must be made for each standard separately. The Senior Fiscal Analyst approves or denies requested exceptions based on the documentation provided by the LEA. The WDE notifies the LEA of these decisions.

## MOE Exception Calculation and Documentation

The following are the requirements if an LEA applies allowable exceptions to its LEA MOE eligibility calculation:

- The LEA is expected to provide documentation of exceptions during the submission of the IDEA Part B Consolidated Application.
- The exception expected to occur during the upcoming fiscal year will be applied to compare the budget to the MOE threshold under a specific method.
- The LEA must provide this documentation at the same time it submits its budget to the Senior Fiscal Analyst by **July 1**.

The MOE compliance test is conducted in March, and LEAs are notified of the outcome by March 31 (see Appendix B). LEAs that initially fail the MOE compliance test based on the

number obtained from the 401 Expenditures Reports are given the opportunity to apply for an exception and submit supporting documentation. The following are the requirements if an LEA applies allowable exceptions to its LEA MOE compliance calculation:

- The LEA must provide documentation to support each allowable exception to its required LEA MOE levels within 2 weeks of the notification and no later than **April 15**.
- The Senior Fiscal Analyst reviews the documentation to make a determination within 15 days of receiving the LEA's documentation.
- The Senior Fiscal Analyst approves, denies, or requests additional documentation from the LEA within 15 days of receiving the LEA's documentation.

An approved exception for the LEA MOE eligibility standard does not eliminate the need to submit justification for the LEA MOE compliance standard. An exception may be requested even if the request was not made for the LEA MOE eligibility standard for that year.

## MOE Exception per Capita Methods

The following sections describe how to calculate the exception amounts for the two total methods (i.e., local only total or local and state total). To derive the exception amounts for the per capita methods for each year, the sum amounts across all exceptions are divided by the December 1 child count from the last year in which the LEA MOE compliance standard was met using the same per capita method (i.e., local per capita or local and state per capita). If there are intervening years, the WDE sums together the per capita exception amounts for current and intervening years.

## MOE Exception Examples

### Exception A: Voluntary Departure

- How to calculate the total methods' exception amount: Subtract the replacement personnel salary and benefits from the salary and benefits of the departed personnel.

Example:

- FY 2019/20 retired/departed personnel salary and benefits: \$65,000
  - FY 2020/21 new personnel salary and benefits: \$45,000
  - FY 2020/21 MOE exception amount: (\$65,000–\$45,000) or \$20,000
- Documentation required for MOE compliance exceptions: The LEA must provide documentation of the departing special education staff's employment for the previous year, including final year salary and benefits. Documentation must include the reason for the voluntary or for-cause departure, the universal staff identification number for the departing and replacement staff member, and the starting year salary and benefits for the replacement staff.

- Documentation required for MOE eligibility exceptions: The LEA must provide projected numbers for departing special education and related services personnel, including reasons for the anticipated voluntary or for-cause departure. The LEA should submit an estimate of the difference between the departing staff's salary and benefits, and those for a replacement based on recent hiring trends.

#### **Exception B: Decrease in Enrollment**

- How to calculate the total methods' exception amount: Determine the percentage change in enrollment by subtracting the December 1 child count of IDEA Part B eligible children ages 3 through 21 for the current year from the prior year December 1 count and then dividing by the prior year December 1 child count. To obtain the exception amount, apply that percentage to the total expenditures reported for LEA MOE (i.e., local total and local and state total) in the prior fiscal year.

Example:

- FY 2019/20 Dec 1 child count: 100
  - FY 2020/21 Dec 1 child count: 90
  - FY 2020/21 Percentage change of child count:  $[(100-90)/90]$  or 11.1%
  - FY 2019/20 MOE total expenditures: \$500,000
  - FY 2020/21 MOE exception amount:  $(\$500,000 * 11.1\%)$  or \$55,555
- Documentation required for MOE compliance exceptions: The child count data are collected from LEAs and reported on the WDE684. The Data Analyst on the Data Collection/Reporting Team oversees this process. The Senior Fiscal Analyst obtains the child count data from the WDE684 report. The data are also gathered in the MOE Report received by the School Foundation team responsible for separating local total and local per capita expenditures.
  - Documentation required for MOE eligibility exceptions: The LEA must provide an estimate of the change in the projected December 1 child count for IDEA Part B eligible children (ages 3 through 21), including a justification for anticipated decline. As with the above, the LEA must submit all elements used in the calculation of the anticipated exception amount.

#### **Exception C: Exceptionally Costly Program**

- Definition: "Exceptionally Costly Program" is defined as a program agreed to by the individualized education program (IEP) team for any child with a disability for which the associated cost is greater than two times the statewide average per pupil expenditure as determined in the prior fiscal year.
- How to calculate total methods' exception amount: The amount expended for the exceptionally costly program in the prior fiscal year is the exception amount.

- Documentation required for MOE compliance exceptions: For each child, the LEA must provide the final cost of the exceptionally costly program for the prior year, the student ID, and the student's IEP that prescribed the program as well as a rationale as to why the program was terminated (e.g., the child left the agency's jurisdiction, the child aged out, the program is no longer needed). If the program is no longer needed for the child, the LEA must provide the current completed IEP to demonstrate that the program ended with agreement from the IEP team (including the child's parents) and that the child is continuing to receive FAPE if still eligible for special education and related services.
- Documentation required for MOE eligibility exceptions: The LEA must provide documentation (as described above) of the exceptionally costly program for the prior year as well as a rationale as to why the program will be terminated for the upcoming year.

#### **Exception D: Termination of Costly Expenditures for Long-Term Purchases**

- Definition: A "Costly Expenditure" is an expenditure over \$75,000 that is approved by the state. "Long-Term" is defined as any period of time for an expenditure that occurs over at least 2 fiscal years, such as acquisition costs for specialized equipment or construction costs for a specialized facility improvement.
- How to calculate total methods' exception amount: The amount expended for the long-term costly expenditure in the last fiscal year is the exception amount. Note that if payments are made over a period of years, the exception amount is not the full amount of the purchase. Rather, it is the payment made in the last fiscal year.

Example:

- Total amount: \$200,000
- FY 2019/20: \$130,000
- FY 2020/21: \$70,000
- Allowable exception in 2021/22: \$70,000
- Documentation required for MOE compliance exceptions: The LEA must provide a description of the costly expenditure and the rationale for counting the expenditure as a part of LEA MOE (i.e., how the expenditure supports the education of children with disabilities and how it was paid from local or state funds). Documentation must include all applicable expenditures (invoices), by year (if payments are made over multiple years), and the pre-approval letter provided by the WDE.
- Documentation required for MOE eligibility exceptions: As above, the LEA must provide a description, a rationale for counting the expenditure as a part of LEA MOE, and the cost estimate and projected date for the termination of the expenditure.

### Exception E: SEA High-Cost Fund

- How to calculate total methods' exception amount: The amount covered by IDEA funds from the high-cost fund operated under [34 CFR 300.704 \(c\)](#) in the year the cost was first assumed by the high-cost fund is the exception amount. Expenditures covered by local and state funds are not part of the exception amount.
- Documentation required for MOE compliance exceptions: Under the high-cost fund procedures, an LEA must apply and be approved for use of funds from the high-cost fund prior to requesting this as an exception for LEA MOE. The LEA must submit its high-cost fund approval letter and disbursement (or reimbursement) notice from the SEA as documentation that the expenditure was approved and that the LEA received IDEA Part B funds from the SEA's high-cost fund.
- Documentation required for MOE eligibility exceptions: The LEA should submit the child's IEP specifying the services and an estimate of the costs to demonstrate that the circumstance will meet the criteria of the high-cost fund. If the prior year's cost for that child is available, the LEA may submit it as supporting evidence that the anticipated expenditure will meet the high-cost fund criteria.

**Note.** The WDE does not currently have a high-cost fund. **In the event this may change, the SEA will update current policy.**

## Adjustment to LEA MOE

Per [34 CFR § 300.205](#), for any fiscal year for which the 611 allocation received by an LEA exceeds the 611 allocation amount received for the previous fiscal year, the LEA may reduce the LEA MOE level of expenditures by not more than 50 percent of the amount of that excess.

Each LEA that intends to use the LEA MOE adjustment to reduce its required level of expenditures must use the funds made available according to specific requirements. The LEA must submit an assurance in its annual LEA application for IDEA Part B funds that the LEA will use an amount of local or local and state funds equal to the amount of the LEA MOE adjustment to carry out activities that could be supported with funds under the Every Student Succeeds Act (ESSA) regardless of whether the LEA is using funds under ESSA for those activities.

The following is a list of ESSA programs:

- Title I: Improving Basic Programs Operated by Educational Agencies
- Title II: Preparing, Training, and Recruiting High-Quality Teachers, Principals, and Others
- Title III: Language Instruction for English Learners and Immigrant Students
- Title IV: 21st Century Schools, Student Support, Community Learning Centers, and More
- Title V, Part B: Flexibility and Accountability—Rural Education Initiative
- Title VI: Indian, Native Hawaiian, and Alaska Native Education
- Title IX, Part A: Homeless Children and Youth
- Title IX, Part B: Preschool Development Grant

If the LEA is using funds under ESSA for those activities, the LEA will use the funds made available by the LEA MOE adjustment to supplement ESSA funds and not to supplant those funds.

## Notification to LEAs of IDEA Part B Section 611 Subgrant Amounts

Annually, by July 1, the WDE posts the amount of the IDEA Part B Section 611 subgrant for the following year for each LEA in the SEA's online Grants Management System (GMS).

The SEA Senior Fiscal Analyst calculates Part B subgrant amounts for Section 611 and Section 619 for each LEA, obtains approval from the WDE Special Education Director, and notifies LEAs of their subgrant. The change from the previous year's allocations is made available in the WDE website and the GMS.

## Eligibility for an Adjustment to LEA MOE

An LEA must receive a determination of “Meets Requirements” in order to use an LEA MOE adjustment to reduce its required level of expenditures. The Senior Fiscal Analyst obtains data regarding the LEA determination from the outside contractor to determine eligibility of the LEA requesting the MOE adjustment. Currently, Data Driven Enterprises, a third-party contractor, is responsible for making LEA annual determinations

An LEA identified as having significant disproportionality based on race and ethnicity may not reduce its required level of expenditures with an LEA MOE adjustment because it must reserve 15 percent of its allocation for Comprehensive Coordinated Early Intervening Services (CCEIS). The Special Education Services Administrator is responsible for determining by April 30 of each year whether each LEA has significant disproportionality. The Senior Fiscal Analyst obtains a list of LEAs identified with significant disproportionality from the Special Education Services Administrator.

### Informing an LEA About Eligibility for an LEA MOE Adjustment (34 CFR § 300.205)

All LEAs are notified of a potential eligibility for an LEA MOE adjustment when the allocation amounts are sent. This will allow the LEA to plan for it during the upcoming fiscal year when the adjustment will be applied.

### Interaction of the LEA MOE Adjustment With Funds Used for Coordinated Early Intervening Services (CEIS)

An LEA indicates in the GMS whether it intends to use IDEA funds for voluntary CEIS. If the LEA intends to use both the LEA MOE adjustment and voluntary CEIS, the WDE will validate the maximum amount available for each and notify the LEA of those amounts.

## MOE Adjustment Calculation and Documentation

The following are the requirements if an LEA applies for the MOE adjustment to its LEA MOE eligibility calculation:

- The LEA is expected to provide a narrative of the MOE budget reduction that will be reallocated to ESSA activities during the submission of the IDEA Part B Consolidated Application.
- The LEA must provide this justification and documentation at the same time it submits its MOE budget to the Senior Fiscal Analyst by **July 1**.

The following are the requirements if an LEA applied for the MOE adjustment to its LEA MOE compliance test:

- The Senior Fiscal Analyst indicates during the MOE compliance test whether an LEA used the LEA MOE adjustment to reduce the level of expenditures required to meet the LEA MOE requirements and reports the amount of the adjustment.
- The LEA must provide documentation showing expenditures incurred for ESSA activities to support the adjustment to its required LEA MOE levels within 2 weeks of the notification and no later than **April 15**.
- The Senior Fiscal Analyst reviews the documentation to make a determination within 15 days of receiving the LEA's documentation.
- The Senior Fiscal Analyst approves, denies or requests additional documentation from the LEA within 15 days of receiving the LEA's documentation.

When an LEA uses the LEA MOE adjustment, the LEA indicates in the GMS whether it will use IDEA funds for voluntary CEIS. If the LEA uses both the LEA MOE adjustment and IDEA funds for voluntary CEIS, the Senior Fiscal Analyst determines the maximum amount that can be applied for both the CEIS and LEA MOE adjustment, which is the lesser of the two amounts.

**Example:**

- FY 2019/20 611 Allocation: \$2,000,000
- FY 2020/21 619 Allocation: \$200,000
- FY 2020/21 611 Allocation: \$2,200,0000
- 611 Allocation Increase: \$200,000
- LEA MOE Allowable Adjustment: \$100,000 (50% of \$200,000)
- Eligible Voluntary CEIS Amount: \$360,000
- Maximum amount when using both CEIS and LEA MOE adjustment is \$200,000 (the lesser of the two amounts)



# WDE LEA MOE Tests

## MOE Eligibility Test and Data Collection

LEAs submit the MOE budgets through the IDEA Part B Consolidated Application. The Senior Fiscal Analyst reviews all budgets submitted by an LEA. The budgeted amounts are reported and added to the LEA MOE calculator. If an LEA does not meet the eligibility requirement, the Senior Fiscal Analyst returns the application for the district to update the budgeted amount.

**Figure 1. Screenshot of the Maintenance of Effort tab within the IDEA Part B Consolidated Application**

| Overview                          | Program Detail                    | Budget Pages               | End of Year Reporting                          | Additional Comments                    | Page Lock Control      |
|-----------------------------------|-----------------------------------|----------------------------|------------------------------------------------|----------------------------------------|------------------------|
| Planned Activities                | Private/Home School Participation | Staff                      | Maintenance of Effort                          | Coordinated Early Intervening Services |                        |
| Maintenance of Effort Eligibility | Expenditures for Child Count      | Expenditures for Personnel | Expenditures for Exceptionally Costly Programs | Expenditures for Property              | Expenditures for Other |

**Maintenance of Effort** Instructions

**LEA Maintenance of Effort Requirement (MOE): 34 CFR 300.203**  
 Any local educational agency (LEA) receiving an IDEA Part B subgrant is required by the IDEA's LEA maintenance of effort (MOE) regulations to budget and spend at least the same amount of local - or state and local - funds for the education of children with disabilities on a year-to-year basis. The required LEA MOE level for budgeting and spending are referred to, respectively, as the "eligibility standard" and the "compliance standard".

**Determining Eligibility for IDEA Part B Funding (Eligibility Standard)**  
 To be eligible for an IDEA grant an LEA must budget enough local - or state and local - funds for special education to pass at least one of the four MOE calculation methods in its applicable comparison year. The comparison year for the eligibility standard is the most recent fiscal year for which there is information demonstrating that the LEA met the MOE compliance standard for a specific method.

**MOE Exceptions: 34 CFR 300.204:**  
 There are some exceptions that allow for a reduction in an LEA's MOE expenditures. The reduction must be attributed to one or more of the circumstances described in the Exceptions tabs. Enter any applicable exceptions on the appropriate Exceptions tab.

**Child Count:**  
 Enter Projected Number of Children with Disabilities for School Year 2022-2023:  (3-21 Child Count)  \*\* Go to the "Exception for Child Count" tab to determine if you qualify for an exception.  
 Prior Year Child Count:

**MOE Table:**  
 Review the Comparison Year information and then enter the budgeted amounts in the table below for School Year:   
 - Do not include any state or local funds budgeted for coordinated early intervening services (CEIS) as those funds are not used for providing special education and related services.  
 - Do not include any Federal IDEA, Impact Aid, Medicaid or other Federal program funds budgeted for special education.

**\* Restriction:** A LEA that wants to use the local funds only methods must be able to provide auditable data to distinguish between local and state funds.

|                                            | COMPARISON YEAR | ACTUAL        | *BUDGETED FY 2022-2023 | DIFFERENCE (Budgeted minus Actual) | TOTAL EXCEPTIONS | ELIGIBLE |
|--------------------------------------------|-----------------|---------------|------------------------|------------------------------------|------------------|----------|
| 1. State and Local Expenditures            | 2021            | \$ 35,783,927 | \$ 33,379,847          | \$ 2,594,920                       |                  | Yes      |
| 2. State and Local Expenditures per Capita | 2021            | \$ 19,448     | \$ 20,041              | \$ 593                             |                  | Yes      |

**\*Note:** The amounts reported above should be expenditures, not revenues. Do not include state or local funds used for CEIS, Federal IDEA, Impact Aid, or Medicaid expenditures in the actual or budgeted amounts. Options 1 and 3, for Local Expenditures, are not available for the WDE.

**Compliance Standard for MOE**  
 A final analysis of an LEA's MOE compliance does not occur until after the fiscal year has closed. The standard for determining whether the MOE requirement has actually been met in a fiscal year is based on actual special education expenditures compared to the applicable comparison fiscal year levels. Please be aware that the compliance comparison year may be the prior fiscal year's level of expenditures which were not established at the time that funds were budgeted to meet the eligibility standard.

**Non-Compliance with MOE**  
 If non-compliance is determined the LEA will be required to pay the amount it fell below the MOE requirement from non-federal funds to the Wyoming Department of Education. The MOE method most favorable to the LEA will be used to determine the payment amount.

Please upload evidence of the LEA's Special Education budget that includes both local and state funding.  
 No file chosen

**Uploaded Files**  
 Copy of 2022\_Budget\_Detail\_1101000 (1)-20220812034736-1101000aburkhardt.xlsx  
 Final\_FY22\_Budget\_Book\_7-12-21p-20220812034731-1101000aburkhardt.pdf

Expenditures data used for determining whether the LEA met the LEA MOE eligibility are collected through the WDE 401 Expenditures Report submitted to the School Foundation. The School Foundation updates the report and generates the IDEA MOE Verification Report. This report is sent to the WDE Senior Fiscal Analyst, who incorporates expenditures data from the IDEA MOE Verification Report into the LEA MOE calculator. LEAs are required to submit the 401 Expenditures Report by August 12, as data validation is completed by October. If there are issues that need clarification or issues that arise through the single audit, it will be addressed accordingly.

LEAs can meet the MOE test using the following:

- total local and state funds
- local and state funds per capita
- total local funds
- local funds per capita

The LEA MOE Calculator includes historical expenditures data, and the LEA provides budgeted amounts that the WDE uses to do the test.

## MOE Compliance Test and Data Collection

LEAs submit their 401 Expenditures Report to the School Foundation team. Once the School Foundation team receives the expenditures reports, the School Foundation breaks down the funds between local and state funds. This report is sent to the Senior Fiscal Analyst, who reviews each district's expenditures and child count each year to complete the MOE calculations.

The final "MOE Calculator" includes the final expenditures for the completed state fiscal year and documentation for exceptions and adjustments for the following:

- local and state funds
- local and state funds per capita
- local funds only
- local per capita

LEAs are notified of their MOE compliance test result by the Senior Fiscal Analyst (see Appendix B). The review of potential LEA MOE failure is typically completed in early March. LEAs must submit allowable exceptions or correct expenditures information within 30 days of the initial notification. If the LEA is not able to demonstrate MOE compliance, it must pay back an amount equivalent to the failure to the WDE within 45 days of initial notification.

## LEA MOE Failure

### Notification of MOE Eligibility Failure

An LEA that fails to meet the LEA MOE eligibility during budget submission is not eligible to receive an approval of their IDEA Part B application until the budget is amended to comply with the MOE eligibility requirement. The Senior Fiscal Analyst will disapprove the application with a note requesting a budget amendment.

### Notification of MOE Compliance Failure

The Senior Fiscal Analyst notifies each LEA of its LEA MOE compliance result by sending one of three possible letters/emails prior to **April 15** of each year. The letter includes the compliance decision for the most recent state fiscal year for which there are final fiscal data (for each calculation method, as applicable) and the amount required to meet the LEA MOE compliance. If an LEA did not meet the compliance standard for any method in the compliance year, the notice includes the repayment amount, and the specific process and deadline for remitting payment to the WDE.

The Senior Fiscal Analyst also follows up with a technical assistance call to each LEA that did not meet the compliance standard by any of the four calculation methods.

### Calculation of the LEA MOE Shortfall and Repayment Amount

As detailed in earlier sections, the WDE determines the amount required to meet the LEA MOE compliance standard for each of the four calculation methods (34 CFR §§ 300.203[b][2]). For each LEA that fails to meet the LEA MOE compliance standard, the WDE subtracts the amount the LEA expended from the amount required to meet the LEA MOE compliance standard to determine the LEA MOE shortfall for each of the four methods for which amounts are available.

To calculate the shortfall for the two per capita methods, the WDE subtracts the amount the LEA expended per capita from the amount required to meet the LEA MOE compliance standard for that method and then multiplies the result by the child count for that year.

The Senior Fiscal Analyst sums the Section 611 and Section 619 subgrants to arrive at the total IDEA Part B subgrant amount received by the LEA in the state fiscal year in which the failure occurred. The lowest of five amounts—the total IDEA Part B subgrant and the shortfall from each of the four methods—is the amount the SEA must submit to the U.S. Department of Education for that LEA.

## Repayment to the U.S. Department of Education

The WDE determines the total of repayment amounts for all LEAs that failed LEA MOE compliance and makes one payment to the U.S. Department of Education by May 1 after compliance determinations are made. For payments of \$100,000 or more, the Senior Fiscal Analyst uses the FED-WIRE system and must request instructions to submit the wire payment from the Wyoming OSEP state lead. The Senior Fiscal Analyst fills out the form and sends a copy of the form to OSEP along with a cover letter stating that these funds are being sent to pay back the federal government for the failure of an LEA (or LEAs) to meet LEA MOE and that they are nonfederal funds or funds for which accountability to the federal government is not required.

For payments less than \$100,000, the WDE submits a check to a “lock box” at the following address:

U.S. Department of Education  
P.O. Box 979053 St. Louis, MO 63197-9000  
ATTN: Accounts Receivable Group/OCFO

The Senior Fiscal Analyst retains copies of either the FED-WIRE form or the check, along with the cover letter.

## Recovery of Funds From an LEA for Repayment to the U.S. Department of Education

The WDE recovers nonfederal funds from an LEA that fails LEA MOE. The Senior Fiscal Analyst notifies the LEA in writing of the repayment amount and requests repayment from the LEA of those funds within 90 days of receipt of the letter. The LEA must submit a check to the WDE for the repayment amount and include a cover letter stating that the funds are for repayment of funds due to IDEA LEA MOE failure and that they are either not federal funds or not federal funds for which accountability is required. The cover letter must identify the state fiscal year in which the LEA did not meet LEA MOE compliance.

## Storage

Information pertaining to repayments (including the FED-WIRE transfer or check, the date sent and the amount, and the date LEA recovery funds received and the amount) are entered in an LEA MOE tracking spreadsheet. The spreadsheet, along with all accompanying documentation, is stored by the Senior Fiscal Analyst.

## WDE LEA MOE Data Reporting Procedures

The Senior Fiscal Analyst receives the LEA MOE data in November from School Foundation. The Senior Fiscal Analyst is responsible for compiling and reporting LEA MOE-related data elements to the EMAPS IDEA Part B MOE Reduction and CEIS data collection. Table 1 shows the dates for when the following elements are final and their sources:

- Part B 611 and 619 allocations
- LEA determination and the school year in which the determination was made
- LEA MOE adjustment amount
- significant disproportionality
- voluntary/required CEIS amount
- LEA MOE compliance determination
- repayment amount

**Table 1. Data Elements Required for the EMAPS IDEA Part B MOE Reduction and CEIS Data Collection**

| Data Element Required for Each LEA                    | Date Finalized | Responsible Party     |
|-------------------------------------------------------|----------------|-----------------------|
| IDEA Part B 611 allocation (2 years)                  | April          | Senior Fiscal Analyst |
| IDEA Part B 619 allocation                            | April          | Senior Fiscal Analyst |
| Significant disproportionality                        | April          | Data Reporting Team   |
| CEIS Amount                                           | April          | Senior Fiscal Analyst |
| Determination and school year of determination        | May 1          | Data Reporting Team   |
| LEA MOE adjustment amount                             | May 1          | Senior Fiscal Analyst |
| LEA MOE compliance determination and repayment amount | May 1          | Senior Fiscal Analyst |
| SEA repayment date                                    | May 1          | Senior Fiscal Analyst |

1. Prior to compiling the data, the Senior Fiscal Analyst will work with the Data Reporting Team to identify any changes from the prior year to the EMAPS User Guide: IDEA Part B MOE Reduction and CEIS.
2. The Senior Fiscal Analyst collects the LEA MOE-specific data elements (adjustment amount, compliance determination, repayment amount and date) and CEIS amount from the LEA application and submits the MOE report.
3. Data compilation and preparation are done in March and April of each year. After compilation, the required LEA MOE data elements are stored by the Senior Fiscal Analyst. These files are to be maintained indefinitely. The Senior Fiscal Analyst is responsible for maintaining these data elements.
4. Prior to submitting the approved data to EMAPS, the Senior Fiscal Analyst downloads the IDC/CIFR 618 Data Pre-submission Edit Check Tool–Part B MOE and CEIS spreadsheet to identify potential edit check and/or subtotal errors. Once the data pass the checks, the Senior Fiscal Analyst uploads the data to EMAPS and completes the submission process before the due date (the first Wednesday in May). The Senior Fiscal Analyst then receives an email from EMAPS indicating any errors.
5. From late July to late August, the Senior Fiscal Analyst corrects any errors as necessary, drafts data notes, and re-uploads the Part B MOE Reduction and CEIS data to EMAPS. When the EMAPS-generated Wyoming MOE and CEIS FFY 20XX SY 20XX-YY report summarizing the uploaded data no longer has errors, the Senior Fiscal Analyst downloads the final report and reviews any warnings that appear, making edits as needed.
6. After all edits have been made, the final version is submitted.

## Process for Training and Communicating With LEAs

The Senior Fiscal Analyst is responsible for training and communicating with LEAs regarding special education fiscal issues, including LEA MOE. The contact for LEA MOE at the SEA is the Senior Fiscal Analyst. Fiscal issues, such as those related to LEA MOE, are included as topics at the WAVE (Web-Based Academic Vision Excellence) Conference, the STAR Conference for business managers and directors, and monthly LEA directors' training calls (when appropriate). LEAs are notified of agendas, including fiscal issues when appropriate, in advance.

## Timeline and Due Dates for LEAs and/or WDE Staff

| Activity                                                                                                          | Date                                                                            | Responsible staff                                          |
|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|------------------------------------------------------------|
| Submission of LEA MOE Eligibility Data with the IDEA Part B, Consolidated Application                             | July 1                                                                          | LEA Administrator                                          |
| Review and Approval of LEA MOE Eligibility Data with the IDEA Part B, Consolidated Application (Eligibility Test) | September 30                                                                    | Senior Fiscal Analyst                                      |
| Submission of 401 Expenditure Report with MOE compliance Data                                                     | August 12                                                                       | LEA Staff                                                  |
| Collection MOE compliance data (Annual Program Report) from School Foundation                                     | November 30                                                                     | Senior Fiscal Analyst/School Foundation                    |
| Copy MOE compliance data into the LEA MOE Calculator                                                              | February 28                                                                     | Senior Fiscal Analyst                                      |
| MOE Compliance Test Start                                                                                         | March 1                                                                         | Senior Fiscal Analyst                                      |
| MOE Compliance Test Due Date                                                                                      | March 31                                                                        | Senior Fiscal Analyst                                      |
| LEA Notification of Potential MOE Failure                                                                         | March 31                                                                        | Senior Fiscal Analyst                                      |
| LEA submission of supporting documentation for MOE Exception                                                      | Within two weeks from notification of potential failure not later than April 15 | LEA Administrator                                          |
| Approval or denial of LEA submission of supporting documentation for MOE Exception                                | May 1                                                                           | Senior Fiscal Analyst                                      |
| SEA repayment date                                                                                                | May 1                                                                           | WDE State Special Education Director/Senior Fiscal Analyst |
| LEA Repayment Date                                                                                                | July 31                                                                         | LEA Administrator                                          |



## Appendices

### Appendix A: LEA MOE Notification to LEAs

#### Notification 1 Memo:

*I have updated (Name of LEA) #1's MOE Calculator and attached a copy to this email for your reference. I am pleased to let you know that your district met the MOE compliance test using the **local and state or local only (total or per capita)** method for 20XX/XX. However, if one of the following exceptions applied to your district for the 20XX/XX school year, please let me know so that we can gather the necessary information to apply this to your MOE. A list of allowable exceptions is below:*

- **Exception (a)** - The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel
- **Exception (b)** - A decrease in the enrollment of children with disabilities. *(No need to request this exception as it is automatically calculated by the MOE Calculator.)*
- **Exception (c)** - The termination of the obligation of the agency, consistent with IDEA Part B, to provide a program of special education to a particular child with a disability that is an exceptionally costly program because the child has left the jurisdiction of the agency; has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or no longer needs the program of special education.
- **Exception (d)** - The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities. *(OSEP has informally responded to states that long-term, as it applies to purchases under this exception, means that payments must be made over more than one state fiscal year.)*

*We **highly** suggest taking any exceptions that your district qualifies for, as it will lower your MOE threshold and may allow your district to meet MOE using one or more of the other methods and allow for greater flexibility in the upcoming years.*

*\* Senior Fiscal Analyst attaches LEA MOE Calculator to email\**

#### Notification 2 Memo:

*I have updated (Name of LEA) #2's MOE Calculator and attached a copy to this email for your reference. I am pleased to let you know that your district met MOE using all four methods for 20xx/xx.*

*If you have any questions, please let me know.*

*\*Senior Fiscal Analyst attaches LEA MOE Calculator to email\**

**Notification 3 Memo:**

*I am reaching out to you in regard to the Maintenance of Effort (MOE) Requirements. After updating our records for (Name of LEA), it appears that your district did not meet the MOE compliance test for the 20xx/xx school year. I have attached the updated MOE Calculator for your reference. If there are no exceptions that can be taken, (Name of LEA) will have a repayment amount of \$xxxx.xx that must be paid back to the WDE using nonfederal funds.*

*Please review the following exceptions carefully to determine if there are any allowable exceptions that may have applied to your district for the 20xx-20xx school year:*

- **Exception (a)** - *The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel. (Please keep in mind that it must be voluntary and does not refer to a reduction in force or downsizing.)*
- **Exception (b)** - *This exception is already calculated into the MOE Calculator if it applies to your district.*
- **Exception (c)** - *The termination of the obligation of the agency, consistent with IDEA Part B, 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 has left the jurisdiction of the agency; has reached the age at which the obligation of the agency to provide FAPE to the child has terminated; or no longer needs the program of special education.*
- **Exception (d)** - *The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities. (OSEP has informally responded to states that long-term, as it applies to purchases under this exception, means that payments must be made over more than one state fiscal year.)*

*If there are any exceptions that can be taken, please forward me any required documentation so that I can make the necessary adjustments to the MOE Calculator and determine if it allows your district to meet compliance.*

*Please contact me if you have any questions.*