

ESSER III Maintenance of Equity

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Learning Outcomes

- Understand the ESSER III Maintenance of Equity requirements
- Understand the ESSER III Maintenance of Equity exceptions
- Understand how the exceptions affect ESSER III Maintenance of Equity compliance measurement
- Understand the LEA's next steps and responsibility

Stimulus Packages Overview

CARES Act

3/13/2020 - 9/30/2022

CRRSA Act

3/13/2020 - 9/30/2023

ARP Act

3/13/2020 - 9/30/2024

**Crisis
Response**

**Resume /
Sustain
In-person
Instruction**

**Recovery
and Address
Unfinished
Learning**

Activities must prevent, prepare for, and respond to COVID-19

Maintenance of Equity

Purpose

These requirements safeguard school districts and schools that serve a large share of students from low-income backgrounds against experiencing a disproportionate reduction in funding in FYs 2022 & 2023 (i.e., school years 2021-2022 and 2022-2023)



Maintenance of Equity

Purpose

Maintenance of Equity requirements are also intended to ensure that school districts serving the largest shares of students from low-income backgrounds do not receive a decrease in State funding below their FY 2019 level



Maintenance of Equity SEA Requirements

ESSER III
Maintenance of Equity
SEA Requirement



Maintenance of Equity - SEA

FY 2022 & FY 2023

State educational agencies may not reduce state funding:

- for any high-need LEA by more than any overall reduction in state funds across all LEAs; or
- for any highest poverty LEA below the FY 19 level

American Rescue Plan Act of 2021
[PL 117-2 Sec. 2004. \(b\)](#)



Maintenance of Equity - SEA

DPI submitted Wisconsin's baseline data (FY 21) to the US Department of Education on November 12, 2021

- Reported annually for FY 22 & 23
- Highest-poverty / high-need LEAs
- State funding figures including per-pupil amounts
- Baseline viewable at [Office of Elementary & Secondary Education Maintenance of Equity page](#)

American Rescue Plan Act of 2021
[PL 117-2 Sec. 2004. \(d\)\(2\)&\(3\)](#)



Maintenance of Equity LEA Requirements

ESSER III Maintenance of Equity LEA Requirement



Maintenance of Equity - LEAs

FY 2022 & FY 2023

- LEAs may not reduce per-pupil spending or staffing for high-poverty schools at a greater rate than the reductions (if any) that are applied to all schools in the LEA
- Condition of receiving ESSER III funds

American Rescue Plan Act of 2021
[PL 117-2 Sec. 2004.\(c\)](#)



Maintenance of Equity - LEAs

Determining High-Poverty

- Identify “high-poverty schools”
 - Top 25% number of schools
- Based on economically disadvantaged student %
- Districtwide or gradespan grouping

[ESSER III LEA Maintenance of Equity Requirements FAQ #22-#25](#)



Maintenance of Equity - LEAs

Determining MOEquity - Funding

- Determine if there was a reduction in state and local funds from FY 21 to FY 22
- Per-pupil districtwide or gradespan; then per-pupil by high-poverty school
- Districtwide or gradespan per-pupil reduction must be greater than any per-pupil reduction to high-poverty schools

[ESSER III LEA Maintenance of Equity Requirements FAQ #26-#27](#)



Maintenance of Equity - LEAs

Determining MOEquity - Staffing

- Determine if there was a reduction in FTEs from FY 21 to FY 22
- All paid staff (instructional and non-instructional) and contractors
- Per-pupil districtwide or gradespan; then per-pupil by high-poverty school
- Districtwide or gradespan per-pupil reduction must be greater than any per-pupil reduction to high-poverty schools

[ESSER III LEA Maintenance of Equity Requirements FAQ #28-#30](#)



Maintenance of Equity LEA Exceptions

ESSER III Maintenance of Equity Exceptions



Maintenance of Equity

Exceptions:

- Total enrollment of less than 1,000 students (249 LEAs)
- Operates a single school (56 LEAs)
- Serves all students within each grade span with a single school (97 LEAs)



Demonstrates an exceptional or uncontrollable circumstance



Maintenance of Equity - USDE

ESSER III
Maintenance of Equity
USDE Support and
Recognition



Maintenance of Equity - USDE

USDE

- Affirms commitment to implementing MOEquity provisions with fidelity
- Recognizes new requirements touching on fiscal issues are particularly challenging to implement



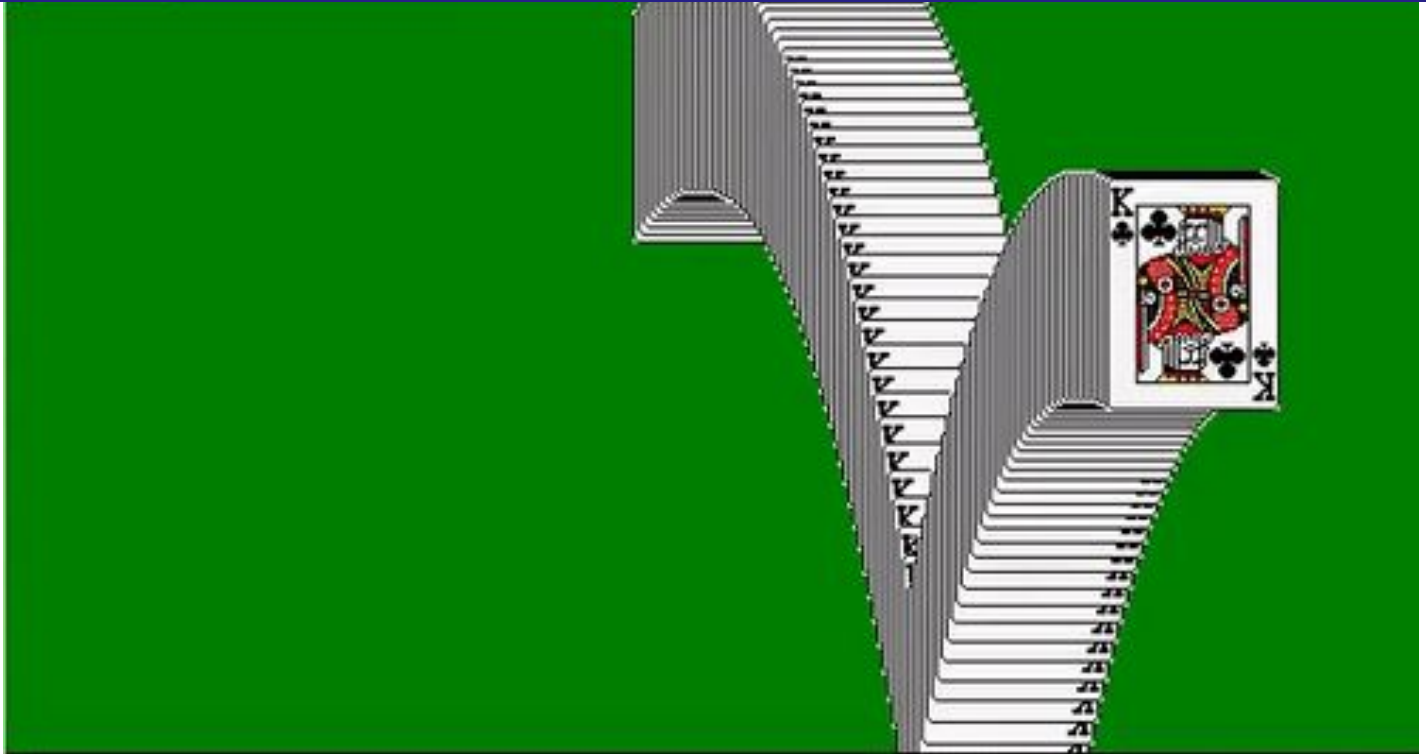
Maintenance of Equity - USDE

Updated Guidance:

- US Department of Education published fourth iteration of updated [“Final” FAQ](#) on December 29, 2021
- Addresses “exceptional or uncontrollable circumstance”
- Provides exceptions for both FY 2022 and FY 2023



Maintenance of Equity



Maintenance of Equity

Exceptions:

- Total enrollment of less than 1,000 students (249 LEAs)
- Operates a single school (56 LEAs)
- Serves all students within each grade span with a single school (97 LEAs)

 Demonstrates an exceptional or uncontrollable circumstance



Maintenance of Equity

“Demonstrates an exceptional or uncontrollable circumstance”

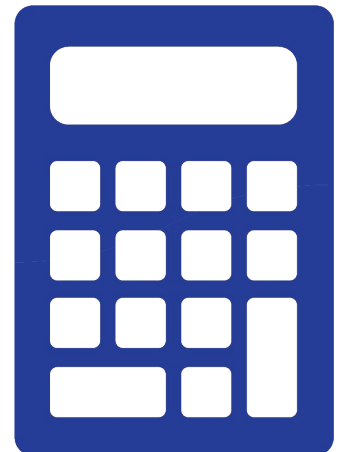
- LEA faces one-time implementation challenges due to the enactment of the ARP Act in March 2021 and the impact of the pandemic
- LEA did not and will not implement an aggregate reduction in combined state and local per-pupil funding (i.e., is not facing overall budget reductions)



Maintenance of Equity

“Not facing overall budget reductions”

- DPI working with US Department of Education to accept DPI-proposed procedures
- If DPI procedures accepted by US Department of Education:
 - DPI will maintain records
 - Most LEAs will be excepted
 - No local requirement to calculate



Maintenance of Equity

Base Revenue Limit Authority per Member FY21 to FY22
(Equivalent to Line 5 on Revenue Limit Worksheet)

Line 5. 2021-22
Maximum Revenue /
Member

-

Line 5. 2020-21
Maximum Revenue /
Member

=

Increase
No Change
Decrease

FY22
\$11,452

-

FY21
\$11,023

=

Increase
\$429

Maintenance of Equity

If FY21 to FY22 decreased, LEA must demonstrate MOEquity or qualify for exception

Line 5. 2021-22
Maximum Revenue /
Member

-

Line 5. 2020-21
Maximum Revenue /
Member

=

Increase
No Change
Decrease

FY22
\$12,926

-

FY21
\$13,099

=

Decrease
(\$173)

Applies to five LEAs that all qualify for the fewer than 1,000 students exception

Maintenance of Equity

If no change or increase, did the LEA levy to the limit in FY22?

is $\text{2021-22 Line 14. Total (Revenue Limit Levies)} \geq \text{2021-22 Line 13. Allowable Limited Revenue}$?

- If yes, then the LEA qualifies for the “exceptional or uncontrollable circumstance” exception

Maintenance of Equity

If no change or increase, did the LEA levy to the limit in FY22?

is $\text{2021-22 Line 14. Total (Revenue Limit Levies)} \geq \text{2021-22 Line 13. Allowable Limited Revenue}$?

No? then $\text{Recurring Exemptions} + \text{Non-recurring Exemptions} \geq \text{Under Levy Amount}$

- If yes, then the LEA qualifies for the “exceptional or uncontrollable circumstance” exception

Maintenance of Equity



1. Base Revenue Limit Authority per Member FY21 to FY22 (Equivalent to Line 5 on Revenue Limit Worksheet)
2. If decrease, LEA must demonstrate equity or qualify for exception
3. If no change or increase, did the LEA levy to the limit in FY22
4. If the LEA levied to the limit, the LEA qualifies for an exception
5. If the LEA levied below the limit, the LEA qualifies for an exception if the combined recurring and non-recurring exemptions are greater than the amount that the LEA levied below their revenue limit authority per member

Maintenance of Equity

ESSER III
Maintenance of Equity
“Is my LEA excepted?”



Maintenance of Equity

- Total district enrollment of less than 1,000 students
- Operates a single school
- Serves all students within each grade span with a single school

DPI Maintains Record

- 139 districts (FY22)
- Demonstrates an exceptional or uncontrollable circumstance
- Will receive WISEgrants notification for FY22

WISEgrants

FY22 exception list **to be posted** to [ARP Maintenance of Effort and Maintenance of Equity page](#)

ARPA ESSER III LEA Requirements

How to Certify an
ESSER III Maintenance
of Equity Exception



Maintenance of Equity - LEAs

WISEgrants Wisconsin Information System for Education Federal Grants Portal

ARPA Michael Dennison, WIGAM

Home Admin Menu Programs Authorizations Reports Message Board (6) 2021-2022

Documents To Be Authorized

Drag a column header and drop it here to group by that column

Act	Grant	Document Name	Parent Document	
ARPA	ARP Homeless Children and Youth II	ARP HCY II Certifications and Assurances		Authorize Document
ARPA	Elementary and Secondary School Emergency Relief Fund III	ARP LEA Certification of Exception from Maintenance of Equity Requirement		Authorize Document
CRRSA Act	Elementary and Secondary School Emergency Relief Fund II	ESSER Construction Assurances	CRRSA Act Construction Assurances	Authorize Document

Maintenance of Equity - LEAs

District Authorization

Wisconsin Department of Public Instruction
ELEMENTARY AND SECONDARY EMERGENCY
EDUCATION RELIEF FUND III (ESSER III)

INSTRUCTIONS: Eligible LEAs must submit this certification in WISEgrants, which will notify the U.S. Department of Education which

The document below must be 'digitally signed' by an individual assigned as a district authorizer. To view authorization button, scroll to the bottom of the window.

CERTIFICATION

**American Rescue Plan
LEA Certification of Exception from Local Maintenance of Equity Requirements**

Submit this certification to the Wisconsin Department of Public Instruction (DPI) through WISEgrants. DPI will notify the U.S. Department of Education which local educational agencies (LEAs) in the State are excepted from the local maintenance of equity requirements under section 2004(c)(2) of the American Rescue Plan (ARP) Act due to such certifications for fiscal year (FY) 2021-2022.

LEA Code _____ Local Educational Agency
School District

State
Wisconsin

On behalf of the local educational agency (LEA), I, **THE UNDERSIGNED, CERTIFY** that for the 2021-2022 school year,

ARP LEA Certification of Exception from Maintenance of Equity Requirement

Click to Add Digital Signature

Maintenance of Equity - LEAs

FY 2023

- Data will be reviewed in Fall 2022
- LEAs will need to certify an FY23 exception if qualified
- DPI will run data and contact excepted LEAs
- Plan ahead using revenue limit worksheet



DPI Resources

- [ARP Maintenance of Effort and Maintenance of Equity page](#)
- [Revenue Limits pages](#)
- [USDE ESSER III Maintenance of Equity FAQ](#)
- Updated December 29, 2021
- Send questions to essergrants@dpi.wi.gov



Learning Outcomes Revisited

- ✓ Understand the ESSER III Maintenance of Equity requirements
- ✓ Understand the ESSER III Maintenance of Equity exceptions
- ✓ Understand how the exceptions affect ESSER III Maintenance of Equity compliance measurement
- ✓ Understand the LEA's next steps and responsibility

**THANK
YOU!**