



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Education and Early Development

Division of Innovation and Education Excellence
Special Education

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4/10/2023

Chris Reitan, Superintendent
Craig City School District
P.O. Box 800
Craig, AK 99921

Dear Superintendent Chris Reitan,

This letter is notification of requirements that may affect your district's special education federal Title VI-B and Section 619, Preschool Disabled grants.

After an initial evaluation of the Maintenance of Effort (MOE) requirements under the 2004 amendments to the Individuals with Disabilities Education Act (IDEA), a preliminary determination has been made that the Craig City School District has not met this requirement. However, the language of the IDEA is difficult to apply in Alaska due to the state funding formula and the number of regional education attendance areas (REAs). An extended discussion with the federal Office of Special Education Programs (OSEP) resulted in a letter of clarification that was received in our office on January 13, 1999.

Based upon this, and according to the department's calculations, the Craig City School District has failed to meet the federal MOE requirement cited in section 613 of the IDEA 2004. Section 613 is attached to this letter. If your district believes it meets any of the exceptions enumerated in Section 613, please provide written documentation to the department at the address listed above.

If you have any questions about your MOE calculation please contact Alenita Danner at (907) 465-2890. Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Donald E. Enoch Jr.".

Donald E. Enoch Jr.
Administrator, Special Education

Enclosures: Section 613
District Information and Recommendation page

District Name: Craig City School District

FY21 Audited	FY22 Audited	
Expenditure: \$552,754.00	Expenditure: \$434,857.00	FY22/FY21: .79

FY21	FY21 Per Pupil	
Sped Count: 95	Expenditure: \$5,818.00	
FY22	FY22 Per Pupil	Index (FY22/FY21
Sped Count: 95	Expenditure: \$4,577.00	Per Pupil): .79

ESTIMATED MOE
PENALTY AMOUNT: \$117,897.00

Review the exceptions as defined by HR 1350 Sec 613 to determine if a waiver condition applies (Exception (B)(i-iv)).

HR 1350

Individuals with Disabilities Education Improvement Act of 2004

Sec. 613. Local Education Agency Eligibility

(a) In General. A local educational agency is eligible for assistance under this part for a fiscal year if such agency submits a plan that provides assurances to the State educational agency that the local educational agency meets each of the following conditions:

(1) Consistency with state policies. The local educational agency, in providing for the education of children with disabilities within its jurisdiction, has in effect policies, procedures, and programs that are consistent with the State policies and procedures established under section 612.

(2) Use of amounts.

(A) In general. Amounts provided to the local educational agency under this part shall be expended in accordance with the applicable provisions of this part and—

(i) shall be used only to pay the excess costs of providing special education and related services to children with disabilities;

(ii) shall be used to supplement State, local, and other Federal funds and not to supplant such funds; and

(iii) shall not be used, except as provided in subparagraphs (B) and (C), to reduce the level of expenditures for the education of children with disabilities made by the local educational agency from local funds below the level of those expenditures for the preceding fiscal year.

(B) **Exception.**--Notwithstanding the restriction in subparagraph (A)(iii), a local educational agency may reduce the level of expenditures where such reduction is attributable to--

(i) the voluntary departure, by retirement or otherwise, or departure for just cause, of special education personnel;

(ii) a decrease in the enrollment of children with disabilities;

(iii) the termination of the obligation of the agency, consistent with this part, to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the State educational agency, because the child--

(I) has left the jurisdiction of the agency;

(II) has reached the age at which the obligation of the agency to provide a free appropriate public education to the child has terminated; or

(III) no longer needs such program of special education; or

(iv) the termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.