



Instructions: Maintenance of Effort

Who Needs to Meet the MOE?

All Charter partners who receive or plan on receiving federal funds must meet the MOE. Specifically, first-year partners who plan to receive federal funding in the budget year must pass the budget year MOE. Second-year partners which currently receive federal funds must meet both the current and budget year MOE tests. Those partners in their 2nd year who are not currently receiving federal funds, but which plan to receive funds in the budget year must pass the budget year MOE (please contact the SELPA office directly if this applies to your school).

How to Complete the Actuals to Actuals Report

Access the MOE pre-test or MOE year-end template through the Charter SELPA Fiscal Portal (<https://app.edcoecharterselpa.org/FiscalPortal/MoePretest>).

1. All revenues will pre-populate with your projected revenue.
2. Enter your projected expenditures (through June 30) in the cells highlighted in yellow.
3. If applicable, an Income Reallocation template may be completed. You must have an approved Board Resolution allowing your organization to do so. An example of this is available at charterselpa.org/fiscal.
4. The SELPA's administrative fee will prepopulate in both the income and expenditure sections. If you have reported this fee in the 5000 level expenditures above, be sure to reduce the reported 5000 expenditures by that amount.
5. Direct Support Allocation, if used, is to be reported using the Direct Support Template. Be sure to exclude your Direct Support (5700) from your Direct Costs (5000-Contracted Services) above.
6. Indirect Costs:
 - a. The rate will automatically populate and allowable indirect costs will be calculated.
 - b. Indirect costs may only be applied to expenditures up to \$25,000 of any sub-agreement for services (please refer to the [California School Accounting Manual](#) [CSAM] for details).
 - c. If allocating indirect costs, please enter a value that does not exceed the allowable amount.
7. The MOE test results are automatically reported. These should be reviewed and any MOE exemptions that apply should be completed in order to pass as many of the tests as possible.
 - a. While only one test must be passed in order to meet MOE requirements, we recommend passing as many as possible in order to reset the base funding requirement from year to year.
 - b. CDE has provided clarifying language on the "Subsequent Year Rule" which compares data in a particular test to the last year in which that test was passed.
 - c. The year of the data is included in each test.



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- d. If the MOE is not met, please review for possible exemptions and complete the Exemption Template. Please note that the Exemption Template is not available until the MOE has been saved.
- e. We recommend using all exemptions available in order to pass as many tests as possible.

How to Complete the Actuals to Budget Report

Access the MOE pre-test or MOE year-end template through the Charter SELPA Fiscal Portal (<https://app.edcoecharterselpa.org/FiscalPortal/MoePretest>).

1. The Actuals to Budget template will not be available until an Actuals to Actuals report has been saved.
2. State and Federal Revenue is prepopulated. However, ERMHS revenue will need to be estimated.
3. Enter the school's estimated special education expenditures for the budget (next) year.
4. Please review your estimated pupil count. This cell prepopulates with the school's current year count and should be updated to reflect the school's estimated pupil count for the budget (next) year.
5. The MOE must pass at least one of the budget year tests in order to receive federal funding in the budget year.
6. If the MOE is not met, please review for possible exemptions and complete the Exemption Template. Please note that the Exemption Template is not available until the MOE has been saved.

Be Mindful of the Due Dates

Please be aware that failure to meet the due date for the MOE tests actually prevents the Charter SELPA from submitting the required reporting for the entire SELPA, not just for the school in question, and has a direct and negative impact on SELPA-wide funding. The SELPA must be notified immediately if there is any expected delay in completing the MOE by its due date.