



ESSA LEA MAINTENANCE OF EFFORT GUIDANCE HANDBOOK

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INTRODUCTION

As a condition for receiving its full allocation in any fiscal year, for covered programs under the [Elementary and Secondary Education Act of 1965 \(ESEA\)](#), as reauthorized and amended by the [Every Student Succeeds Act \(ESSA\)](#), a school system must maintain its own state and local fiscal effort in accordance with Section 8521, ESEA. This requirement is known as maintenance of effort (MOE). This handbook provides Texas school systems with guidance on how to interpret and determine compliance with the ESSA local educational agency (LEA) MOE requirement.

DEFINITION OF MAINTENANCE OF EFFORT

Section 8521(a), ESEA, provides that:

“A local educational agency [school system] may receive funds under a covered program for any fiscal year only if the State educational agency finds that either the combined fiscal effort per student or the aggregate expenditures of the agency and the State with respect to the provision of free public education by the agency for the preceding fiscal year was not less than 90 percent of the combined fiscal effort or aggregate expenditures for the second preceding fiscal year.”

In other words, to receive funds under a covered program, a school system must maintain a minimum of 90% of its expenditures for public education from state and local funds from one year to the next. If the percentage of state and local funds expended in the year under determination is less than 90% of what was expended in the prior fiscal year, the school system’s ESSA allocations for the upcoming fiscal year will be reduced in the exact proportion by which the school system did not meet the MOE requirement.

COVERED PROGRAMS

As used in Section 8521, ESEA, the term “covered program” means each of the following:

- Title I, Part A, Improving Basic Programs Operated by Local Educational Agencies
- Title I, Part D, Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or At-Risk
- Title II, Part A, Improving Teacher Quality State Grants
- Title III, Part A, English Language Acquisition State Grants
- Title IV, Part B, 21st Century Community Learning Centers
- Title V, Part B, Subpart 2, Rural Education

PURPOSE OF THE PROVISION

In awarding grant funds for education purposes, the federal government does not intend that school systems should use those dollars as the primary means of providing services. The school system agrees when it accepts ESSA funds that it will expend non-federal (that is, state and local) funds in accordance with a minimum of two federal fiscal accountability requirements: supplement, not supplant (at the student level), and MOE (at the school system level). In addition, when the school system accepts Title I, Part A funds, it also agrees it will meet the comparability of services fiscal requirement (at the campus level).

Supplement, not supplant mandates that state and local funds may not be diverted to other purposes simply because federal funds are available. The MOE requirement ensures that the school system continues to expend its state and local funds at the same level from fiscal year to fiscal year, instead of limiting services to what can be provided using federal dollars. The Title I, Part A comparability of services provision further requires that each campus receives its fair share of state and local resources, regardless of whether the campus is also federally funded.

METHODS OF DETERMINING COMPLIANCE

To meet the ESSA LEA MOE requirement in any fiscal year, a school system is required to expend state and local funds at a minimum of 90% of the level at which it expended funds in the preceding fiscal year. There are four calculations for determining whether a school system has met the ESSA LEA MOE requirement.

A school system needs to meet at least one of the following four tests to be compliant:

1. Total state and local expenditures: The school system's total state and local expenditures must equal or exceed 90% of expenditures during the previous fiscal year.
2. Total state and local expenditures per-pupil for refined average daily attendance (RADA): The RADA per-pupil amount the school system expended must equal or exceed 90% of the amount it expended during the previous fiscal year.
3. Total state and local expenditures per pupil for membership: The membership per-pupil amount the school system expended must equal or exceed 90% of what it expended during the previous fiscal year.
4. Total state and local expenditures per pupil for enrollment: The enrollment per-pupil amount the school system expended must equal or exceed 90% of what it expended during the previous fiscal year.

For example, if the school system expended \$500,000 in state and local funds in FY 2024, it must expend at least \$450,000 in state and local funds in FY 2025 (90% of its prior-year expenditures). If the school system expends only \$400,000 in FY 2025, it has failed to maintain effort by \$50,000. Because the school system failed to maintain effort, its allocations for FY 2027 will be reduced by 11.111% (\$50,000 is 11.111% of \$450,000).

Total State and Local Expenditures

Per Title 34 of the Code of Federal Regulations (34 CFR) 299.5(d)(1), in determining a school system's compliance with ESSA LEA MOE:

“the SEA shall consider only the school system 's total expenditures from state and local funds for free public education. These include expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities.”

For more detailed information, see Appendix 1: ESSA LEA MOE Calculation Methodology.

Total State and Local Expenditures per Pupil (RADA, Membership, or Enrollment)

The school system may meet ESSA LEA MOE requirements if its fiscal effort per student is maintained at a minimum of 90% of what it expended during the previous fiscal year. Fiscal effort per student is calculated by dividing total state and local expenditures by the school system 's student count. Student count may be calculated based on RADA, membership, or enrollment, as follows:

- **RADA:** The aggregate eligible days of student attendance is divided by the number of days of instruction to compute RADA. School systems may find RADA in the reports posted by school year on the Average Daily Attendance and Wealth per Average Daily Attendance page of the TEA website. (Note: House Bill 2442's, passed in the 85th Texas Legislature, provision for “minutes of operation” will not change the MOE calculation as TEA will convert minutes into the traditional ADA format for each school system in the posted reports.)
- **Membership:** The number of students actually receiving instruction by attendance in a public school (as opposed to being registered but not yet receiving instruction), minus the number of students who are served for fewer than two hours per day. This count is derived by taking the school system 's “Total” enrollment figure (found on the TSDS PEIMS Report PDM1-230-003 Student Summary by Sex and Ethnicity) and subtracting the student count on row “0”(eligibility code).
- **Enrollment (In Enrollment):** The number of students actually receiving instruction by attendance in a public school, as opposed to being registered but not yet receiving instruction. The school system 's enrollment figure is included on the TSDS PEIMS Report PDM1-230-003 Student Summary by Sex and Ethnicity. In this report, the “Total” student count indicated is the enrollment count.

CONSEQUENCES FOR FAILURE TO MEET ESSA LEA MOE

Per section 8521(b)(1), ESEA, if the school system fails to meet all four tests listed in the Methods of Determining Compliance section, and if the school system failed to meet the requirement in one or more of the five immediately preceding fiscal years, TEA must reduce the amount of funds allocated under ESEA-covered programs in exact proportion to the school system's failure to meet the requirement, using the test that is most favorable to the school system.

Details on the requirement as applicable to the five immediately preceding fiscal years are provided in the Five-Year Flexibility Rule section, below.

Fiscal Years Used in Comparison

The United States Department of Education (USDE) non-regulatory guidance on Title I fiscal issues dictates the fiscal years TEA must use to determine whether a school system maintained fiscal effort in accordance with Section 8521, ESEA. Under this guidance, TEA must compare the school system's state and local fiscal effort for the "preceding fiscal year" to the "second preceding fiscal year." To be compliant with federal maintenance of effort (MOE) requirements, a school system's state and local expenditure amount in the preceding fiscal year cannot be less than 90 percent of its state and local expenditure amount in the second preceding fiscal year.

The "preceding fiscal year" is simply the fiscal year before the fiscal year in which Title I funds are available to the school system and the fiscal year for which TEA will determine the school system's compliance. The "second preceding fiscal year" is the fiscal year before the preceding fiscal year. Therefore, to determine MOE compliance for fiscal year 2025, for example, TEA will compare the school system's state and local expenditure amount for fiscal year 2025 to the school system's state and local expenditure amount for fiscal year 2024.

The following table shows examples of the comparisons TEA would use to make MOE determinations for three school systems for FY 2025:

State and Local Expenditure Amounts					
A	B	C	D	E	
FY 2024 (second preceding fiscal year)	FY 2025 (the preceding fiscal year)	90% of FY 2024 Amount (amount needed to expend in FY 2025 to be compliant)	Comparison of columns B to C	ESSA LEA MOE Status for FY 2025	
School System #1	\$1,000	\$1,200	\$900	\$1,200 > \$900	Compliant
School System #2	\$1,000	\$1,000	\$900	\$1,000 > \$900	Compliant
School System #3	\$1,000	\$800	\$900	\$800 < \$900	Noncompliant

TEA will use this comparison to determine a school system's MOE compliance each year, as long as the school system remains compliant. However, Section 8521(b)(1), ESEA, dictates that TEA must use a slightly different process to determine MOE compliance after a school system fails to maintain effort.

Comparison after a School System Fails MOE

To determine MOE compliance after a school system fails to maintain fiscal effort, TEA compares the school system's state and local expenditure in the preceding fiscal year to a reduced amount. Specifically, TEA compares the school system's state and local expenditure in the preceding fiscal year to only 90 percent of the amount the school system needed to spend to be compliant in the second preceding year, which is already 90 percent of the school system's actual expenditure in the fiscal year before the second preceding year.

To make this comparison, TEA uses a two-step process. Step 1 is to calculate the amount that the school system needed to spend to be compliant in the second preceding year. This calculation uses expenditure data from the fiscal year before the second preceding year. The following table shows examples of Step 1 for determining FY 2025 compliance for three school systems that were not compliant in FY 2024 (but were compliant in FY 2023):

State and Local Expenditure Amounts					
A	B	C	D	E	
FY 2023 (last compliant year)	FY 2024 (second preceding fiscal year)	90% of FY 2023 Amount (amount needed to expend in FY 2024 to be compliant)	Comparison of columns B to C	ESSA LEA MOE Status for FY 2024	
School System #4	\$1,200	\$1,000	\$1,080	\$1,000 < \$1,080	Noncompliant
School System #5	\$1,000	\$850	\$900	\$850 < \$900	Noncompliant
School System #6	\$800	\$675	\$720	\$675 < \$720	Noncompliant

In Step 2, TEA calculates 90 percent of the amount in Column C above. TEA then compares that amount to the school system's FY 2025 expenditure amount to determine MOE compliance for FY 2025. The following table shows Step 2 using the same three school systems shown in Step 1:

State and Local Expenditure Amounts					
	A	B	C	D	E
	90% of FY 2023 Amount (which must have been expended in FY2024 to be compliant)	90% of Column A	FY 2025 Expenditure Amount	Comparison of columns C to B	ESSA LEA MOE Status for FY 2025
School System #4	\$1,080	\$972	\$1,010	\$1,010 > \$972	Compliant
School System #5	\$900	\$810	\$825	\$825 > \$810	Compliant
School System #6	\$720	\$648	\$625	\$625 < \$648	Noncompliant

Five-Year Flexibility Rule

ESEA Section 8521(b)(1) establishes new flexibility regarding the reduction of a school system’s allocation for failing to maintain ESSA LEA MOE. Specifically, the law states:

An SEA must reduce an LEA’s [school system] allocation under a covered program if the LEA [school system] fails to maintain effort in a given fiscal year and failed to maintain effort in one or more of the five immediately preceding fiscal years.

For example, if a school system is found noncompliant **for FY 2025**, TEA will look back to FYs 2020, 2021, 2022, 2023, and 2024 (the five preceding fiscal years) to determine if the school system failed in any of those five years.

- If the school system is **noncompliant** in **any** of those five preceding years, then the school system’s next allocations for the covered programs **will** be reduced.
- If the school system is **compliant** in **all** those five preceding years, then the school system’s next allocations for the covered programs **will not** be reduced. A school system that is newer than five years must have been compliant for all years of its operation to be eligible for this flexibility.

If a school system receives a waiver of the MOE requirement from USDE for a given fiscal year, the school system has effectively maintained effort for that fiscal year. Accordingly, in determining whether the school system had failed to maintain effort for one or more of the five immediately preceding fiscal years, TEA would count the year in which the school system received a waiver as a year of maintaining effort.

Fiscal Years Affected by Determination

The following chart demonstrates the applicable calculations and fiscal years under comparison for a four-year period where the school system **is assumed to have been compliant in FY 2021 and the five years prior, noncompliant in FY 2022**, returned to compliance in

FY 2023 and FY 2024 and was again noncompliant in FY 2025. In the example, the calculation to use the test that is most favorable to the school system has already been determined, and the results are reflected in the figure below.

A	B	C	D	E	F
Determination Year	State and Local Expenditures During Applicable Compliant Comparison Year	Expenditures (level of effort) required to be Compliant. (90% of column B)	State and Local Expenditures During Determination Year	Amount by which school system failed to maintain effort	Fiscal Year in Which ESSA Allocations could be reduced for noncompliance
FY 2022	\$1,000,000 (FY 2021)	\$900,000*	\$850,000 (FY 2022)	(\$50,000)	FY 2024 (No reduction as school system is eligible for five-year flexibility)
FY 2023	\$900,000** (FY 2022)	\$810,000	\$810,000 (FY 2023)	N/A	FY 2025 (No reduction as compliant)
FY 2024	\$810,000 (FY 2023)	\$729,000	\$800,000 (FY 2024)	N/A	FY 2026 (No reduction as compliant)
FY 2025	\$800,000 (FY 2024)	\$720,000	\$700,000 (FY 2025)	(\$20,000)	FY 2027 (Reduction in ESSA "covered programs" allocations would be 2.778% (\$20,000/\$720,000))

*Assuming school system was compliant in FY 2021.

**The state and local expenditures used for MOE purposes in FY 2023 is \$900,000, which is 90% of FY 2021 expenditures (last fiscal year for which effort was maintained), rather than the actual FY 2022 expenditures of \$850,000 (because the school system failed to maintain effort in FY 2022).

School system expenditure data are reported to TEA and subsequently become available in TSDS PEIMS on a timeline that does not account for MOE. Therefore, any reduction in allocation resulting from a school system’s failure to comply with ESSA LEA MOE will be applied to the second fiscal year after the year of determination. For example, ESSA LEA MOE compliance is calculated for FY 2025 in late spring of 2026 (when the data are available). Any reduction in allocation for school systems determined to be noncompliant are applied to FY 2027 (school year 2026–2027), as those allocations are calculated in the summer of 2026.

SIGNIFICANT TSDS PEIMS ERRORS IN A SCHOOL SYSTEM'S REPORTED EXPENDITURES

The US Department of Education (USDE) has approved TEA's request to reconsider significant errors reported in TSDS PEIMS. To demonstrate that an error is "significant," the school system must enter its self-reported, corrected data into TEA's ESSA LEA MOE Calculation Tool (available on the [ESSA LEA Maintenance of Effort](#) page of the TEA website), and the results must reflect a change in the school system's expenditures.

If the results of the ESSA LEA MOE determination calculation tool show a change in expenditures, TEA will recalculate a revised compliance report using the corrected data. **The calculation performed by the ESSA LEA MOE Calculation Tool is an estimate only and may not duplicate TEA's exact calculation process. The results of TEA's recalculation will be the basis of the final MOE compliance review status.**

The school system may request a state reconsideration for significant errors in the school system's reported TSDS PEIMS expenditures by providing the following to TEA:

1. Dated letter from the school system Superintendent/designee that outlines the PEIMS reporting error that occurred and steps that will be taken to prevent a future recurrence.
2. Dated letter from the school system independent auditor that confirms that the data on the revised ESSA LEA MOE calculation tool is correct.
3. ESSA LEA MOE calculation tool with corrected data that is signed by the school system Superintendent/designee and the school system independent auditor.
4. Supporting documentation from the school system's financial accounting system to verify the revised data included on the ESSA LEA MOE calculation tool.

Any decision to use revised data in the calculation of ESSA LEA MOE determinations will not change the official TSDS PEIMS data, which is the agency's official system of record. The official TSDS PEIMS data is final and will remain unchanged on all TEA products and reports that rely on that information.

USDE WAIVER

Section 8521(c), ESEA, allows USDE to waive the statutory penalty of the MOE requirement if a school system's failure to maintain effort resulted from one or both of the following:

- Exceptional or uncontrollable circumstances, such as a natural disaster or a change in the organizational structure of the school system
- A precipitous decline in the financial resources of the school system

A school system that fails to meet the MOE requirement may request a waiver from USDE, as described in the following section. To make decisions on a school system's MOE waiver request, USDE may review revenue and expenditure data provided by TEA.

TEA has no authority to waive the ESSA LEA MOE requirement and has no input into USDE's decision regarding school system waiver requests.

If USDE grants the school system's request for a waiver, USDE will notify TEA, and TEA staff will notify the school system. The school system may then receive its full allocation for Title I, Part A, and other covered ESEA programs for the applicable fiscal year.

If a school system receives an approved USDE waiver of the MOE requirement for a given fiscal year, the school system has effectively maintained effort for that fiscal year. Accordingly, in determining whether the school system had failed to maintain effort for one or more of the five immediately preceding fiscal years, TEA would count the year in which the school system received a USDE waiver as a year of maintaining effort. However, an approved USDE waiver does not eliminate the MOE requirement or authorize the school system to not maintain effort in future years.

Requesting USDE Waiver to ESSA LEA MOE Requirement

To request an MOE waiver from USDE, the school system must write a letter outlining the reason(s) the school system did not maintain effort and email it to OESE.TitleI-A@ed.gov. A copy of the letter must also be emailed to TEA's FFCR Division at compliance@tea.texas.gov.

ESSA LEA MOE TIMELINE

- April: TSDS PEIMS actual audited financial data from TSDS PEIMS Record 032 for the applicable fiscal years is extracted by FFCR to determine school systems' compliance with the ESSA LEA MOE requirement.
- May/June: TEA posts ESSA LEA MOE Compliance Reports in GFFC Reports and Data Collections.
- May/June: GovDelivery bulletin regarding availability of ESSA LEA MOE Compliance Reports is transmitted via GovDelivery. (Subscribe to the "Grants (formerly GAFPC)" list at <https://public.govdelivery.com/accounts/TXTEA/subscriber/new>).
- May/June: Using AskTED email address information, FFCR e-mails Superintendents a notification if their school system's status is noncompliance with the ESSA LEA MOE requirement.
- May/June: As applicable, school systems may submit waiver requests directly to USDE and provide a copy of the letter to FFCR at: compliance@tea.texas.gov.
- July: As applicable, TEA reduces the amount of funds allocated under ESEA covered programs in exact proportion to which a school system fails to meet the 90 percent ESSA LEA MOE requirement (if the school system is not covered by the "Five-Year Flexibility Rule" – see previous section).
- Ongoing: TEA reinstates any reductions taken from a school system's allocations, upon notification by the USDE of ESSA LEA MOE waivers granted.

ESSA REPORTS

ESSA LEA MOE Compliance Reports are currently made available via GFFC Reports and Data Collections, a web-based application available through TEAL that provides reports on ESSA-related programs. Each superintendent and charter school executive director should apply for access. Other authorized school system officials may also be granted access by the school system superintendent or charter school executive director.

Accessing Summary of Compliance with ESSA LEA MOE Requirement Reports

To access the ESSA LEA MOE Compliance Reports, do the following:

1. Log in to the [Texas Education Agency Login \(TEAL\)](#).
2. Select GFFC Reports and Data Collections.
3. For Report Title, select “ESSA LEA MOE Reports” from the drop-down menu.
4. For School Year, select the applicable school year. (For example, select the 2024–2025 school year to obtain the ESSA LEA MOE Compliance Report for FY 2025, which typically compares total expenditures and per-pupil expenditures from 2023–2024 to 2024–2025.)

Example of the ESSA LEA MOE Compliance Report

Below is an example of the ESSA LEA MOE Compliance Report located in GFFC Reports and Data Collections. The report provides the school system’s status of “Compliant” or “Noncompliant” in the upper right-hand corner of the document. The test result status for each of the four tests will be shown in the far right-hand column in Line numbers 16, 18, 20, and 22, which represent the four methods of determining compliance.

In the example below, the school system is compliant. While the school system met compliance in three of the four methods for determining compliance, it only needs to show compliance for at least one test to be compliant.

If the school system is noncompliant, TEA calculates the exact proportion by which a school system did not meet the MOE requirement using the measure most favorable to the school system (i.e., the test demonstrating that the school system expended closest to 90% of the amount expended the prior year). The adjustment percentage will be displayed in the upper right-hand corner of the document, to the right of any “Noncompliant” status indication.

TEXAS EDUCATION AGENCY
ESSA LEA Maintenance of Effort Compliance Report
FY 20XX

Line Nbr (a)	Function Code	Function Code Description	Comparison Year	Current Year	Test Result (c)
			2022-2023	2023-2024	
01	11	Instruction	\$1,873,770	\$2,080,226	
02	12	Instructional Resources and Media Services	\$31,095	\$47,765	
03	13	Curriculum and Instructional Staff Development	\$8,999	\$12,892	
04	21	Instructional Leadership	\$11,907	\$11,212	
05	23	School Leadership	\$275,433	\$275,803	
06	31	Guidance and Counseling Service	\$42,314	\$38,127	
07	32	Social Work Services	\$0	\$0	
08	33	Health Services	\$77,111	\$83,850	
09	34	Student (Pupil) Transportation	\$172,637	\$147,344	
10	35	Food Services (Deficit only)	\$0	\$0	
11	36	Cocurricular/Extracurricular Activities (Deficit only)	\$0	\$0	
12	41	General Administration	\$530,627	\$453,947	
13	51	Plant Maintenance and Operations	\$532,190	\$595,621	
14	53	Data Processing Services	\$25,765	\$28,003	
15	71	Debt Services (only object codes 6512, 6514, 6522 and 6526)	\$0	\$0	
16		Total Operating Expenditures (Add 01-15)	\$3,581,848	\$3,774,790	Pass
17		Refined Average Daily Attendance	133.760	158.925	
18		Total Operating Expend. per Pupil (Refined ADA) (16/17)	\$26,778	\$23,752	Fail
19		Membership	151	170	
20		Total Operating Expend. per Pupil (Membership) (16/19)	\$23,721	\$22,205	Pass
21		Enrollment	152	170	
22		Total Operating Expend. per Pupil (Enrollment) (16/21)	\$23,565	\$22,205	Pass

COMPLIANT 0.000%

Notes

(a) The data entered in lines 01 through 15, 17, 19, and 21 must consist of data submitted by the grantee to the TEA via TSDS PEIMS and the data contained in lines 01 through 15 consists of expenditures classified in fund codes 199/420 and object codes in series 6100, 6200, 6300, 6400, 6512, 6514, 6522 and 6526 (i.e., object code 6500 other than 6512, 6514, 6522 and 6526 specifically, and all of object code 6600 must be excluded).

(b) If a school system is noncompliant with the ESSA LEA MOE requirement, TEA must adjust (reduce) the amount of funds allocated in the upcoming fiscal year under the programs covered by the ESSA LEA MOE requirement in the exact proportion by which the school system failed to maintain effort. In reducing a school system's allocation, TEA uses the measure most favorable to the school system [Sec. 8521 (b)(1) of Elementary and Secondary Education Act (ESEA)].

(c) ESSA LEA MOE requires school systems to expend 90% of the last year a school system was compliant (i.e., the most recent year that a school system passed at least one of the four tests). Therefore, school systems must enter expenditure data from the last year that they passed at least one test in the column labelled 'State and Local Expenditures During Applicable Compliant Comparison Year' [Sec. 8521 (b)(2) of ESEA].

ESSA LEA MOE CALCULATION TEMPLATE

To estimate preliminary compliance with the ESSA LEA MOE requirement, school systems may complete the template posted on the [ESSA LEA Maintenance of Effort](#) page of the TEA website.

APPENDIX 1: ESSA LEA MOE CALCULATION METHODOLOGY

The information required to calculate MOE is obtained from the Texas Student Data System (TSDS) of the Public Education Information Management System (PEIMS). TSDS PEIMS Record 032- Financial Actual Data identifies the school system's financial information as audited by a certified public accountant (CPA). School system expenditure data from this record is used to determine compliance with the ESSA LEA MOE requirement.

Included Expenditures

Per Title 34 of the Code of Federal Regulations (34 CFR) 299.5(d)(1), in determining a school system's compliance with ESSA LEA MOE, the

SEA shall consider only the LEA's [school system's] expenditures from state and local funds for free public education. These include expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, and debt services (only object codes 6512, 6514, 6522 and 6526 related to principal/interest for long-term leases and interest on subscription-based information technology arrangement liabilities).

Therefore, total state and local expenditures expended for the functions listed below are included in the ESSA LEA MOE calculation:

Code	Description
11	Instruction
12	Instructional Resources and Media Services
13	Curriculum Development and Instructional Staff Development
21	Instructional Leadership
23	School Leadership
31	Guidance, Counseling, and Evaluation Services
32	Social Work Services
33	Health Services
34	Student Transportation
35	Food Services (Deficits Only)

Code	Description
36	Extracurricular Activities (Deficits Only)
41	General Administration
51	Facilities Maintenance and Operations
53	Data Processing Services
71	Debt Services (only object codes 6512, 6514, 6522 and 6526)

Excluded Expenditures

Per 34 CFR 299.5(d)(2), TEA may not consider any expenditures for community services, capital outlay, debt service or supplemental expenses made because of a presidentially declared disaster, or any expenditures made from funds provided by the Federal Government.

Therefore, state and local expenditures expended for the functions and object codes listed below are excluded from the ESSA LEA MOE calculation:

Function Codes Excluded

Code	Description
61	Community Service
71	Debt Service (all except object codes 6512, 6514, 6522 and 6526)
81	Facilities Acquisition and Construction

Object Codes Excluded

Code	Description
6500	Debt Service (all except 6512, 6514, 6522 and 6526)
6600	Capital Outlay