PERKINS

MAINTENANCE OF EFFORT (MOE)
UNDER PERKINS V

ADAM FLYNN-TABLOFF AND ANDREW JOHNSON
U.S. DEPARTMENT OF EDUCATION
OFFICE OF CAREER, TECHNICAL, AND ADULT EDUCATION
PURPOSE AND GOALS

- Participants will Know…
  - General MOE requirements under Perkins V.
  - An MOE waiver provision exists in Perkins V for exceptional or uncontrollable circumstances affecting the ability of a State to meet MOE requirements.

- Participants will Understand…
  - The Department’s interpretation of the MOE provision under Perkins V has changed to align with other Federal education statutes.

- Participants will Be Able To…
  - Consider potential implications of MOE on future grant awards.
  - Ask questions to gain clarity around MOE and the letter dated 1/15/21, which indicated final approved MOE baselines.
MOE – GENERAL REQUIREMENTS (SECTION 211(b)(1)(A))

IN GENERAL – Except as provided in subparagraph (B), (C), or (D), in order for a State to receive its full allotment of funds under this Act for any fiscal year, the Secretary must find that the State’s fiscal effort per student, or the aggregate expenditures of such State, with respect to career and technical education for the preceding fiscal year was not less than the fiscal effort per student, or the aggregate expenditures of such State, for the second preceding fiscal year.
In meeting effort for a State to receive its FY 2019 grant award, beginning on 7/1/19, the Department would compare the State’s level of effort for the period covered by its FY 2018 grant award (7/1/18 to 6/30/19) to ensure that it was at least equal to or greater than its level of effort for the period covered by its FY 2017 grant award (7/1/17 to 6/30/18)
Rationale for New Interpretation

- Align MOE interpretation under Perkins V with other Federal education statutes.
- Enable the Department to meet MOE requirements under the Perkins V statute.
As indicated in the letter dated January 15, 2021, the Department determined that all States met MOE requirements to receive their FY 2021 grant award, beginning on 7/1/21.
In meeting effort for a State to receive its FY 2022 grant award, beginning on 7/1/22, the Department will compare the State’s level of effort for State FY 2021 (7/1/20 to 6/30/21) to ensure that it was at least equal to or greater than its level of effort for the State FY 2020 (7/1/19 to 6/30/20) -- the State MOE baseline.
MOE Waivers (Section 211(b)(3))

- WAIVER – The Secretary may waive paragraph (2) due to exceptional or uncontrollable circumstances affecting the ability of the State to meet the requirement of paragraph (1) such as a natural disaster or unforeseen and precipitous decline in financial resources. No level of funding permitted under such a waiver may be used as the basis for computing the fiscal effort or aggregate expenditures required under this section for years subsequent to the year covered by such waiver. The fiscal effort or aggregate expenditures for the subsequent years shall be computed on the basis of the level of funding that would, but such waiver, have been required.
MOE – Next Steps

Questions?

Reach out to Andrew Johnson at Andrew.Johnson@ed.gov