

Montana Carl D. Perkins Policy and Procedures Manual

Subject: Fiscal Program Responsibility
Policy: Maintenance of Effort (MOE)
Effective: July 1, 2007
Revised: Not Applicable

In order to receive Carl Perkins funds, Montana will provide funding for Career and Technical Education (CTE) programs at least at the level of support of the previous year. The Office of Vocational Adult Education Secretary may grant a waiver of up to five percent of expenditures for exceptional or uncontrollable circumstances such as drastic financial decline that affects the state's ability to continue funding at the prior year level. The waiver would not allow for decreases in required funding levels in subsequent years.

In accordance with the Perkins Law, Montana will match each dollar of Perkins funds appropriated for the administration of program under this Act. Once funds are matched, the matching figure must be maintained each year thereafter, even if the state administrative funding decreases in subsequent years.

Procedures

To determine the grand total of the state expenditures as required under the Carl Perkins MOE calculation, information is captured from two separate sources, the secondary and postsecondary levels.

Secondary

State general funds are appropriated specifically for Carl Perkins administrative costs at the secondary level. Only valid state expenditures incurred during the state fiscal year period (7/1-6/30) are used. The administrators of the Career Technical and Adult Education Division as well as the Fiscal Division of the Office of Public Instruction are required to sign the certification to validate that the figures provided are correct and final for the fiscal year being reported. The Office of Public Instruction (OPI) submits an annual Financial Status report which incorporates the MOE Certification to the Office of the Commissioner of Higher Education (OCHE) by November 30 with their MOE figures for the past 12-month period. OCHE calculates MOE based on total expenditures. Therefore, total Secondary Student Enrollment for the year is not requested.

Postsecondary

General funds are allocated as matching dollars for Perkins administrative costs and those expenditures are captured directly from the statewide accounting system at the end of state fiscal year. General fund appropriations and Local Mandatory

Levies distributed to the field such as to school districts and postsecondary institutions are calculated.

The fiscal unit of OCHE determines the grand total of state general fund expenditures by using the actual expended state appropriations and Mandatory levy figures reported on the "Current Unrestricted Operation Account Summary of Revenue Date" report (CHE 202). Alternatively, the same figures can also be found on the "Current Unrestricted Revenues" (CHE Bud 300) which is submitted annually by each college campus to the Director of Budgeting and Accounting at OCHE as part of the next year's budget submission package. Prior to the Board of Regents approval of the annual operating budget, the Director of Budgeting and Accounting validates the accuracy of the information provided to OCHE by ensuring that the amounts reported are consistent with the amounts appropriated by the state legislature. Normal house bill appropriations including pay plan and biennium reversions are counted. One-time, special one-time equipment or federal stimulus appropriations are not counted. Tuition and Fees are not used in calculations for MOE since they have been determined as an unacceptable match as stated in EDGAR § 76.534.

In four-year campuses which offer two-year programs that qualify under Carl Perkins guidelines and the general fund allocations are not distributed down to the expenditure level detail to determine what portion relates to Perkins allowable expenditures. Additional information from the Student Enrollment form must be obtained and a percentage of the total appropriation must be determined based on student enrollment records. The Student Enrollment form is also included in the annual budget package submitted and maintained by the Director of Accounting and Budgeting. Based on the enrollment records a percentage is determined using the following calculation:

Total Actual CTE count / Total enrollment count

The budget proposal for the next fiscal year will be derived from the year for which MOE figures are captured. For example, FY09's actual information will be found in FY10 budget reports. This percentage is applied to the same general fund categories as listed above to determine the amount allocated for MOE purposes.

The aggregate total expenditures of state funds will be how we report our annual effort.

At the beginning of each year, OCHE will analyze their general fund appropriations set-aside specifically for Perkins administrative match to make sure the "hold-harmless" provisions will be met for that coming year and to ensure the Perkins administration budget is set accordingly. The above information will be combined into one schedule with only the preceding year's data shown for analytical review. The current year figures must always exceed the previous year's figures.

Procedure developed in March 2005 and revised in 2006 based upon the information available and maintained by the new incoming Director of Accounting and Budgeting.

[Click here](#) for Office of Public Instruction General Administrative Requirements for Federal Grants policy and procedure regarding MOE.