Maintenance of Effort (MOE) Exception Request

Individuals with Disabilities Education Act (IDEA) Part B

# General Information

Any Local Education Agency (LEA) that receives IDEA Part B funds must spend the same amount of local, or combined state and local, funds for the education of children with disabilities on a year-to-year basis. There is a budget (eligibility) and spending (compliance) standard that LEAs must meet. If an LEA fails to meet the eligibility standard, they are not eligible to receive any IDEA Part B funds. If an LEA fails to meet the compliance standard, they may be subject to enforcement measures as outlined in 34 CFR §300.600(a)(3) §300.604(a)(1) (technical assistance), §300.604(a)(3) (conditions on funding an LEA), §300.604(b)(2)(i) (a corrective action plan or improvement plan), §300.604(b)(2)(v) (withholding funds, in whole or in part), or §300.604(c)(2) (withholding funds, in whole or in part).

When a LEA does not meet their MOE requirements, [34 CFR §300.204](https://ecfr.federalregister.gov/current/title-34/subtitle-B/chapter-III/part-300#section-300.204) allows LEAs to reduce their shortfall under five conditions: a) the departure of special education or related services personnel; b) decrease in enrollment of children with disabilities; c) termination of an exceptionally costly program for a particular child, under certain circumstances; d) termination of costly expenditures for long-term purchases; and/or e) assumption of cost by the state’s IDEA-funded High-Cost fund (if available).

Please use this form to submit documentation outlining any or all the above-mentioned exceptions. Please submit supporting documentation for all exceptions requested. Please add additional rows to any table below as necessary.

# Exception a

The voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.

Please note that for any given departing staff, the following conditions must be satisfied:

* In order to claim this exception for staff that are still employed by the LEA, the staff must have transferred to a new position. If a staff member has been reassigned to other duties within the LEA, or their special education duties have been reduced, the reassignment does not qualify for the “departure of personnel” exception. Staff that have applied for and accepted a different position within the LEA is allowed.
* The departure must be voluntary (that is, the employee resigned or retired) or for just cause (the employee was terminated as the result of misconduct or negligence). If the LEA reduces the number of special education personnel as the result of a reduction in force, the LEA may not claim the “departure of personnel” exception.
* The LEA may not claim the “departure of personnel” exception when releasing or failing to renew the contract of a probationary employee, as neither of those cases meets the “just cause” requirement.

**Instructions**: Please only enter information on employees who were paid for in a prior year that the LEA is no longer paying for or has replaced in the year of review. Columns marked with an asterisk (\*) are required. Please include the total amount, including benefits, spent from general funds for each employee. You may choose to separate the employee’s base salary from their benefits, but it is not required. The Total Expenditures column should be the sum of the Salary and Benefits columns. Tables 1 and 2 have total rows to provide a place to enter the total for the table. Table 3 is used to subtract the Table 1 Grand Total from the Table 2 Grand Total for a Total Net Reduction. This is the exception amount the LEA may be eligible for after review of supporting documentation. For example, if the LEA did not meet MOE in 2017-18, but had a teacher leave in 2016-17 that they did not replace in 2017-18, then that staff’s expenditures should be reported in Table 1. The Unique Staff ID must be an ID number that is recognized by the Staff Position Collection. This can be either the ODE Unique Staff Identifier (ChkDigitStfID), the TSPC assigned account ID (TSPCAccntID), or the Employer Staff ID (as submitted for the employee in the Staff Position collection).

Table : Exception a - Departing Personnel

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Unique Staff ID\*** | **Reason for Leaving\*** | **Salary\*** | **Benefits** | **Total Expenditures\*** |
|  |  | $ | $ | $ |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| Departing Total: |  |  |  |

Table : Exception a - Replacement Personnel

|  |  |  |  |
| --- | --- | --- | --- |
| **Unique Staff ID\*** | **Salary\*** | **Benefits** | **Total Expenditures\*** |
|  | $ | $ | $ |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| Replacement Total: |  |  |  |

Table : Exception a - Net Reduction

|  | Total Expenditures\* |
| --- | --- |
| Requested Reduction: (Departing minus Replacement) | $ |

## Documentation for Exception a:

In order for the level of state and/or local expenditures to be reduced on the basis of departure of personnel, the LEA must provide the following source documentation for each departing personnel:

* Year-to-date payroll distribution journal

The LEA may be asked to provide the following documentation as well:

* Source payroll record (e.g., personnel action form, resignation letter signed and dated by the employee) indicating the reasons why the employee departed the LEA
* Employee’s signed and dated job description

# Exception b

A decrease in the enrollment of children with disabilities. Note: this is automatically calculated for districts and cannot be changed without prior approval. These numbers are provided with initial MOE determinations and with the annual IDEA Assurances and Application form. When reviewing child count numbers, the ODE uses the same count as used for the State School Fund 11% cap waiver. This count contains only those children aged 5-21 served by the district or a regional program and not parent-placed in a private school.

To calculate the exception, please gather the following information:

* December 1 Child Count of students aged 5-21 served by the district or a regional program and not parent-placed in a private school for the review year and the year immediately prior.
* MOE expenditures from the year immediately prior.

For example, if looking at the 2020-2021 expenditures, the LEA will need its 2020-2021 child count, its 2019-2020 child count, and its 2019-2020 MOE expenditures.

Table : Steps to calculate Exception b

| **Step** | **Data** |
| --- | --- |
| Step 1: Child Count of Review Year = |  |
| Step 2: Child Count of Prior Year = |  |
| Step 3: Subtract Step 2 from Step 1 (Step 1 - Step 2) = |  |
| Step 4: If step 3 results in a negative number, take Step 3 divided by Step 2 = |  |
| Step 5: MOE Expenditures from the same year as child count in step 2 = |  |
| Step 6: Multiply Step 5 by Step 4 to arrive at the projected reduction = |  |

No documentation is required for this exception. The steps above are provided for district reference only.

# Exception 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, costing in excess of $30,000 per student (ORS 327.348(2)), 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.

## Documentation for Exception c:

For each child claimed in Exception c, please provide the following documentation:

* A schedule summarizing the total costs for each special education student that participated in an exceptionally costly program that is being claimed for the exception. The schedule must reconcile to the LEA’s detailed general ledger and source records which must include the fund, function, object, and area of responsibility codes for each cost description. Please note: Currently only costs attributable to Fund 100 and Area of Responsibility 320 may be claimed for the reduction.
* A detailed general ledger and source records supporting costs identified on the summary schedule provided.
* If the child left the jurisdiction part of the way through the school year, please also provide the prior school year’s costs for that same child to compare.
* The ODE may request a copy of the student’s IEP. NOTE: Due to the COVID-19 pandemic, the district may provide documentation that it attempted to provide the service, but the parent refused in place of an IEP change for the 2020-2021 school year only.

**Instructions**: Enter the child’s SSID in the Student Identifier. The Reason must be either Moved, Aged Out, or No longer needs the program. Enter the Total Expenditures for the child. Please sum the total expenditures for each child next to the Requested Reduction space.

Table : Exception c - high-cost student(s)

|  |  |  |
| --- | --- | --- |
| **Student Identifier\*** | **Reason\*** | **Total Expenditure** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Requested Reduction: |  |

# Exception d

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

When determining compliance with MOE, the ODE excludes expenditures for long-term purchase, such as the acquisition of equipment or the construction of school facilities, which are not reported as part of Area 320. Therefore, Exception d only applies when such prior year expenditures were included in Area 320.

## Documentation for Exception d:

Please provide the following documentation along with any claims under exception d:

* A schedule listing all of the items purchased, description of the items purchased, and the general ledger classification of the purchases, i.e., fund/net asset code, function code, object code, and area of responsibility code. The schedule must agree to the LEA’s detailed general ledger and source records, which must include the fund/net asset code and object code.
	+ Please note: Only costs attributable to Fund 100 and Area of Responsibility 320 may be claimed for the reduction.
* A detailed general ledger and source records supporting the costs identified on the summary schedule provided.

**Instructions**: Please describe the purchase in the Description column. Please enter the amount spent on the purchase in the last year funds were spent on the purchase in Expenditure in Final Year. For example, if the LEA paid $5,000 for a purchase in year 1, $15,000 for that purchase in year 2, and completed the purchase with an expenditure of $7,500 in year 3, the LEA would enter $7,500 in the Expenditure in Final Year column.

|  |  |
| --- | --- |
| **Description** | **Expenditure in Final Year** |
|  |  |
|  |  |
|  |  |
|  |  |
|  |  |
| Requested Reduction: |  |

# Exception e

The assumption of cost by the high cost fund operated by the State under 34 CFR §300.704(c).

Oregon’s High-Cost Disability grant is not the same as the high cost fund stipulated in 34 CFR §300.704(c). Currently, the ODE does not operate a high cost fund using IDEA state set-aside funds. Therefore, LEAs are not eligible for this exception.

# LEA Representative and Assurance

Please use this section to enter in details about the LEA representative requesting the exception(s). Your signature assures the information submitted is complete and accurate.

| Detail | Information |
| --- | --- |
| LEA Name requesting exception(s): |  |
| LEA representative Name: |  |
| LEA representative Phone Number: |  |
| Date of Request: |  |
| LEA representative Signature: |  |

**Please attach separate pages providing explanations for the exceptions entered. Be specific by including appropriate detail. You must also supply relevant documentation such as accounting system reports and copies of invoices to validate the amounts claimed.** If you have questions about what to submit, how your MOE was calculated, or the application of the regulations, you may contact the ODE IDEA Finance Team at ODE.IDEAFinance@state.or.us.

Documentation that needs to remain confidential may be submitted via the ODE’s [Secure File Transfer](https://district.ode.state.or.us/apps/xfers/) page of the District Site. Please submit form and documentation via email to: ODE.IDEAFinance@state.or.us; copy to James Foutch – james.foutch@state.or.us.