

*NEVADA DEPARTMENT OF EDUCATION  
GUIDANCE DOCUMENT FOR  
Title I, Part A*



## **Fiscal Requirements<sup>1</sup>**

Created by the Nevada Department of Education  
Title I Team

<sup>1</sup> This guidance supersedes any previous NDE guidance on this topic and will remain in effect until further notice from NDE.

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# Fiscal Requirements

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## 1. Maintenance of Effort (MOE)

At the school district level, the Maintenance-of-Effort provision requires that an LEA maintain its expenditures for public education from State and local funds from one year to the next. Thus, an LEA cannot reduce its own spending for public education and replace those funds with Federal funds. Maintenance of Effort (MOE) requires local educational agencies (LEAs) to maintain their state and local expenditures at a specified level from one fiscal year to the next. If your organization receives a federal grant awarded under the Every Student Succeeds Act (ESSA), the MOE requirement specifies that you must spend at least 90% of state and local funds for free public education as you spent in the previous fiscal year.

SEC. 1118. [20 U.S.C. 6321] FISCAL REQUIREMENTS.

(a) MAINTENANCE OF EFFORT.—A local educational agency may receive funds under this part for any fiscal year only if the State educational agency involved finds that the local educational agency has maintained the agency’s fiscal effort in accordance with section 8521.

## 2. Supplement not Supplant (SNS)

At the individual student level, an LEA must, under the supplement, not supplant requirement, ensure that Title I services to students are in addition to or supplement the regular services an LEA would otherwise provide to those students with funds from non-Federal sources. That is, services from Title I resources cannot replace or supplant services that an LEA would ordinarily provide to all its students. Under Section 1118 of ESEA, an LEA must demonstrate that the methodology used to allocate state and local funds to each school receiving Title I assistance ensures that the school receives all the state and local funds it would otherwise receive if it were not receiving assistance under Title I. 20 USC 6321 (b)(2).

SEC. 1118. [20 U.S.C. 6321]

### (b) FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT, NONFEDERAL FUNDS.—

- (1) IN GENERAL.—A State educational agency or local educational agency shall use Federal funds received under this part only to supplement the funds that would, in the absence of such Federal funds, be made available from State and local sources for the education of students participating in programs assisted under this part, and not to supplant such funds.
- (2) COMPLIANCE.—To demonstrate compliance with paragraph (1), a local educational agency shall demonstrate that the methodology used to allocate State and local funds to each school receiving assistance under this part ensures that such school receives all of the State and local funds it would otherwise receive if it were not receiving assistance under this part.
- (3) SPECIAL RULE.—No local educational agency shall be required to—
  - (A) identify that an individual cost or service supported under this part is supplemental;
  - or
  - (B) provide services under this part through a particular instructional method or in a particular instructional setting in order to demonstrate such agency’s compliance with paragraph (1).
- (4) PROHIBITION.—Nothing in this section shall be construed to authorize or permit the Secretary to prescribe the specific methodology a local educational agency uses to allocate State and local funds to each school receiving assistance under this part.
- (5) TIMELINE.—A local educational agency—

- (A) shall meet the compliance requirement under paragraph (2) not later than 2 years after the date of enactment of the Every Student Succeeds Act; and
- (B) may demonstrate compliance with the requirement under paragraph (1) before the end of such 2-year period using the method such local educational agency used on the day before the date of enactment of the Every Student Succeeds Act

### 3. Comparability of Services

Comparability of Services is a fiscal requirement for recipients of Title I, Part A funds under the Every Student Succeeds Act (ESSA). This requirement is an assessment of services provided at Title I, Part A and Non-Title I, Part A campuses. Local educational agencies (LEAs) that receive Title I, Part A funds must use their state and local funds to provide comparable services at their campuses receiving Title I, Part A funds and their campuses that are not receiving Title I, Part A funds. If all campuses in an LEA receive Title I, Part A funds, then one of the following conditions is required:

- State and local funds used to provide services at Title I, Part A campuses are substantially comparable, taken as a whole, at each Title I campus.
- State and local funds used to provide services at Title I, Part A campuses with higher percentages of low income students are equal to or greater than the services provided at Title I, Part A campuses with lower percentages of low-income students.

SEC. 1118. [20 U.S.C. 6321]

#### (c) COMPARABILITY OF SERVICES.—

##### (1) IN GENERAL.—

(A) COMPARABLE SERVICES.—Except as provided in paragraphs (4) and (5), a local educational agency may receive funds under this part only if State and local funds will be used in schools served under this part to provide services that, taken as a whole, are at least comparable to services in schools that are not receiving funds under this part.

(B) SUBSTANTIALLY COMPARABLE SERVICES.—If the local educational agency is serving all of such agency's schools under this part, such agency may receive funds under this part only if such agency will use State and local funds to provide services that, taken as a whole, are substantially comparable in each school.

(C) BASIS.—A local educational agency may meet the requirements of subparagraphs (A) and (B) on a grade-span by grade-span basis or a school-by-school basis.

##### (2) WRITTEN ASSURANCE.—

(A) EQUIVALENCE.—A local educational agency shall be considered to have met the requirements of paragraph (1) if such agency has filed with the State educational agency a written assurance that such agency has established and implemented—

- (i) a local educational agency-wide salary schedule;
  - (ii) a policy to ensure equivalence among schools in teachers, administrators, and other staff; and
  - (iii) a policy to ensure equivalence among schools in the provision of curriculum materials and instructional supplies.
- (B) DETERMINATIONS.—For the purpose of this subsection, in the determination of expenditures per pupil from State and local funds, or instructional salaries per pupil from State and local funds, staff salary differentials for years of employment shall not be included in such determinations.
- (C) EXCLUSIONS.—A local educational agency need not include unpredictable changes in student enrollment or personnel assignments that occur after the beginning of a school year in determining comparability of services under this subsection.
- (3) PROCEDURES AND RECORDS.—Each local educational agency assisted under this part shall—
- (A) develop procedures for compliance with this subsection; and
  - (B) maintain records that are updated biennially documenting such agency’s compliance with this subsection.
- (4) INAPPLICABILITY.—This subsection shall not apply to a local educational agency that does not have more than one building for each grade span.
- (5) COMPLIANCE.—For the purpose of determining compliance with paragraph (1), a local educational agency may exclude State and local funds expended for—
- (A) language instruction educational programs; and
  - (B) the excess costs of providing services to children with disabilities as determined by the local educational agency.

NDE’s collects comparability reports from LEAs each year. Please reach out to the [NDE Audit Team](#) with any questions/information regarding this process.

## Appendix

Non-Regulatory Guidance: Fiscal Changes and Equitable Services Requirements under ESEA as amended by ESSA

Non-Regulatory Guidance Title 1 Fiscal Issues