

# Districtwide Overview of Maintenance of Equity (MOEquity)

#### Overview

The American Rescue Plan (ARP) Act of 2021 (ARP) mandates an additional federal fiscal requirement known as local maintenance of equity (MOEquity, previously referred to as MOQ). This requirement applies to all state educational agencies (SEAs) and local educational agencies (LEAs) that receive funding under the grants authorized by ARP § 2001. LEAs receiving ARP ESSER must meet two local-level MOEquity requirements for FY22 (school year 2021–22) and FY23 (school year 2022–23). Each LEA must maintain equity for each "high-poverty school" as a condition of receiving ARP ESSER funds.

Under ARP § 2004(c), for each school identified by the LEA as a high-poverty school, the LEA may not, in FY22 or FY23—

- Reduce per-pupil funding (from combined State and local funding) by an amount that exceeds the total reduction, if any, in LEA per-pupil funding for all schools served by the LEA in such fiscal year; or
- 2. Reduce the number of FTE staff per-pupil by an amount that exceeds the total reduction, if any, in FTE staff per-pupil in all schools served by the LEA in such fiscal year.

As described in ARP § 2004(c)(2), an LEA need not maintain equity if the LEA:

- 1. Has a total enrollment of fewer than 1,000 students;
- 2. Operates a single school;
- 3. Serves all students within each grade span with a single school;
- 4. Demonstrates an exceptional or uncontrollable circumstance.

# LEAs that meet these characteristics for exception are excepted from both the funding equity test and the staffing equity test.

LEAs that meet exception criteria 1-3 above are automatically exempted from MOEquity requirements for calculating fiscal or staffing equity and are not required to submit documentation to the state or ED to claim the exception. However, the Tennessee Department of Education (department) advises that automatically exempted LEAs maintain documentation supporting their exception in case it is requested during an audit or monitoring review.

# **Determination Options**

LEAs may elect, consistent with the statute and as shown in the following examples, to make the MOEquity determination on a districtwide basis or by grade span.

LEAs might consider factors such as

- the total number of high-poverty students impacted,
- concentrations of poverty in schools that would be identified compared to those that would not,
- and whether using grade spans would capture high schools if they would not otherwise be captured.



# **Data Required for MOEquity**

The data an LEA will need to calculate MOEquity:

- State and local funding provided to all schools for school year 2020-21 and 2021-22
- Total number of FTEs provided to all schools in school year 2020-21 and 2021-22
- The October 1 counts for the 2020-21 and 2021-22 school years

LEAs are encouraged to use the economically disadvantaged data from the respective year's Comparabilty requirement and the posted TN Revised Membership file in TDOE Resources here:

TN Revised Membership 2020-21 2022-03-15

State Education Agencies (SEAs) are required to post the following two files as part of its requirement to meet MOEquity.

- High Poverty Schools 30 July 2021
- High Poverty LEAs 30 July 2021

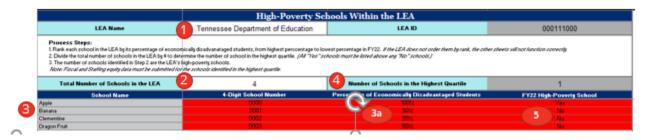
# **Overview of High Poverty Schools**

High poverty schools are those schools in the top quartile of poverty, the top 25 percent of economically disadvantaged students in the LEA. The poorest 25 percent of schools can be identified districtwide or by each grade span (for example, elementary, middle, and high school), and SEAs can offer flexibility on which poverty measures its LEAs use for this identification. High-poverty schools are determined by ranking all schools in the LEA based on percentage of ED students (highest to lowest), and then identifying the top 25 percent of schools.

- e.g., an LEA with six school sites would have two high-poverty schools.
- e.g., if nine schools divided by four equals 2.25 schools, so 2.25 is rounded up to three schools).

This is the number of schools the LEA must identify as high-poverty schools.

### Tab One: FY22 High-Poverty Schools Within the LEA-Districtwide



- 1. Select the LEA Name from the drop-down box, the LEA ID will automatically populate.
- 2. Enter the total number of schools within the LEA.
- Rank order ALL schools within the LEA by the percentage of economically disadvantaged students.
  Rank each school in the LEA by its percentage of economically disadvantaged students, from highest percentage to lowest percentage in FY22.
  - \*All "Yes" schools must be listed above any "No" schools
  - \*If the LEA does not order them by rank, the other sheets will not function correctly.



- **4.** Automatic calculation of the number of schools that are identified as a high poverty school within in the LEA. If the result of the division is not a whole number, always round up to the nearest whole number (e.g., if 9 schools divided by 4 equals 2.25 schools, so 2.25 is rounded up to 3 schools). This is the number of schools the LEA must identify as high-poverty schools.
- **5.** Select yes for the number of schools identified in Step 4. These schools are the LEA's high-poverty schools.
  - \*Fiscal and Staffing equity data must be submitted for the schools identified in the highest quartile. The number of schools identified in Step 3 are the LEA's high-poverty schools.

# Fiscal Equity Calculation Identifying Funding Sources

An LEA generally includes all sources of State and local funds the LEA has available for current expenditures for free public education. The term "current expenditures for free public education" is a legal term that comes from ESEA § 8101(12).

### It includes funding for:

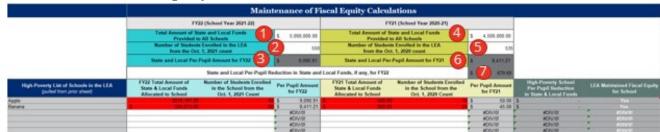
• Administration, instruction, attendance and health services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities

#### It does not cover funding for:

• Dedicated funds for capital outlays, debt service, federal funds or support from private donors.

The LEA must use consistent funding sources from year to year and document its sources of data.

# Tab Two: FY22 Fiscal Equity Calculation—Districtwide



- 1. Enter the Total Amount of State and Local Funds Provided to All Schools Served by the LEA in FY22.
- 2. Enter the Number of Students Enrolled in the LEA from the Oct. 1, 2021 count
- 3. State and Local Per-Pupil Amount for FY22 will auto-calculate
- 4. Enter the Total Amount of State and Local Funds Provided to All Schools Served by the LEA in FY21.
- 5. Enter the Number of Students Enrolled in the LEA from the Oct. 1, 2020 count
- 6. State and Local Per-Pupil Amount for FY21 will auto-calculate
- 7. State and Local Per-Pupil Reduction in State and Local Funds, if any, for FY22 will auto-calculate



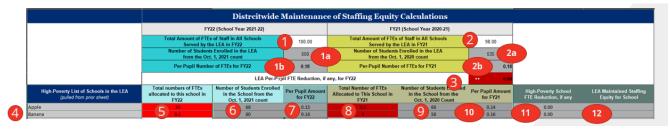


- 8. The high-poverty schools will auto-populate from the prior sheet.
- 9. Enter the FY22 Total Amount of State & Local Funds Allocated to School
- 10. Enter the Number of Students Enrolled in the School from the Oct. 1, 2021 Count
- 11. Amount will auto-populate from numbers in 9 and 10
- 12. Enter the FY21 Total Amount of State & Local Funds Allocated to Schools
- 13. Enter the Students Enrolled in the School from the Oct. 1, 2020 Count
- 14. Amount will auto-populate from numbers inputted 12 and 13
- 15. Amount will auto-populate from numbers inputted 11 and 14
- **16.** Yes or No will appear in based on results in number 15

# **Staffing Equity Calculation**

Under ARP § 2004(c)(1)(B), an LEA must maintain staffing equity in any high-poverty school. Each LEA must include all paid staff, both instructional and non-instructional when determining whether it maintained staffing equity on an FTE basis. This would include all employees and those hired by contract who perform school-level services. An LEA includes staff who split their time between more than one school building in the LEA. For example, if a districtwide literacy coach supports teachers in two different schools, the LEA must include the proportional FTE for each school.

### Tab Three: FY22 Staffing Equity Calculation—Districtwide



- 1. Enter the total FTE staff provided to all schools served by the LEA in FY22
  - 1a. the total number of students enrolled in all schools served by the LEA will auto-populate from Tab 2 1b. Will auto-calculate from 1 and 1a.
- 2. Enter the total FTE staff provided to all schools served by the LEA in FY21
  - 2a. the total number of students enrolled in all schools served by the LEA will auto-populate from Tab 2 2b. Will auto calculate from 2 and 2a.
- 3. LEA Per-Pupil FTE Reduction will auto-calculate from 1b and 2b.
- 4. Auto-populate from Tab 1 the high poverty schools



**5 and 8.** Enter the total FTE staff provided to the school for the respective year

6 and 9. The total number of children enrolled in that school will auto-populate from Tab 2

**7 and 10.** The total FTE staff provided to the identified school will auto-calculate (Data from 5/6 = 7)

- **11.** Automatic calculations determine High-Poverty School FTE Reduction occurred.
- 12. Automatic calculations determine if the LEA did or did not meet staffing equity for FY22