



Fiscal

Maintenance of Effort

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Maintenance of Effort

- The maintenance of effort provision focuses on spending at the LEA level.

Maintenance of Effort

- **Maintenance of Effort (MOE)** requires that an LEA receiving Title I, Part A funds continue to maintain fiscal effort with State & Local funds.

Maintenance of Effort (MOE) General Requirement

- An LEA's expenditures of State & Local funds must be at least 90% of:
 - the combined fiscal effort per student OR
 - the total aggregate expenditures of the LEA for the preceding fiscal year.

Which expenditures for MOE?

- MOE is determined by using State & Local operating expenditures by function, excluding community services, capital outlay, debt service and supplementary expenses.

Categories From State & Local Funds

Category	Function
Instruction	11
Instructional Leadership	21
Instructional Resources	12
School Leadership	23
Curriculum & Instructional Staff Development	13
Guidance & Counseling Services	31
Social Work Services	32
Health Services	33
Student Transportation	34

Categories from State & Local Funds

Category	Function
Deficits for Co-curricular/Extracurricular Student Body Activities	36
Deficits for Food Services	35
General Administration	41
Plant Maintenance & Operation	51
Data Processing Services	53
Deficits for Food Services	35
Deficits for Co-curricular/Extracurricular Activities	36

MOE's Tests

- Larry
- Curly
- Moe

Tests for MOE

1. Compare Total Operating Expenditures for State & Local Funds by Function to:
 - a) Refined ADA
 - b) Enrollment as of PEIMS Snapshot
 - c) Membership (total for year)
2. Determine the per pupil expenditure (PPE) by the dividing the total expenditures by any of the above amounts.
3. Compare the PPE from 2009-2010 to 2010-2011.

Documentation for MOE

- The LEA is responsible for producing documentation of compliance of MOE for the LEA's independent auditor.
- TEA monitors compliance of LEAs with respect to MOE by using data on actual **expenditures** as reported through PEIMS.
- If an LEA fails to maintain fiscal effort, TEA is required to reduce the amount of the LEAs allocation of Title I, Part A funds in the exact proportion the LEA failed to meet MOE.

Maintenance of Effort Appeals

1. The State has no authority to waive MOE requirements.
2. There are limited exceptions to meeting MOE through the appeals process:
3. The US Secretary of Education may waive requirements if it is determined that such a waiver would be equitable due to:
 - Exceptional or uncontrollable circumstances
 - A precipitous decline in the financial resources of the LEA.