

Special Education – North Muskegon Public Schools

During the survey and stakeholder process for ESSER 3, the stakeholders ranked Services for students with disabilities 3rd (tied). The district is always looking at maximizing grant and state dollars so the following are reasons and documentation that explains the deviation from the survey.

The main reason the district does not plan to spend any ESSER 3 or Section 11t dollars on services for students with disabilities is maintenance of effort.

Maintenance of effort (MOE) in the context of special education refers to the requirement that states and local educational agencies (LEAs) maintain a certain level of financial support for special education services. This ensures that there is a consistent and stable funding commitment to meet the needs of students with disabilities. MOE provisions are outlined in the Individuals with Disabilities Education Act (IDEA), a federal law that governs special education services in the United States.

The MOE requirement applies to both state and local funding for special education. The goal is to prevent a reduction in the overall level of financial support for special education programs and services. LEAs are expected to maintain their financial efforts at a specified level, generally based on the previous fiscal year's expenditures.

Here are key points regarding MOE for special education in Michigan schools:

1. **Federal Requirements:** The IDEA sets forth the federal MOE requirements for special education. States must comply with these requirements to receive federal funding for special education programs.
2. **Calculation of MOE:** The MOE amount is calculated based on the total amount of funds expended by the state or LEA for special education and related services in the previous fiscal year. This serves as a baseline for determining the minimum level of financial effort that must be maintained.
3. **Penalties for Non-Compliance:** Failure to meet the MOE requirements can result in penalties, including a reduction in federal funding for special education. States and LEAs may face consequences if they do not fulfill their financial commitments.

The other main reason is due to the funding formula for special education from the State of Michigan and from our local Act 18 millage from the Muskegon Area ISD (MAISD). Currently the State of Michigan reimburses around 28% of all allowable special education expense. On top of the State's funding, the local ACT 18 formula from the MAISD determines their allocation to each school district by looking at the total reported special education expenses. This accounts to roughly 15% of additional reimbursement. Therefore, the two reimbursements account for roughly 43% reimbursement.

The district is planning on increasing special education services through the general fund to maximize the grants or state funding along with staying compliant with MOE. The document on the website shows a table that shows that our total special education allowable expenses have increased by \$800,000 from fiscal year 2020 to fiscal year 2023 projected) which is a 33% compared to the 2020 fiscal year. By having the increase within the general fund, the districts receives more state and local funding by also allowing the district to use the ESSER 3 grant on other needs.

One of Section 11t's main allowances is allocating costs based on students with disabilities. However, during the life of the ESSER 3 and Section 11t grants, the district also received multiple other grants that paid for special education services. The district added a psych but used Section 31o since it funded the majority of the total cost of the employee. The district also received Section 31n which also impacted the use of Section 11t and special education.

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