

# Big Changes: Students with Disabilities, Open Enrollment, and Vouchers

1

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## Agenda

2

- Open Enrollment
  - Program Changes
  - Fiscal Impacts
  - Important Considerations
- Special Needs Scholarships
  - Program Overview
  - Fiscal Impacts

## Important Caveat

3

- The Legislature is in session this week
- Legislation affecting Open Enrollment and Special Needs Scholarships is under discussion
- Information in this presentation is accurate as of today

## Open Enrollment: Program Changes

4

HOW IS OPEN ENROLLMENT CHANGING FOR  
STUDENTS WITH DISABILITIES?

## Summary of Open Enrollment Changes

5

- Fixed transfer amount for students with disabilities
- No more cost estimates
- No denials for undue financial burden
- FAPE transfers fully to nonresident districts
- Nonresident districts receive state & federal special education aids for OE students

## Open Enrollment Payments

6

- Old law:
  - Payments were for base transfer amount (Fund 10) plus actual, additional special education costs (Fund 27)
  - Nonresident districts billed resident districts directly
- New law:
  - Fixed, higher transfer amount (Fund 10) for students with disabilities
    - ✦ \$12,000 in 2016-17
  - Aid transfers handled by DPI in year-end reconciliation
- Not changing:
  - Resident district records the transfer as an expenditure, nonresident district records as revenue

## Open Enrollment Process

7

- Old law:
  - Resident district provided nonresident district with IEP
  - Nonresident district provided cost estimate
  - Resident district could deny for undue financial burden
- New law:
  - No exchange of cost estimate
  - No denial for undue financial burden
- Not changing:
  - Nonresident district may deny for lack of space/program

## FAPE Responsibility

8

- Old law:
  - Responsibilities split between resident & nonresident districts
    - ✦ Resident districts had financial responsibility
    - ✦ Nonresident districts had service/program responsibility
- New law:
  - Nonresident districts assume all responsibilities of FAPE
    - ✦ No costs billed back to resident district
    - ✦ Must provide transportation if IEP requires it
- Not changing:
  - Resident district has one or more person on IEP team
  - Responsibility to refer for evaluation

# Open Enrollment: Fiscal Impact

9

**HOW WILL THIS AFFECT MY DISTRICT'S  
FINANCES?**

# Myth

10

## State Support for Open Enrolled Student with a Disability

# Reality

11

## State Support for Open Enrolled Student with a Disability

# Reality

12

## Net District Impact of Open Enrolled SwD Costs

## Funding Under New OE Law

13

- **\$12,000 transfer of general school aids**
  - Processed by DPI in year-end reconciliation
  - Recorded in Fund 10 (10R 345/10E 382 435000)
  - May not use IDEA funds for transfers out
  - Other state aids withheld if general aids are insufficient
- **Resident district counts student for general aids & revenue limit membership**
  - No change—the resident district continues to pay for OE
- **No revenue limit exemption for Transfer of Service**

## State & Federal Special Education Aids

14

- **Old law:**
  - Nonresident districts received state special education aids and transited them to resident districts
  - Resident districts could use their IDEA funds and had OE students in their child count for MOE
- **New law:**
  - Nonresident districts receive and retain state aids
  - Nonresident districts may use their IDEA funds for OE students, included in their MOE child count

## Identification After School Begins

15

- **If an Open Enrollment student is evaluated and identified with a disability after the school year begins:**
  - Resident district charged a prorated amount based on the number of days they received special education services
    - ✦ Days before charged at the basic transfer rate
    - ✦ Days after charged at the higher rate for students with disabilities
  - OPAL will be updated to allow for this type of proration

## Optimizing Resources

16

- **Claim High Cost Special Education Aid**
  - State put more money into this program in large part due to Open Enrollment changes
  - Track costs specific to high-need students
  - Especially worth considering if transportation is required by the IEP
- **Use IDEA funds**
  - If submitting a High Cost Special Education Aid claim, use IDEA for the first \$30,000
  - Good way to draw down carryover—students are in your MOE count

## Open Enrollment: Important Considerations

17

WHAT DO I NEED TO BE THINKING ABOUT  
WITH THE NEW LAW IN PLACE?

## Space Determination

18

- School boards required to designate regular and special education spaces available for next year and in January
- Boards must specify criteria
  - Criteria must be applied consistently so decisions on space are not arbitrary or unreasonable
  - Not following criteria is the most common reason DPI overturns OE denials for space

## Transportation

19

- State law not changed on requirement to provide transportation specified by IEP
- Transportation is not part of space/program
- Nonresident districts may not deny Open Enrollment based on transportation needs or costs

## Tuition Waivers

20

- No change to current year tuition waivers
- Additional year tuition waivers will have all the same changes as Open Enrollment:
  - \$12,000 general aid transfer
  - No cost estimates
  - No denials for undue financial burden
  - No billing back resident districts

## Open Enrollment & Tuition

21

- Districts may not:
  - Deny Open Enrollment for one student due to lack of space, while accepting another for same grade & program with a district or parent-paid tuition agreement
  - Reserve space for OE & tuition separately
  - **Direct parents into/out of OE based on tuition costs**
- Appeals of OE denial will be overturned when denying districts accept students under tuition agreements
  - **If you have space for tuition, you have space for OE**

## Tuition vs. Cooperative Agreements

22

### Tuition Agreements

- For students
- Authority: s. 121.78
- Resident district pays another LEA for instruction/placement

### Cooperative Agreements

- For programs
- Authority: s. 66.0301
- Multiple LEAs share costs of a program
- One LEA is fiscal agent

## Special Needs Scholarships: Program Overview

23

HOW ARE THESE "VOUCHERS" GOING TO WORK?

## Special Needs Scholarship Overview

24

- Starts in 2016-17 (this fall)
- A student with an IEP may receive a scholarship to attend a participating private school—if they've been denied for Open Enrollment

## Eligibility

25

- A student with a disability may receive a scholarship for the coming school year if they:
  - Reside in Wisconsin
  - Are denied for Open Enrollment in the coming year
    - If appealed to DPI, denial must have been upheld
    - For 2016-17 only, were denied Open Enrollment for any school year from 2011-12 through 2015-16
  - Have a current IEP or services plan
  - Attend a Wisconsin public school all this school year
    - For 2016-17 only, may have attended a Wisconsin public school for part but not all of 2015-16
  - Are accepted by a participating school for the coming year

## Resident District Responsibilities

26

- Notify parents of students with disabilities of the Special Needs Scholarship Program
- Provide an IEP to a private school within 3 days of being requested to do by DPI
- Administer state assessments to participating students
- Ensure the IEP team re-evaluates each participating student

## Special Needs Scholarships: Fiscal Impact

27

HOW WILL THIS AFFECT MY DISTRICT'S  
FINANCES?

## Special Needs Scholarship Payments

28

- Private schools receive \$12,000 from DPI
  - No payments from resident districts to private schools
- If an IEP team re-evaluates a student and determines they no longer have a disability, they are a “partial scholarship” student in the following school year:
  - Student may continue in the private school
  - Private school receives a partial scholarship equal to the Parental Choice Program payment for that grade
    - 2016-17 amounts:
      - Grades PK-8: \$7,323
      - Grades 9-12: \$7,969

## Special Needs Scholarship Funding

29

- Program payments withheld from general school aids
  - Processed by DPI in year-end reconciliation
  - Recorded in Fund 10 (10E **387 438000**)
  - May not use IDEA funds for transfers out
  - Other state aids withheld if general aids are insufficient
    - ✦ Open Enrollment transfers have priority over scholarships
- Aid transfers feed into the state's pot for scholarship payments
  - Aids withheld and scholarship payments not directly linked
  - Low-aided districts not responsible if aid withholding doesn't fund all their students' scholarships

## Special Needs Scholarship Funding

30

- Resident district counts student for general aid & revenue limit membership
  - Different revenue limit impact from Wisconsin/Racine Parental Choice Program
    - ✦ Special Needs Scholarship students go into the 3-year rolling average
    - ✦ Expanded Wisconsin/Racine Parental Choice students counted for a non-recurring revenue limit exemption

## Resources

31

WHERE CAN I GET MORE INFORMATION?

## Open Enrollment Resources

32

- Q&A on Changes for Students with Disabilities
  - <http://dpi.wi.gov/open-enrollment/resources> or <http://dpi.wi.gov/open-enrollment/special-education>
- Training Modules
  - <http://dpi.wi.gov/open-enrollment/resources/training>
- Bulletins
  - <http://dpi.wi.gov/open-enrollment/resources/bulletins>
- DPI Contact
  - [openenrollment@dpi.wi.gov](mailto:openenrollment@dpi.wi.gov)  
888-245-2732



## Special Needs Scholarship Resources

33

- **General Information**
  - <http://dpi.wi.gov/sms/special-needs-scholarship>
- **DPI Contact**
  - Colleen Uhlenkamp  
School Management Services  
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## Our Contacts

34

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## Question Time

35

WHAT ELSE DO YOU NEED TO KNOW?