



Maintenance of Equity (MOEquity) Overview and Requirements

As a condition of receiving funds under the ARP Act, SEAs and LEAs (including the sites within the LEA) are subject to new maintenance of equity (MOEquity) provisions. Maintenance of equity provisions are intended to help ensure that schools and LEAs serving large proportions of historically underserved groups of students—including students from low-income families, students of color, English learners, students with disabilities, and students experiencing homelessness—receive an equitable share of State and local funds as they continue to respond to COVID-19. The U.S. Department of Education (USDE) released a set of [FAQs](#) to help states meet the MOEquity requirements in June of 2021.

SEAs and LEAs must meet MOEquity in FY 2022 and 2023. To meet MOEquity:

- ▶ The state cannot reduce per-pupil funding for any *high-need LEA** by an amount exceeding any overall state per-pupil funding reduction in FY 22 or FY 23. (i.e., FY 22 and FY 23 LEA per-pupil funding compared to state per-pupil funding for the applicable year.)
- ▶ The state cannot reduce per-pupil funding for any *highest-poverty LEA*** below the amount the LEA received in FY 19. (i.e., FY 22 and FY 23 LEA per-pupil funding compared to FY 19 LEA per-pupil funding.)
- ▶ An LEA with identified *high-poverty school sites**** cannot reduce per-pupil funding for those schools by an amount exceeding any overall LEA per-pupil funding reduction. (i.e., FY 22 and FY 23 school site per-pupil funding compared to LEA per-pupil funding for the applicable year.)
- ▶ An LEA with identified *high-poverty school sites**** cannot reduce per-pupil FTE staff by an amount exceeding any overall LEA per-pupil FTE reduction. (i.e., FY 22 and FY 23 school site FTE compared to LEA per-pupil FTE for the applicable year.)

The Oklahoma State Department of Education (OSDE) submitted baseline data to *identify high-need** and *highest-poverty LEAs*** and *high-poverty school sites**** on July 30, 2021. The submission also included per-pupil funding for the state and each LEA for FY 19 and 21. FY 22 funding data was not provided because neither funding nor enrollment data were available on July 30, 2021. These data are required to be submitted by October 15, 2021. The data submitted to USDE on July 30, 2021 can be found at sde.ok.gov/covid.

For FY 23, USDE suggests SEAs identify *high-need** and *highest-poverty LEAs*** and *high-poverty school sites**** no later than spring of 2022 to allow time for budgetary decisions to be adjusted. An LEA with *high-poverty school sites**** should monitor its per-pupil funding and FTEs throughout the year to ensure that it maintains equity.

***High-need LEA**

LEAs with the highest percentages of economically disadvantaged (ED) students in the state who collectively serve not less than 50% of the state's total enrollment.

- › USDE FAQs direct the SEA to use Small Area Income and Poverty Estimates (SAIPE) data provided by the U.S. Census Bureau. This data was used by Federal Programs for FY 22 allocations.
- › High-need LEAs are determined by ranking LEAs based on percentage of ED students (highest to lowest), and then identifying LEAs until at least 50% of the student population is reached.
- › OSDE identified 303 high-need LEAs.

****Highest-poverty LEAs**

LEAs with the highest percentages of economically disadvantaged students in the state who collectively serve not less than 20% of the state's total enrollment.

- › Calculated the same as high-need LEAs.
- › OSDE identified 118 highest-poverty LEAs.

*****High-poverty schools**

Top 25% of schools with the highest percentages of economically disadvantaged students in the LEA.

- › SAIPE data is not available at the school site level. Because of the temporary, but extreme increase in student mobility observed in school year (SY) 2021 due to COVID, October 1 counts from SY 2020 were used.
- › High-poverty schools are determined by ranking all schools in the LEA based on percentage of ED students (highest to lowest), and then indentifying the top 25% of schools. (e.g., A district with 6 school sites would have 2 high-poverty schools.)
- › OSDE identified 176 schools in 49 LEAs as high-poverty schools.

The following types of LEAs are exempt from the LEA MOEquity requirements:

- › LEAs with fewer than 1,000 students.
- › LEAs with a single school.
- › LEAs that serve all students in a grade span within a single school (i.e., one elementary, one middle, one high school).
- › LEAs that demonstrate an exceptional or uncontrollable circumstance (i.e., unpredictable changes in student enrollment or precipitous decline in financial resources).

Funds considered in calculating per-pupil funding:

- › The SEA includes all funds appropriated and allocated by the state for LEA expenditure in the LEA per-pupil funding calculation. OSDE identified the following revenue sources to be included:
 - State Aid Funding Formula
 - Alternative Education
 - Reading Sufficiency Act
 - Instructional Material/Purchase of Textbooks
 - Driver Education
 - Certified Employee and Support Personnel Health Allowance and In Lieu of FBA
 - Shared Superintendent Assistance
 - ACE Technology
 - Child Nutrition Matching
 - School Land
 - Gross Production
 - Motor Vehicle
 - REA Tax
- › The LEA includes all sources of state *and local* funds it has available for current expenditure in the school site per-pupil funding calculation.

