

QUESTIONS AND ANSWERS ABOUT OPEN ENROLLMENT  
ACTUAL COSTS FOR PUPILS WITH DISABILITIES  
JUNE 2019

**Open Enrollment (OE) Special Education Actual Costs**

**1. *What is the newly available open enrollment transfer amount for pupils with disabilities?***

Starting in the 2019-20 school year, for the first year in which a pupil with disabilities is open enrolled, the open enrollment (OE) payment would be the OE basic aid amount for pupils with disabilities (the per pupil payment amount under the indexing method).

For pupils with disabilities who are open enrolled for their second or subsequent year, the open enrollment payment would be either the OE basic aid amount for pupils with disabilities (the per pupil payment amount under the indexing method) or the actual costs to the nonresident district of providing a free appropriate public education (FAPE) to the pupil in the previous school year, up to \$30,000. [Wis. Stat. § 118.51(12)(a)].

**2. *Does a nonresident district need to prepare any documentation in order to receive the new open enrollment transfer amount?***

Yes, a nonresident district is required to submit a financial statement (the Open Enrollment Financial Statement for Special Education Actual Costs) in OPAL, which will be available starting on the first weekday in August. An example of the financial statement can be found on the open enrollment special education [webpage](#). The financial statement must be completed in order for the nonresident district to receive the OE Special Education (SPED) actual costs aid amount. The deadline for a nonresident district to submit a financial statement is the last weekday in September.

**3. *What information will be needed in order for the nonresident district to complete the financial statement?***

The nonresident district will need to know the pupil's SPED actual costs broken down by aidable costs, grant funded costs, non-aidable costs, and the Medicaid School-Based Services (SBS) Claims amount. The department will provide the State Special Education and School-Age Parents (SPED/SAP) Categorical Aid information once it is available.

When a nonresident district initially completes the financial statement, the SPED/SAP Categorical Aid amount will only be an estimate. The final rate will be determined in the following school year and will be reflected in the per pupil aid amount in OPAL.

**4. *What types of costs are eligible to be claimed as SPED actual costs on a financial statement?***

Costs that are eligible to be claimed on a financial statement are costs that would not otherwise exist but for the need to provide a free appropriate public education (FAPE) to pupils with disabilities, as specified in their individualized education programs (IEPs). Guidance is available on which types of costs are allowed to be claimed by accessing the “Allowable Costs for IDEA Formula Grants” document located at <http://bit.ly/idea-allowable>.

**5. *Can a nonresident district increase or decrease the actual costs amount on a submitted financial statement between the first weekday in August and the last weekday in September?***

Yes, nonresident districts can change the actual costs amount on a submitted financial statement by going to OPAL and making the adjustments. The deadline for districts to make changes to the financial statement is the last weekday in September.

**6. *Can a nonresident district make changes (through DPI) to the actual costs amount on a submitted financial statement after the last weekday in September?***

No, changes cannot be made to a submitted financial statement after the last weekday in September.

**7. *Can a nonresident district request a withdrawal of a financial statement?***

Yes, a nonresident district can request a withdrawal of a pupil’s financial statement up until 4:00 pm on the second Monday in October.

**8. *Does this new aid payment apply only to newly open enrolled pupils or does it also include continuing open enrolled pupils?***

The department will make the SPED actual costs aid payment for all pupils whose nonresident district submits a financial statement, regardless if they were newly open enrolled or continuing open enrolled pupils from prior school years.

**9. Can a nonresident district submit a financial statement for a pupil who only received special education services for part of a school year?**

Yes, a nonresident district can submit a financial statement reporting the actual costs incurred only for the days the pupil received special education services. The pupil's open enrollment transfer amount for the subsequent school year will be the amount reported on the financial statement. The district will not receive the basic open enrollment transfer amount for pupils with disabilities.

**10. Will this new aid payment be prorated if the pupil's open enrollment status changes in the second or subsequent year?**

Yes, if a pupil with a disability who is eligible to receive a SPED actual cost aid payment has an open enrollment status change, the transfer amount will be prorated based on the number of days the pupil was open enrolled. This is similar to the proration already done for other open enrolled pupils.

**11. Will this new aid payment be prorated if the pupil no longer requires special education services in the second or subsequent year?**

Yes, for the days the pupil received special education services, the aid amount will be prorated based on the amount on the submitted financial statement for the pupil's SPED actual costs. For the days the pupil did not receive special education services, the aid amount will be prorated based on the daily rate of the basic open enrollment aid amount for pupils without disabilities.

**12. Will the pupil's resident district have access to a pupil's SPED actual costs financial statement?**

Yes, the pupil's resident district will have access to a pupil's submitted financial statement through OPAL.

**13. Can a resident district deny a pupil's open enrollment due to the new aid payment?**

No. There are no provisions in state law that allow a resident district to deny a pupil's open enrollment due to their SPED actual costs.

**14. Can a resident district receive a copy of the pupil's IEP in order to justify the SPED actual costs that the nonresident district is claiming by submitting a financial statement?**

No. A pupil's IEP may not be provided to the resident district under any circumstances without the parent's written consent.

**15. *Is there anything a resident district can do if they disagree with the actual costs included on a pupil's financial statement?***

There are no provisions in state law that allow a resident district or the department to take any action if the resident district disagrees with a submitted financial statement.

**16. *What if the pupil's SPED actual costs are less than the basic OE aid amount for pupils with disabilities?***

If the nonresident district submits a financial statement for less than the basic OE aid amount for pupils with disabilities, the nonresident district will receive the lower aid payment.

**17. *What happens if a nonresident does not complete a financial statement for a pupil with a disability?***

If the nonresident does not complete a financial statement, the nonresident district will receive the basic OE aid amount for pupils with disabilities.

**18. *What happens if a nonresident district submits a financial statement and the pupil is not open enrolled once the pupil's second or subsequent school year begins?***

If a nonresident district submits a financial statement and the pupil is not open enrolled in their second or subsequent school year, the nonresident district will not receive any aid payment for the pupil in the subsequent year.

**Additional Year Tuition Waivers**

**19. *Will these changes impact additional year tuition waivers?***

No, these changes will not impact additional year tuition waivers as a pupil is only eligible to be on an additional year tuition waiver for one school year.

If you have questions related to the topic covered above regarding open enrollment, please contact the open enrollment staff at [openenrollment@dpi.wi.gov](mailto:openenrollment@dpi.wi.gov) or at 888-245-2732, option 2.

**Reporting Open Enrollment Actual Cost Amounts**

Below are questions and answers related to reporting open enrollment transfer amounts. If you have any questions regarding these topics, please contact the school finance staff at [dpifin@dpi.wi.gov](mailto:dpifin@dpi.wi.gov) or at 608-267-9114.

**20. How is the SPED actual costs transfer amount recorded?**

The SPED actual cost aid transfer amount is a fund 27 expenditure (function 437000, object 382) for the paying district (resident district) and a fund 27 revenue (source 347) for the receiving district (nonresident district). Aid transfers will be made by the department and included in the June aid payment reconciliation, just as with all other open enrollment aid payments under current law. Transfers are not eligible for SPED/SAP Categorical Aid.

**21. Can a resident district use IDEA flow-through or preschool formula funds to pay for the new aid transfer out for resident pupils?**

No. Under the Federal Uniform Grant Guidance (2 CFR 200), expenditures claimed under federal grants must be actual costs based on obligations made during the fiscal year. With the Open Enrollment Financial Statement for Special Education Actual Costs, the district's expenditure (transfer) amount is based on a prior year's actual costs and not on the costs that will be incurred during the year the aid payment is received.

**22. Can a nonresident district use IDEA flow-through or preschool formula funds for the pupils the nonresident district enrolls?**

Yes, for the costs of special education and related services if allowed under the IDEA formula grant. Guidance is available on which types of costs are allowed to be claimed by accessing the "Allowable Costs for IDEA Formula Grants" document located at <http://bit.ly/idea-allowable>.

**IDEA Maintenance of Effort (MOE)**

**23. Does the SPED actual costs aid transfer out for my resident pupils count towards my IDEA Maintenance of Effort (MOE)?**

Yes, the aid transfer amount is coded to fund 27, function 437000, object 382, which is an expenditure that is used in the state and local comparison calculation. This will increase a district's local costs. If the student returns to the resident district, moves out of the attending district, or graduates / ages out, the cost of the aid transfer amount from the prior year would be an exception under "Student with an Especially Costly Program."

**24. Does the SPED actual costs aid revenue for the nonresident pupil I enroll count towards my IDEA Maintenance of Effort (MOE)?**

Yes, the aid transfer revenue is coded to fund 27, source 347, which is a revenue that is used in the state and local and local only comparison calculations. This will decrease a district's local costs. If there are no offsetting expenditures to account

for the revenue received under this program, the district may fail any or all of the four MOE compliance comparison tests.

There is no exception under the law that covers the district's additional amount of revenue received (it would be considered cost savings). Districts that choose to file a financial statement should ensure that the revenue is accounted for when reporting on the 1504 SE Budget Report.

Districts should utilize the MOE Scenario Calculator located within the IDEA MOE Eligibility report (housed within WISEgrants) to determine the SPED actual costs aid revenue impact on MOE results prior to the deadline date for withdrawal (October 1). Questions regarding MOE can be directed to Rachel Zeller at [rachel.zellmer@dpi.wi.gov](mailto:rachel.zellmer@dpi.wi.gov) or at 608-266-1787.