

D. Maintenance of Effort

Section 117.24 of the Regulations provides that the State plan must set forth:

The policies and procedures designed to assure that Federal funds made available for this program for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of State, local, and private school funds. Such policies and procedures shall take into consideration the amount of State, local, and private funds budgeted for expenditure in the current fiscal year for the acquisition of school library resources, textbooks, and other printed and published instructional materials; as compared with the amount of State, local, and private funds actually expended in the most recent fiscal year for which the information is available for the acquisition of school library resources, textbooks, and other printed and published instructional materials.

This section of the Regulations indicates the kinds of data that must be collected to document maintenance of effort in the acquisition of materials under Title II. The State agency responsible for administering the State plan will need from each school the amount spent for instructional materials in the most recent fiscal year for which the information is available and the amount budgeted for such expenditures in the current fiscal year. To provide for increases or decreases of school population, the figures may also be expressed in terms of per pupil expenditure. The sample project application form included in Appendix II of these Guidelines provides for collecting these data.

It is expected that allowances will be made for cases in which unusually large amounts of money were spent on materials during the base year, either for long-term purposes or because of unusual circumstances such as the adoption of a large number of new textbooks, the establishment of a basic library collection in a new school, or the replacement of materials because of major loss or damage by wind, flood, or fire.

When several schools are included within a school district it is expected that State, local, and private effort will be maintained in each individual school up to the level of the base year.

E. Audits**Audit of Local and Other Participating Agencies**

All expenditures of Federal funds must be audited either by the State or by the appropriate auditors at the local level. Local audits of expenditures claimed under the Title II program may be incorporated as a