

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—

1. 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 Comparability 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

High-Poverty Schools Within the LEA				
LEA Name	Tennessee Department of Education	LEA ID	000111000	
Process Steps: 1. Rank each school in the LEA by its percentage of economically disadvantaged students, from highest percentage to lowest percentage in FY22. If the LEA does not order them by rank, the other sheets will not function correctly. 2. Divide the total number of schools in the LEA by 4 to determine the number of school in the highest quartile. (All "Yes" schools must be listed above any "No" schools.) 3. The number of schools identified in Step 2 are the LEA's high-poverty schools. <i>Note: Fiscal and Staffing equity data must be submitted for the schools identified in the highest quartile.</i>				
Total Number of Schools in the LEA	4	Number of Schools in the Highest Quartile	1	
School Name	4-Digit School Number	Percentage of Economically Disadvantaged Students	FY22 High-Poverty School	
Apple	0000	30%	Yes	
Banana	0001	30%	No	
Clementine	0002	85%	No	
Dragon Fruit	0003	80%	No	

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.
3. Rank order ALL schools within the LEA by the percentage of economically disadvantaged students.
 - 3a. 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

Maintenance of Fiscal Equity Calculations									
	FY22 (School Year 2021-22)			FY21 (School Year 2020-21)					
	Total Amount of State and Local Funds Provided to All Schools	1	\$ 5,000,000.00	Total Amount of State and Local Funds Provided to All Schools	4	\$ 4,500,000.00			
	Number of Students Enrolled in the LEA from the Oct. 1, 2021 count	2	550	Number of Students Enrolled in the LEA from the Oct. 1, 2020 count	5	570			
	State and Local Per-Pupil Amount for FY22	3	\$ 9,090.91	State and Local Per-Pupil Amount for FY21	6	\$ 7,894.74			
	State and Local Per Pupil Reduction in State and Local Funds, if any, for FY22								
	FY22 Total Amount of State & Local Funds Allocated to School		\$ 9,090.91	FY21 Total Amount of State & Local Funds Allocated to School		\$ 7,894.74			
	Number of Students Enrolled in the School from the Oct. 1, 2021 Count		1	Number of Students Enrolled in the School from the Oct. 1, 2020 Count		1			
	Per Pupil Amount for FY22		\$ 9,090.91	Per Pupil Amount for FY21		\$ 7,894.74			
	High Poverty School Per Pupil Reduction in State & Local Funds			High Poverty School Per Pupil Reduction in State & Local Funds					
Apple								Yes	
Banana								Yes	

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

Districtwide Maintenance of Fiscal Equity Calculations							
FY22 (School Year 2021-22)				FY21 (School Year 2020-21)			
Total Amount of State and Local Funds Provided to All Schools Served by the LEA in FY22				Total Amount of State and Local Funds Provided to All Schools Served by the LEA in FY21			
Number of Students Enrolled in the LEA from the Oct. 1, 2021 count				Number of Students Enrolled in the LEA from the Oct. 1, 2020 count			
State and Local Per-Pupil Amount for FY22				State and Local Per-Pupil Amount for FY21			
State and Local Per-Pupil Reduction in State and Local Funds, if any, for FY22							
High-Poverty List of Schools in the LEA (pulled from prior sheet)	FY22 Total Amount of State & Local Funds Allocated to School	Number of Students Enrolled in the School from the Count	Per Pupil Amount for FY22	FY21 Total Amount of State & Local Funds Allocated to School	Number of Students Enrolled in the School from the Count	Per Pupil Amount for FY21	High-Poverty School in the List of Schools
Apple	508,151.00	60	8,469.17	571,962.20	60	9,532.70	Yes
Banana	504,572.00	60	8,409.53	487,806.18	60	8,130.10	No

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

Districtwide Maintenance of Staffing Equity Calculations							
FY22 (School Year 2021-22)				FY21 (School Year 2020-21)			
Total Amount of FTEs of Staff in All Schools Served by the LEA in FY22				Total Amount of FTEs of Staff in All Schools Served by the LEA in FY21			
Number of Students Enrolled in the LEA from the Oct. 1, 2021 count				Number of Students Enrolled in the LEA from the Oct. 1, 2020 count			
Per-Pupil Number of FTEs for FY22				Per-Pupil Number of FTEs for FY21			
LEA Per-Pupil FTE Reduction, if any, for FY22							
High-Poverty List of Schools in the LEA (pulled from prior sheet)	Total numbers of FTEs allocated to this school in FY22	Number of Students Enrolled in the School from the Oct. 1, 2021 count	Per Pupil Amount for FY22	Total Number of FTEs Allocated to This School in FY21	Number of Students Enrolled in the School from the Oct. 1, 2020 Count	Per Pupil Amount for FY21	High-Poverty School FTE Reduction, if any
Apple	90	60	0.15	90	60	0.15	0.00
Banana	65	60	0.16	90	58	0.16	0.00

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