Susie Hedalen, Superintendent
PO Box 202501
Helena, MT 59620-2501

Phone: 406.444.3680
opi.mt.gov

October 2026

To: Authorized Representatives and Clerks of IDEA Part B Projects

From: Kimber Emmons, IDEA Part B Fiscal Manager

Re: Preliminary Maintenance of Effort (MOE) Information

Purpose: Preliminary IDEA Part B Maintenance of Effort (MOE) reports are now available on the Montana Office of Public Instruction (OPI) website. These reports help school districts, special education cooperatives, and consortiums determine whether they have maintained the required level of state and local funding for special education. Please review your preliminary MOE report carefully. If you identify reporting errors, an amended Trustees' Financial Summary (TFS) must be submitted to the OPI School Finance Office by **December 10**. If you believe your district qualifies for an allowable MOE exception, the required MOE Exception Documentation Report must be submitted to the OPI IDEA Part B Fiscal Manager by **November 10**.

Understanding Your MOE Report

Your preliminary MOE information includes three reports:

1. State and Local Funds Report: Compares special education expenditures using state and local funds, both in total and on a per-pupil basis.
2. Local Funds Report: Compares special education expenditures using local funds only, both in total and on a per-pupil basis.
3. Expenditure Detail Report: Lists the expenditure codes and amounts used to calculate MOE, based on information reported in the Trustees' Financial Summary (TFS).

To meet the MOE compliance requirement, an applicant must meet at least one of the four calculation methods reflected in the state and local funds and local funds reports. **Note:** Each maintenance of effort report, as described in No. 1 and No. 2 above, also provides information to the applicant on the amount of allowed reduction in fiscal effort. These allowed reductions in expenditures are authorized by 34 CFR 300.205 which provides that an LEA that receives an increase in Section 611 funds may take a

reduction in maintenance of effort of up to 50% of that increase in allocation. However, a district must have a *Meets Requirements status* on the Levels of Determination to be eligible for this reduction. If an LEA is not eligible or had no increase in Section 611 allocation amount, the allowed reduction amount will be $0. Further, an LEA that utilizes an MOE reduction must spend an equal amount of funds to that reduction on eligible ESEA activities while maintaining documentation of these expenditures when the reduction is applied.

What You Need to Do

Step 1: Determine Whether You Met MOE

Review the state and local funds and local funds reports to determine whether your district maintained the required level of fiscal effort.

Step 2: Review Your Reports

Verify that the special education expenditures and other information used in the MOE calculations are accurate.

- Compare: Compare the current TFS report expenditure codes and correlated expenditure amounts to those included in the line-by-line description of the MOE Preliminary Report.

Step 3: Reporting errors.

If you identify errors in your reported special education expenditures, complete an amended TFS through OPI School Finance Office **no later than December 10**.

Step 4: Request an Allowable Exception, if applicable

If your district did not maintain MOE but believes it qualifies for an exception under 34 CFR §300.204, submit the required MOE Exceptions Documentation Form to OPI IDEA Part B Fiscal Manager for review and approval **by November 10**.

Allowable MOE Exceptions

Under 34 CFR §300.204, an LEA may reduce its level of fiscal effort for certain allowable reasons, including:

- The voluntary departure or departure for just cause of special education or related services personnel.
- A decrease in the enrollment of children with disabilities.

- The end of an obligation to provide an exceptionally costly special education program for a particular child.
- The termination of costly expenditures for long-term purchases, such as equipment or school facilities.

Note: Although an LEA is required to meet only one LEA MOE Comparison (state and local total, state and local per pupil, local only total, local only per pupil) to be compliant, it is a recommended practice for each LEA to submit MOE exceptions if any of the 4 MOE Comparisons are “Not Met” in order to demonstrate MOE in as many comparisons as possible for an LEA to use in future years.

MOE Final Report

In April, following the TFS changes, validation of the allowable exceptions, and conclusion of any requested hearings, the final report will be published on the OPI website. The final report is informational only and should be used when completing the IDEA Part B application. The final MOE report will include the same comparisons as the preliminary report with updated information as applicable.

Contact Information

School Finance

Questions regarding reporting an error on the Trustees’ Financial Summary, submitting an amended Trustees' Financial Summary and the effect an amended Trustees’ Financial Summary will have on reversion or disproportionate reimbursement should be directed to Autumn Warren, Financial Manager, autumn.warren@mt.gov or opischoolfinance@mt.gov, phone: 406.444.9852.

IDEA Part B Fiscal

Questions regarding MOE regulations, how a membership change can affect maintenance of effort, submitting documentation of an exception or hearing procedures for amending a Trustees Financial Summary after December 10 should be directed to Kimber Emmons, IDEA Part B Fiscal Manager at kimberlea.emmons@mt.gov or 406-438-0108.