



# ESSA LEA MAINTENANCE OF EFFORT GUIDANCE HANDBOOK

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# INTRODUCTION

As a condition for receiving its full allocation in any fiscal year, for covered programs under the [Elementary and Secondary Education Act of 1965 \(ESEA\)](#), as reauthorized and amended by the [Every Student Succeeds Act \(ESSA\)](#), a local educational agency (LEA) must maintain its own state and local fiscal effort in accordance with Section 8521, ESEA. This requirement is known as maintenance of effort (MOE). This handbook provides Texas LEAs with guidance on how to interpret and determine compliance with the ESSA LEA MOE requirement.

# DEFINITION OF MAINTENANCE OF EFFORT

Section 8521, ESEA, provides that

a local educational agency may receive funds under a covered program for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of the agency and the State with respect to the provision of free public education by the agency for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year.

In other words, to receive funds under a covered program, an LEA must maintain a minimum of 90% of its expenditures for public education from state and local funds from one year to the next. If the percentage of state and local funds expended in the year under determination is less than 90% of what was expended in the prior fiscal year, the LEA's ESSA allocations for the upcoming fiscal year will be reduced in the exact proportion by which the LEA did not meet the MOE requirement.

# COVERED PROGRAMS

As used in Section 8521, ESEA, the term 'covered program' means each of the following:

- Title I, Part A, Improving Basic Programs Operated by Local Educational Agencies
- Title I, Part D, Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or At-Risk
- Title II, Part A, Improving Teacher Quality State Grants
- Title III, Part A, English Language Acquisition State Grants
- Title IV, Part B, 21st Century Community Learning Centers
- Title V, Part B, Subpart 2, Rural Education

# PURPOSE OF THE PROVISION

In awarding grant funds for education purposes, the federal government does not intend that LEAs should use those dollars as the primary means of providing services. The LEA agrees when it accepts ESSA funds that it will expend non-federal (that is, state and local) funds in accordance with a minimum of two federal fiscal accountability requirements: supplement, not supplant (at the student level), and MOE (at the LEA level). In addition, when the LEA accepts Title I, Part A funds, it also agrees it will meet the comparability of services fiscal requirement (at the campus level).

Supplement, not supplant mandates that state and local funds may not be diverted to other purposes simply because federal funds are available. The MOE requirement ensures that the LEA continues to expend its state and local funds at the same level from fiscal year to fiscal year, instead of limiting services to what can be provided using federal dollars. The Title I, Part A comparability of services provision further requires that each campus receives its fair share of state and local resources, regardless of whether the campus is also federally funded.

# METHODS OF DETERMINING COMPLIANCE

To meet the ESSA LEA MOE requirement in any fiscal year, an LEA is required to expend state and local funds at a minimum of 90% of the level at which it expended funds in the preceding fiscal year. There are four calculations for determining whether an LEA has met the ESSA LEA MOE requirement.

An LEA needs to meet at least one of the following four tests to be compliant:

1. Total state and local expenditures: The LEA's total state and local expenditures must equal or exceed 90% of expenditures during the previous fiscal year.
2. Total state and local expenditures per-pupil for refined average daily attendance (RADA): The RADA per-pupil amount the LEA expended must equal or exceed 90% of the amount it expended during the previous fiscal year.
3. Total state and local expenditures per pupil for membership: The membership per-pupil amount the LEA expended must equal or exceed 90% of what it expended during the previous fiscal year.
4. Total state and local expenditures per pupil for enrollment: The enrollment per-pupil amount the LEA expended must equal or exceed 90% of what it expended during the previous fiscal year.

For example, if the LEA expended \$500,000 in state and local funds in FY 2019, it is required to expend at least \$450,000 in state and local funds in FY 2020 (90% of its prior-year expenditures). If the LEA expends only \$400,000 in FY 2019, it has failed to maintain effort by \$50,000. Because the LEA failed to maintain effort, its allocations for FY 2020 will be reduced by 11.111% (\$50,000 is 11.111% of \$450,000).

# Total State and Local Expenditures

Per Title 34 of the Code of Federal Regulations (34 CFR) 299.5(d)(1), in determining an LEA's compliance with ESSA LEA MOE, the

SEA shall consider only the LEA's total expenditures from state and local funds for free public education. These include expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities.

For more detailed information, see Appendix 1: ESSA LEA MOE Calculation Methodology.

# Total State and Local Expenditures per Pupil (RADA, Membership, or Enrollment)

The LEA may meet ESSA LEA MOE requirements if its fiscal effort per student is maintained at a minimum of 90% of what it expended during the previous fiscal year. Fiscal effort per student is calculated by dividing total state and local expenditures by the LEA's student count. Student count may be calculated based on RADA, membership, or enrollment, as follows:

- **RADA:** The aggregate eligible days of student attendance is divided by the number of days of instruction to compute RADA. LEAs may find RADA in the reports posted by school year on the Average Daily Attendance and Wealth per Average Daily Attendance page of the TEA website. (Note: House Bill 2442's provision for "minutes of operation" will not change the MOE calculation as TEA will convert minutes into the traditional ADA format for each LEA in the posted reports.)
- **Membership:** The number students actually receiving instruction by attendance in a public school (as opposed to being registered but not yet receiving instruction), minus the number of students who are served for fewer than two hours per day. This count is derived by taking the LEA's "Total" enrollment figure (found on the TSDS PEIMS Report PDM1-230-003 Student Summary by Sex and Ethnicity) and subtracting the student count on row "0" (eligibility code).
- **Enrollment (In Enrollment):** The number of students actually receiving instruction by attendance in a public school, as opposed to being registered but not yet receiving instruction. The LEA's enrollment figure is included on the TSDS PEIMS Report PDM1-230-003 Student Summary by Sex and Ethnicity. In this report, the "Total" student count indicated is the enrollment count.

# CONSEQUENCES FOR FAILURE TO MEET ESSA LEA MOE

Per section 8521(b)(1), ESEA, if the LEA fails to meet all four tests listed in the Methods of Determining Compliance section, and if the LEA failed to meet the requirement in one or more of the five immediately preceding fiscal years, TEA must reduce the amount of funds allocated under ESEA-covered programs in exact proportion to the LEA's failure to meet the requirement, using the test that is most favorable to the LEA.

Details on the requirement as applicable to the five immediately preceding fiscal years are provided in the Five-Year Flexibility Rule section, below.

## Fiscal Years Used in Comparison

The United States Department of Education (USDE) Non-Regulatory Guidance on Title I Fiscal Issues dictates the fiscal years TEA is required to use in determining whether the LEA maintained fiscal effort in accordance with Section 8521, ESEA. Under this guidance, TEA is required to compare the LEA's state and local fiscal effort for the "preceding fiscal year" to the "second preceding fiscal year."

The "preceding fiscal year" is defined as the federal fiscal year, or the 12-month fiscal period most commonly used in a state for official reporting purposes, prior to the beginning of the Federal fiscal year in which funds are available. [34 CFR 299.5(c)].

Furthermore, Section 8521(b)(1), ESEA, provides that **for a year in which an LEA failed to maintain effort, the expenditure amount TEA uses for computing maintenance of effort in subsequent years will be 90 percent of the prior year amount rather than the actual expenditure amount.**

**If the LEA was compliant** with ESSA LEA MOE in the year prior to the year under determination, then ESSA LEA MOE is calculated based on expenditure data from the year under determination and expenditure data from the prior year. For example, ESSA LEA MOE compliance for fiscal year 2019 (school year 2018–2019) would be calculated based on expenditure data from fiscal year 2019 and fiscal year 2018 (school year 2017–2018). For compliance, the required level of expenditures for fiscal year 2019 must be at least 90% of what was expended in fiscal year 2018, either in the aggregate or on a per pupil basis.

**If the LEA was not compliant** with ESSA LEA MOE in the year prior to the year under determination, then ESSA LEA MOE is calculated based on expenditure data from the year under determination and expenditure data from two years prior. For example, ESSA LEA MOE compliance for fiscal year 2019 (school year 2018–2019) would be calculated based on comparing expenditure data from fiscal year 2019 and fiscal year 2017 (school year 2017–2018). For compliance, the required level of expenditures for fiscal year 2019 must be at least 90% of what was expended in fiscal year 2017, either in the aggregate or on a per pupil basis.

# Five-Year Flexibility Rule

ESEA Section 8521(b)(1) establishes new flexibility regarding the reduction of an LEA's allocation for failing to maintain ESSA LEA MOE. Specifically, the law states:

An SEA must reduce an LEA's allocation under a covered program if the LEA fails to maintain effort in a given fiscal year and failed to maintain effort in one or more of the five immediately preceding fiscal years.

For example, if an LEA is found noncompliant **for FY 19**, TEA will look back to FYs 2014, 2015, 2016, 2017, and 2018 (the five preceding fiscal years) to determine if the LEA failed in any of those five years.

- If the LEA is **noncompliant** in **any** of those five preceding years, then the LEA's next allocations for the covered programs **will** be reduced.
- If the LEA is **compliant** in **all** those five preceding years, then the LEA's next allocations for the covered programs **will not** be reduced. An LEA that is newer than 5 years must have been compliant for all those years in order to be eligible for this flexibility.

If an LEA receives a waiver of the MOE requirement from USDE for a given fiscal year, the LEA has effectively maintained effort for that fiscal year. Accordingly, in determining whether the LEA had failed to maintain effort for one or more of the five immediately preceding fiscal years, the SEA would count the year in which the LEA received a waiver as a year of maintaining effort.

## Fiscal Years Affected By Determination

The following chart demonstrates the applicable calculations and fiscal years under comparison for a four-year period where the LEA **is assumed to have been compliant in FY 2017 and the five years prior, noncompliant in FY 2018**, returned to compliance in FY 2019 and FY 2020, and was again noncompliant in FY 2021. In the example, the calculation to use the test that is most favorable to the LEA has already been determined, and the results are reflected in the figure below.

A	B	C	D	E	F
Determination Year	State and Local Expenditures During Applicable Compliant Comparison Year	Level required to meet the requirement (90% of column B)	State and Local Expenditures During Determination Year	Amount by which LEA failed to maintain effort	Fiscal Year in Which Allocation is Potentially Reduced if LEA Non-Compliant
FY 2018	\$1,000,000 (FY 2017)	\$900,000 <sup>1</sup>	\$850,000 (FY 2018)	(\$50,000)	FY 2020 Reduction of allocation could be 5.556% (\$50,000/\$900,000) – but LEA uses 5-year flexibility, so <b>no reduction</b>
FY 2019	\$900,000 <sup>2</sup> (FY 2018)	\$810,000	\$810,000 (FY 2019)	n/a	FY 2021 <b>No reduction</b>
FY 2020	\$810,000 <sup>3</sup> (FY 2019)	\$729,000	\$800,000 (FY 2020)	n/a	FY 2022 <b>No Reduction</b>
FY 2021	\$800,000 (FY 2020)	\$720,000	\$700,000 (FY 2021)	(\$20,000)	FY 2023 <b>Reduction of allocation would be 2.778%</b> (\$20,000/\$720,000) – no flexibility <sup>4</sup>

<sup>1</sup> Assuming LEA was compliant in FY 2017

<sup>2</sup> The state and local expenditures used for MOE purposes in FY 2019 is \$900,000, which is 90% of FY 2017 expenditures (*last fiscal year in which effort was maintained*), rather than the actual FY 2018 expenditures of \$850,000 (because the LEA failed to maintain effort in FY 2018).

<sup>3</sup> The state and local expenditures used for MOE purposes in FY 2020 is the actual FY 2019 expenditures of \$810,000 (because the LEA met the MOE requirement in FY 2019).

<sup>4</sup> The five-year flexibility of no reduction of allocation would not be an option since the LEA was also noncompliant in FY 2018.

**LEA expenditure data are reported to TEA and subsequently become available in TSDS PEIMS on a timeline that does not account for MOE. Therefore, any reduction in allocation resulting from an LEA’s failure to comply with ESSA LEA MOE will be applied to the second fiscal year after the year of determination.** For example, ESSA LEA MOE compliance is calculated for FY 2019 in late spring of 2020 (when the data are available). Any reduction in allocation for LEAs determined to be noncompliant are applied to FY 2021 (school year 2020–2021), as those allocations are calculated in the summer of 2020.



# **SIGNIFICANT TSDS PEIMS ERRORS IN AN LEA’S REPORTED EXPENDITURES**

The US Department of Education (USDE) has approved TEA’s request to reconsider significant errors reported in TSDS PEIMS. To demonstrate that an error is “significant,” the LEA must enter its self-reported, corrected data into TEA’s ESSA LEA MOE Calculation Tool (available on the [ESSA LEA Maintenance of Effort](#) page of the TEA website), and the results must reflect a change in the LEA’s expenditures.

If the results of the ESSA LEA MOE determination calculation tool show a change in expenditures, TEA will recalculate a revised compliance report using the corrected data. The calculation performed by the ESSA LEA MOE Calculation Tool is an estimate only and may not duplicate TEA’s exact calculation process. The results of TEA’s recalculation will be the basis of the final MOE compliance review status.

The LEA may request a state reconsideration for significant TSDE PEIMS errors in the LEA’s reported expenditures by providing the following to TEA:

- The results returned by the ESSA LEA MOE calculation tool, signed by the LEA’s external auditor, showing how the corrections change the LEA’s expenditures.
- A detailed schedule prepared and signed by the LEA’s external auditor containing the erroneous and the correct TSDS PEIMS data, along with the supporting documentation for such claims.
- A description of how the error occurred and the administrative procedures taken to ensure such TSDS PEIMS data errors do not reoccur.

Any decision to use revised data in the calculation of ESSA LEA MOE determinations will not change the official TSDS PEIMS data, which is the agency’s official system of record. The official TSDS PEIMS data is final and will remain unchanged on all TEA products and reports that rely on that information.

## **Possible Consequences of a State Reconsideration Request Due to Significant TSDS PEIMS Errors**

When an LEA notifies TEA of significant TSDS PEIMS errors in the LEA’s reported expenditures in the process of requesting the state reconsideration, TEA’s Federal Fiscal Compliance and

Reporting (FFCR) Division will make the following notifications of the erroneous data submission to the following TEA divisions and departments, with the following possible results:

- Financial Compliance Division: Possible increased risk for audit, investigation and/or review
- State Funding Division: Possible effect on state funding
- Federal Fiscal Monitoring Division: LEA's possible identification as a high-risk grantee. High-risk grantees may be subject to a review of all reimbursements across one or more grants or a random sampling of expenditures across one or more grants.
- Office for Statewide Education Data Systems: LEA's possible identification as a high-risk grantee
- Department of Accreditation and School Improvement: Possible increased risk for investigation and/or review
- Enforcement Coordination and Governance Division: LEA possibly recommended for district-level interventions or sanctions based on investigation findings

# USDE WAIVER

Section 8521(c), ESEA, allows USDE to waive the statutory penalty of the MOE requirement if an LEA's failure to maintain effort resulted from one or both of the following:

- Exceptional or uncontrollable circumstances, such as a natural disaster or a change in the organizational structure of the LEA
- A precipitous decline in the financial resources of the LEA

An LEA that fails to meet the MOE requirement may request a waiver from USDE, as described in the following section. To make decisions on an LEA's MOE waiver request, USDE will review revenue and expenditure data provided by TEA.

TEA has no authority to waive the ESSA LEA MOE requirement and has no input into USDE's decision regarding LEA waiver requests.

If USDE grants the LEA's request for a waiver, USDE will notify TEA, and TEA staff will notify the LEA. The LEA may then receive its full allocation for Title I, Part A and other covered ESEA programs for the applicable fiscal year.

If an LEA receives an approved USDE waiver of the MOE requirement for a given fiscal year, the LEA has effectively maintained effort for that fiscal year. Accordingly, in determining whether the LEA had failed to maintain effort for one or more of the five immediately preceding fiscal years, TEA would count the year in which the LEA received a USDE waiver as a year of maintaining effort. However, an approved USDE waiver does not eliminate the MOE requirement or authorize the LEA to not maintain effort in future years.

# Requesting USDE Waiver to ESSA LEA MOE Requirement

To request an MOE waiver from USDE, the LEA must write a letter outlining the reason(s) the LEA did not maintain effort and email it to [OESE.TitleI-A@ed.gov](mailto:OESE.TitleI-A@ed.gov). A copy of the letter must also be emailed to TEA's FFCR Division at [compliance@tea.texas.gov](mailto:compliance@tea.texas.gov).

## ESSA LEA MOE TIMELINE

- April: TSDS PEIMS actual audited financial data from TSDS PEIMS Record 032 for the applicable fiscal years is extracted by FFCR to determine LEAs' compliance with the ESSA LEA MOE requirement.
- May/June: TEA posts ESSA LEA MOE Compliance Reports in GFFC Reports and Data Collections.
- May/June: GovDelivery bulletin regarding availability of ESSA LEA MOE Compliance Reports is transmitted via GovDelivery. (Subscribe to the Grants list at <https://public.govdelivery.com/accounts/TXTEA/subscriber/new>).
- May/June: Using AskTED email address information, FFCR e-mails Superintendents a notification if their LEA's status is noncompliance with the ESSA LEA MOE requirement.
- May/June: As applicable, LEAs may submit waiver requests directly to USDE and also provide a copy of the letter to FFCR at: [compliance@tea.texas.gov](mailto:compliance@tea.texas.gov).
- July: As applicable, TEA reduces the amount of funds allocated under ESEA covered programs in exact proportion to which an LEA fails to meet the 90 percent ESSA LEA MOE requirement (if the LEA is not covered by the "Five-Year Flexibility Rule" – see previous section).
- Ongoing: TEA reinstates any reductions taken from an LEA's allocations, upon notification by the USDE of ESSA LEA MOE waivers granted.

## ESSA REPORTS

ESSA LEA MOE Compliance Reports are currently made available via GFFC Reports and Data Collections, a web-based application available through TEAL that provides reports on ESSA-related programs. Each superintendent and charter school executive director should apply for access. Other authorized LEA officials may also be granted access by the LEA superintendent or charter school executive director.

# Accessing Summary of Compliance with ESSA LEA MOE Requirement Reports

To access the ESSA LEA MOE Compliance Reports, do the following:

1. Log in to the [Texas Education Agency Login \(TEAL\)](#).
2. Select GFFC Reports and Data Collections.
3. For Report Title, select “ESSA LEA MOE Reports” from the drop-down menu.
4. For School Year, select the applicable school year. (For example, select the 2019–2020 school year to obtain the ESSA LEA MOE Compliance Report for FY 2020, which compares total expenditures and per-pupil expenditures from 2018–2019 to 2019–2020.)

## Example of the ESSA LEA MOE Compliance Report

Below is an example of the ESSA LEA MOE Compliance Report located in GFFC Reports and Data Collections. The report provides the LEA’s status of “Compliant” or “Noncompliant” in the upper right-hand corner of the document. The test result status for each of the four tests will be shown in the far right-hand column in Line numbers 15, 17, 19, and 21, which represent the four methods of determining compliance.

In the example below, the LEA is compliant. While the LEA met compliance in all four methods for determining compliance, it only needs to show compliance for at least one test to be compliant.

If the LEA is noncompliant, TEA calculates the exact proportion by which an LEA did not meet the MOE requirement using the measure most favorable to the LEA (i.e., the test demonstrating that the LEA expended closest to 90% of the amount expended the prior year). The adjustment percentage will display in the upper right-hand corner of the document, to the right of any “Noncompliant” status indication.

**TEXAS EDUCATION AGENCY**  
**ESSA LEA Maintenance of Effort Compliance Report**  
**FY 20XX**

Region	CDN	LEA Name	Status	Adjustment (b)	
			<b>COMPLIANT</b>	<b>0.000 %</b>	
Line Nbr (a)	Function Code	Function Code Description	Comparison Year 20XX-20XX	Current Year 20XX-20XX	Test Result (c)
01	11	Instruction	\$3,017,290	\$3,057,892	
02	12	Instructional Resources and Media Services	\$35,639	\$34,128	
03	13	Curriculum and Instructional Staff Development	\$1,156	\$1,395	
04	21	Instructional Leadership	\$0	\$0	
05	23	School Leadership	\$295,861	\$306,385	
06	31	Guidance and Counseling Service	\$175,700	\$162,713	
07	32	Social Work Services	\$0	\$0	
08	33	Health Services	\$39,065	\$37,882	
09	34	Student (Pupil) Transportation	\$325,648	\$293,070	
10	35	Food Services (Deficit only)	\$0	\$0	
11	36	Cocurricular/Extracurricular Activities (Deficit only)	\$0	\$0	
12	41	General Administration	\$271,108	\$280,943	
13	51	Plant Maintenance and Operations	\$591,081	\$708,405	
14	53	Data Processing Services	\$163,219	\$173,489	
15		<b>Total Operating Expenditures (Add 01-14)</b>	<b>\$4,915,767</b>	<b>\$5,056,302</b>	<b>Pass</b>
16		Refined Average Daily Attendance	548.228	538.511	
17		<b>Total Operating Expend. per Pupil (Refined ADA) (15/16)</b>	<b>\$8,967</b>	<b>\$9,389</b>	<b>Pass</b>
18		Membership	575	564	
19		<b>Total Operating Expend. per Pupil (Membership) (15/18)</b>	<b>\$8,549</b>	<b>\$8,965</b>	<b>Pass</b>
20		Enrollment	576	564	
21		<b>Total Operating Expend. per Pupil (Enrollment) (15/20)</b>	<b>\$8,534</b>	<b>\$8,965</b>	<b>Pass</b>

**Notes**

- (a) The data contained in lines 01 through 14, 16, 18, and 20 consist of data submitted by the grantee to the TEA via PEIMS and the data contained in lines 01 through 14 consists of expenditures classified in fund codes 199/420 and object codes in series 6100, 6200, 6300, and 6400.
- (b) If an LEA is noncompliant with the MOE requirement, TEA must adjust (reduce) the amount of funds allocated in the upcoming fiscal year under the programs covered by the MOE requirement in the exact proportion by which the LEA failed to maintain effort on either an aggregate or per pupil basis. In reducing an LEA's allocation because it failed to meet the MOE requirement, TEA uses the measure most favorable to the LEA. [Sec. 8521 (b)(1) of Elementary and Secondary Education Act (ESEA)]
- (c) An LEA must meet (pass) at least one of four tests to be compliant with the MOE requirement. Refer to TEA's ESSA LEA MOE Guidance Handbook for additional information. Also, when comparing current year expenditures to those of a previous year in which the LEA was noncompliant with the MOE requirement, TEA must use 90 percent of the expenditures of the year prior to the previous year rather than 90% of the actual expenditures of the previous year. [Sec. 8521 (b)(2) of ESEA]

# ESSA LEA MOE CALCULATION TEMPLATE

To estimate preliminary compliance with the ESSA LEA MOE requirement, LEAs may complete the template posted on the [ESSA LEA Maintenance of Effort](#) page of the TEA website.

# APPENDIX 1: ESSA LEA MOE CALCULATION METHODOLOGY

The information required to calculate MOE is obtained from the Texas Student Data System (TSDS) of the Public Education Information Management System (PEIMS). TSDS PEIMS Record 032- Financial Actual Data identifies the LEA's financial information as audited by a certified public accountant (CPA). LEA expenditure data from this record is used to determine compliance with the ESSA LEA MOE requirement.

## Included Expenditures

Per Title 34 of the Code of Federal Regulations (34 CFR) 299.5(d)(1), in determining an LEA's compliance with ESSA LEA MOE, the

SEA shall consider only the LEA's expenditures from state and local funds for free public education. These include expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities.

Therefore, total state and local expenditures expended for the functions listed below are included in the ESSA LEA MOE calculation:

<b>Code</b>	<b>Description</b>
11	Instruction
12	Instructional Resources and Media Services
13	Curriculum Development and Instructional Staff Development
21	Instructional Leadership
23	School Leadership
31	Guidance, Counseling, and Evaluation Services
32	Social Work Services
33	Health Services
34	Student Transportation
35	Food Services (Deficits Only)
36	Extracurricular Activities (Deficits Only)
41	General Administration

<b>Code</b>	<b>Description</b>
51	Facilities Maintenance and Operations
53	Data Processing Services

## **Excluded Expenditures**

Per 34 CFR 299.5(d)(2), the SEA may not consider any expenditures for community services, capital outlay, debt service or supplemental expenses made as a result of a presidentially declared disaster, or any expenditures made from funds provided by the Federal Government.

Therefore, state and local expenditures expended for the functions and object codes listed below are excluded from the ESSA LEA MOE calculation:

## **Function Codes Excluded**

<b>Code</b>	<b>Description</b>
61	Community Service
71	Debt Service
81	Facilities Acquisition and Construction

## **Object Codes Excluded**

<b>Code</b>	<b>Description</b>
6500	Debt Service
6600	Capital Outlay