



Grants Management Policy



Policy Name	Title Maintenance of Effort (MOE) Requirements		
Date Approved	2019	Approved By	<i>Sarah Hendrix</i> Deputy Associate Superintendent, Grants Management
Date Updated	6/29/21		

Audience

This policy pertains to Local Education Agencies.

Purpose

The purpose of this policy is to clarify the Local Education Agency (LEA) responsibilities for the Title Maintenance of Effort (MOE) requirement processed through Grants Management.

Overview

The MOE requirement obligates an LEA receiving Title funds to spend within ninety percent (90%) of the amount of State funds on a year-to-year basis.

Policy

MOE will be determined annually based on information provided by the LEA to the Arizona Education Data Standards (**AzEDS**) system and the Annual Financial Report (AFR) from the two most recent years.

Essentially, an LEA must maintain within ninety percent (90%) of the amount of State funds it spends from year to year. This is determined by the following criteria:

1. Per pupil expenditures are at least ninety percent (90%) when compared to the two most recent years.
2. Overall pupil expenditures are at least ninety percent (90%) when compared to the two most recent years.

A test is performed with these two criteria. An LEA will pass the MOE test as long as they have maintained effort on one or both of the criteria. If an LEA does not maintain effort for both criteria the LEA will have failed to meet the MOE requirement.

Failure to Meet the Requirements

If MOE requirements are not met the LEA will receive written notification. However, the LEA will be given a passing status once within a consecutive five (5) year period. If the LEA does not pass MOE for a second time within five consecutive years, the LEA will receive an allocation deduction, during the next fiscal year, which will be applied to all Title grant funds. The allocation deduction will be the amount spent over ninety percent (90%) for either the per pupil or overall pupil expenditure, whichever is less,



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minus ten percent (10%). written notification provided will include the amount of the allocation reduction and which Grants are affected.

Administrative Review Request

If the LEA identifies an issue with the AFR and/or AzEDS data used for the MOE test, the LEA may request that Grants Management complete an administrative review. The LEA must make this request within thirty (30) calendar days of receiving written notification that the MOE requirement was not met.

Waiver Request

The LEA may submit a waiver to the Arizona Department of Education within thirty (30) calendar days of receiving written notification that the MOE requirement was not met. Situations that would allow for a waiver to be granted include exceptional or uncontrolled circumstances such as a natural disaster or change to the LEA organizational structure. This request must be submitted via MOE Supplement in Grants Management Enterprise, by uploading a letter in the Related Documents section and changing the status to *ESEA Maintenance of Effort Appeal/Waiver Request Submitted*. ADE will submit the request for waiver to the Department of Education (DOE). DOE will notify ADE of a determination and ADE will notify the LEA.