

## Allowable Federal Exceptions Maintenance of Effort (MOE)

### **Exception A-The Voluntary Departure, by Retirement or otherwise, or Departure for Just Cause, of Special Education or Related Services Personnel**

A school district may reduce the level of effort for special education to that below the level of effort for a preceding fiscal year if the reduction is attributable the voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel. In order for the level of state and/or local expenditures to be reduced, the school district must provide the following documentation:

- Source payroll records (e.g., personnel action forms, resignation letter signed and dated by the employee indicating the reasons why the employee departed the school district, etc),
- Year-to-date payroll distribution journals,
- Employee(s) Nebraska department of Education (NDE) Staff ID Number-professional staff only,
- Employee's signed and dated job description(s),

In addition, the following conditions must be satisfied:

- Departed personnel may no longer be employed by the school district. If a special education teacher has been reassigned to other duties within the school district, the reassignment **does not** qualify the school district to claim the "departure of personnel" exception. However, if an existing school district employee voluntarily applies and is selected for a vacant position available within the district, the departure **does** qualify for this exemption.
- 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 school district reduces the number of special education personnel as the result of a reduction in force, the school district may not claim the "departure of personnel" exception.
- The school district **may not** claim the "departure of personnel" exception when failing to renew a contract of a probationary employee, as neither of those cases meets the "just cause" requirement.

### **Exception C-The Termination of the Obligation of the Agency to Provide a Program of Special Education to a Particular Child with a Disability that is an Exceptionally Costly Program**

A school district may reduce the level of effort for special education to that below the level of effort for the preceding fiscal year if the reduction is the result of a termination of the obligation of the school district 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 school district;
- 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

In order for the level of state and/or local expenditures to be reduced because the school district no longer has an obligation to serve a child with an exceptionally costly program, the district must provide the following documentation:

- A schedule summarizing the total costs for each special education student that participated in an exceptionally costly program-The schedule must reconcile to the districts detailed general ledger and source records and must include the NDE program budgeting, accounting, and reporting system transaction, function and object code for each cost description and evidence of student discontinuation or change of placement.

*\*Exceptionally costly program -means an Individual Education Program (IEP) defined special education service(s) in which special education costs equal or exceed \$13,557.79 annually for a particular student.*

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

A school district may reduce the level of effort for special education to that below the level of effort for the preceding fiscal year if the district disbursed special education funds for Individual Education Plan (IEP) required \*equipment for special education student(s) with a unit cost of over \$ 5,000.00, vehicles for the purpose of transporting children with disabilities as required by the IEP, modified vehicles for transporting children with disabilities as prescribed by the IEP and Americans with Disabilities Act (ADA), or paid for the modification of existing facilities as required by the students IEP and (ADA).

In order for the level of state and/or local expenditures to be reduced because of a termination of costly expenditures for long-term purchases, the school district must provide the following documentation:

- A schedule listing items purchased over \$5000.00 per unit and the general ledger classification of the purchases. The schedule must agree with the districts detailed general ledger and source records to include the NDE program budgeting, accounting, and reporting system transaction, function and object code for each cost description. NDE may request students individualized education programs (IEPs) if necessary.
- Paid Invoice to include purchase price and purchase year
- Purpose for purchase and the relationship of the purchase(s) to student(s) IEP

*\*Equipment defined as any instrument, machine, apparatus or set of articles with a unit cost of \$5,000 or more that meets ANY of the following:*

*Under normal conditions of use can be expected to last longer than a year; Does not lose its identity through fabrication or incorporation into a different or more complex unit; Is nonexpendable (more feasible to repair the item than to replace); Retains its appearance and character through use; and/or Is of significant value*