

INTRODUCTION

The statutes that authorize the funding of federal education grants include fiscal requirements that grantees agree to meet when they accept that funding. The intent of these requirements is to help ensure fairness in the expenditure of federal funds.

Traditional Federal Fiscal Requirements

The three traditional federal fiscal requirements are the following:

- Supplement, not supplant: Applies to many state and federal grant programs, intended to ensure grantees use federal funds to enhance their delivery of services
- Maintenance of effort: Applies to Every Student Succeeds Act (ESSA) and Individuals with Disabilities Education Act, Part B (IDEA-B), intended to ensure grantees maintain state and local funding levels of services for students with disabilities
- Comparability: Applies to ESSA Title I, Part A, intended to ensure that different campuses receive comparable funding and services

LEA-level Maintenance of Equity (MOEquity)

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Prohibitions under the Requirement

ARP section 2004(c) prohibits an LEA that receives ARP ESSER funds, authorized by section 2001 of the ARP Act, from doing either of the following in FY22 or FY23:

- Reducing combined _____ for any high-poverty campus by an amount that exceeds the total reduction, if any, of combined state and local per-pupil funding for all campuses in the LEA
- Reducing the number of _____ in any high-poverty campus by an amount that exceeds the total reduction, if any, of FTE staff per-pupil in all campuses in the LEA

In terms of MOEquity, the term “high-poverty” applies to the top 25% percent (or quartile) of active campuses served by the LEA, based on percentage of economically disadvantaged students.

This ranking is calculated using poverty percentage data that is consistent with FY23 PEIMS snapshot data.

MEETING LEA-LEVEL MOEQUITY

The MOEquity fiscal requirement applies to recipients of grant funding authorized by section 2011 of ARP. Under ARP, certain LEAs are not subject to the requirement.

Per TEA’s definition, an LEA’s compliance with MOEquity depends on the LEA’s excepted or non-excepted status.

Exception from LEA-level MOEquity

LEAs that fall in the following categories, defined by TEA, are not required to maintain equity:

- Automatically excepted LEAs
- LEAs that claim an exception from the US Department of Education (USDE)

Automatically Excepted LEAs

An LEA that meets at least one of the following criteria is automatically excepted from maintaining equity:

- Has a total enrollment of less than 1,000 students
- Operates a single campus
- Serves all students within each grade span with a single campus (no grade overlaps)

Using LEA data submitted on the SC5000 schedule of the Consolidated ESSA Federal Grant Application, TEA generates a list of the LEAs that meet at least one of those criteria.

USDE Exception

As described in the previous section, a qualifying LEA may apply to USDE with a request for an exception from the MOEquity requirement.

An LEA that chooses to apply to USDE for an exception must follow these steps:

- Notify TEA of its intent to apply for the USDE exception by submitting the MOEquity Document Submission Plan.
- Email a letter documenting the LEA's "exceptional or uncontrollable circumstances" to USDE at texas.oese@ed.gov, copying compliance@tea.texas.gov.

Self-Certification of Exception

In accordance with information provided by USDE in [Maintenance of Equity: Frequently Asked Questions](#), Appendix B, an LEA may self-certify it is excepted from LEA-level MOEquity.

An LEA may demonstrate that it is excepted from the LEA MOEquity requirements for FY22 or FY23 by certifying that it did not and will not implement an aggregate reduction in combined state and local per-pupil funding in FY22 compared to FY21, or in FY23 compared to FY22 (that is, the LEA is not facing overall budget reductions).

An LEA that chooses to self-certify must determine what documentation supports its claim that it implemented no aggregate reduction, and that documentation must be maintained locally. The LEA should not submit its supporting documentation to TEA unless and until requested.

LEAs that choose to self-certify compliance with LEA-level MOEquity must follow these steps:

- Select the self-certification option in the LEA-level MOEquity Document Submission Plan.
- Certify and submit the completed LEA-level MOEquity Document Submission Plan survey.

Calculation of Equity with the MOEquity Tool

An LEA that is not automatically excepted, does not qualify for a USDE exception, and cannot complete the self-certification of exception must determine its compliance through a calculation of equity.

The LEA performs this calculation using the MOEquity Tool, an auto-calculating Excel template. The tool is designed to perform the required tests via the two allowable methods (districtwide or grade span) to calculate your LEA's compliance with MOEquity.

The MOEquity Tool is available from [TEAL](#) (within the secure GFFC Reports and Data Collections application) and on the [ARP LEA-level MOEquity webpage](#).

To use the MOEquity Tool, complete the following steps:

- Complete and submit the MOEquity Document Submission Plan, choosing "MOEquity Tool" from the list of documentation options.
- Complete the tool, following the instructions provided in this handbook.
- Submit the completed tool to GFFC Reports and Data Collections through [TEAL](#).

Important Notes:

- - LEAs must use the board-adopted budget in effect at the PEIMS fall snapshot date and use this budget data consistently to make comparisons

- LEAs must submit to TEA a revised MOEquity Tool if it makes changes to the board-adopted budget/amount made available to its high-poverty campuses if these changes could impact the LEA's compliance status.
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- LEAs must enter enrollment and low-income percentages using data as of the PEIMS fall snapshot date.

All LEAs that are not automatically excepted must first submit the MOEquity Document Submission Plan survey to notify TEA of their chosen method for documenting compliance with LEA-level MOEquity.

Complete the following steps to submit the LEA-level MOEquity Document Submission Plan:

- Select your LEA's county-district-number and name from the dropdown menus.
- List the name and contact information for the staff member TEA should contact regarding MOEquity (your primary contact).
- Select your documentation choice (USDE exception, self-certification, or MOEquity Tool).
- Certify your choice with your authorized official's identifying information and signature.
- Submit the completed plan.

Correcting the Submitted Plan

To change your selection or make other updates to your LEA-level MOEquity Document Submission Plan, complete the survey again with your corrected information and resubmit by the , deadline.

MOEQUITY TOOL INSTRUCTIONS

The MOEquity Tool is an auto-calculating Excel template. Non-excepted LEAs that choose to calculate their compliance with MOEquity must complete the MOEquity Tool and submit it in Excel format through the secure GFFC Reports and Data Collections application within [TEAL](#).

The MOEquity Tool is designed to perform two required tests via the two allowable methods (districtwide or grade span) to calculate your LEA's compliance with MOEquity.

Refer to Appendix 1 for a screenshot of orm0d[2.7 (ol)2.6.9 (LE).6.9 (L (i)2.7 (t)-6.7y(c)-1.9 (Tool)2.7 (.)]JEMC

In the Districtwide worksheet, the LEA must complete all of the following sections:

- ESC Region and County-District Number (CDN) – 6 digits
 - Grade Span Group Selection and Grade Levels Served
 - LEA Contact Information (Columns E, F, G; Lines 5–8)
 - Individual Campus Information
 - Column A: Campus Number (9 digits)
 - Column B: NCEES ID (12 digits)
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- Campus Information for FY23
 - Column A: 9-digit campus number
 - Column B: 12-digit campus National Center for Educational Statistics (NCES) campus ID number
 - Column C: Campus name
 - Column D: Grade levels served
 - Column E: Grade span group name (Elementary, Middle, or High)
 - Column F: Low-income percentage
- 2021–2022 Data
 - Column G: Campus enrollment
 - Column H: State/local campus budget
 - Column I: Staff full-time equivalents (FTEs)
- 2022–2023 Data
 - Column J: Campus enrollment
 - Column K: State/local campus budget
 - Column L: Staff full-time equivalents (FTEs)

5. these are the campuses in the highest
 quartile (25 percent) for poverty within your LEA.

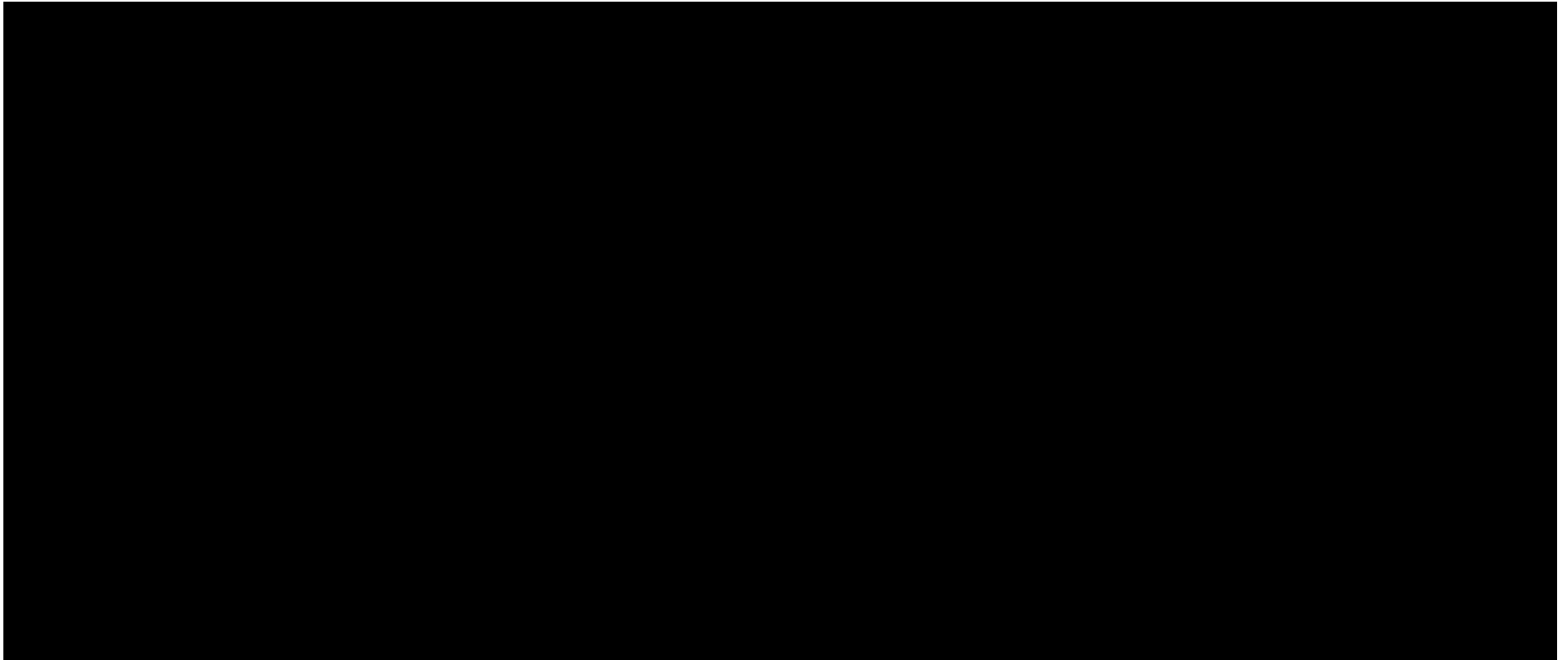
The number of campuses to be identified designated as “high-poverty” can be found in cell K4 – which is an auto-calculation of the number required based on the number of

Determining Compliance via the Grade Span Worksheets

If non-compliant in the Districtwide worksheet, and the LEA has more than one campus in one or more of the grade-spans, an alternative method of showing compliance is to compare campuses within the identified grade span groups to the average of data for that grade span.

Like the Districtwide test, results for the Funding equity test will appear in Column Q – results for the FTE equity test will appear in Column U. A green “N/A” or “C” result = compliance; a red “NC” result = non-compliance.

APPENDIX 1: SAMPLE FY23 MOEQUITY TOOL



VERSION HISTORY

1.0	10/2021	Original version
1.1	12/20/2021	Update to description of self-certification requirement, per USDE guidance
1.2	01/27/2022	Per USDE, changed "waiver" to "exception"
1.3	02/01/2022	PER USDE, change "exempt" to "excepted"
1.4	09/01/2022	Updated for Fiscal Year 2023 LEA-level MOEquity

