

# Special Education Accounting and Reporting

Roselynn Bittorf


School Administration Consultant

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WISCONSIN DEPARTMENT OF  
**Public Instruction**  
Jill K. Underly, PhD, State Superintendent

# Topics

- **The Basics**
  - **Funding**
  - **Things to know**
  - **Resources**
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# The Basics

## Identifying the cost of special education



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# Special Education-Fund 27 Defined

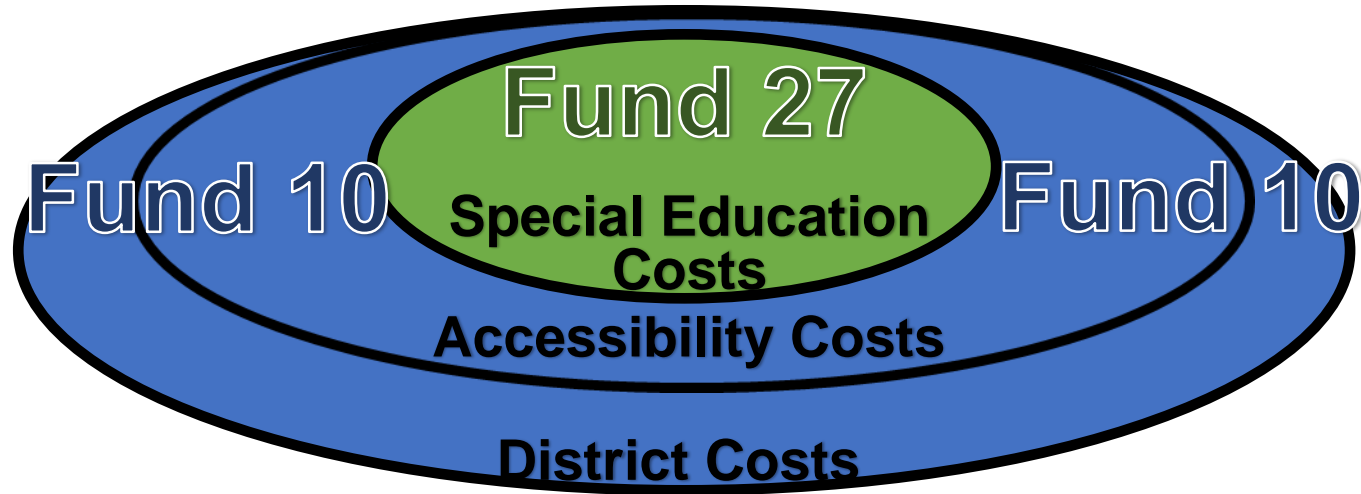
- **Used to account for the excess cost of providing special education and related services for students with IEPs during the regular or extended school years**
- **Includes charges for services to other districts as a result of hosting a package or cooperative program**
- **School-Age Parent costs also charged to this fund**
- **No fund balance or deficit can exist in this fund**

# Excess Cost of Special Education

**An excess cost is a cost you would not otherwise have but for the need to provide FAPE to students with disabilities**

- **FAPE is implemented with an IEP**
- **State aid and IDEA grant funding are based upon excess cost**

# Accessibility vs. Special Education



- Fund 27 = FAPE = IEPs
- Not all costs related to students with disabilities are Fund 27 costs!

# Funding Sources

**What is available to help pay for special education?**



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# Non-Local Funding Sources

## State categorical aids

- Special Education and School-Age Parents
- High Cost Special Education
- Transition Readiness Grant
- Transition Incentive Grant

## Federal IDEA Part B Formula Grants

- Flow-through
- Early Childhood

## Federal IDEA discretionary funds

## Medicaid School-Based Services



# Funding Amounts 2021-22

<b>Program</b>	<b>State Aid</b>	<b>IDEA</b>
<b>SPED/SAP</b>	<b>\$468,091,800</b>	
<b>High Cost SPED</b>	<b>\$11,106,000</b>	
<b>Transition Readiness Investment Grants</b>	<b>\$1,500,000</b>	
<b>Transition Incentive Aid</b>	<b>\$3,600,000</b>	
<b>IDEA Formula</b>		<b>\$208,893,221</b>

# Special Ed/School-Age Parents Aid

- Districts, CESAs, CCDEBs, independent charter schools are eligible
- Reimbursement of eligible costs (prorated at around 25%)
- Paid in six installments
  - 15% each month November – March
  - 25% in June
- Revenue Source code 611 (Fund 27)

# IDEA Part B Formula Grants

- Districts, independent charter schools are eligible
- Eligibility contingent on meeting conditions
- Maintenance of Effort (MOE)
- Signed Assurances
- Allocations based on formula
- Expenditures budgeted and reimbursed in current fiscal year
- Sources 341 (flow-through), 347 (preschool), and 342 (discretionary)

# High Cost Special Ed Aid

- Districts, CESAs, CCDEBs, independent charter schools are eligible
- Based upon claims from LEAs
- Eligible for 90% of locally-funded, IEP-driven individual student costs over \$30,000
- Prorated as necessary for available funding
- Paid in June
- Source 625

# Medicaid School Based Services

- Districts, independent charter schools, CESAs, CCDEBs
- Reimbursement for providing certain Medicaid services to eligible students w/ IEPs and parental consent
- Significant administrative requirements
- Details beyond the scope of this presentation
- Source 780

# Funding Eligibility

## What can you get help paying for?

DISCLAIMER: The following slides outline eligible costs in broad categories. They are not a definitive list of eligible costs. Eligible costs are specified by state and federal laws and program documentation.



# State Aid & Federal IDEA Eligible

Salary and benefits of licensed special education teachers, aides, and some support staff


- Licensure + Assignment = Eligibility
- Benefits eligible only when tied to salary

# State Aid & Federal IDEA Eligible


- **Eligible staff**
  - **OT/PT, SPED supervision/coordination, SPED transportation**
  - **Special education teachers and aides**
  - **“Act 221” Pupil services positions**
- **School-age parent instruction (state aid only)**



# “Act 221” Pupil Service Positions

- State aidable share of FTE set by rule
    - Social Workers: 59%
    - Guidance Counselors: 10%
    - School Nurses: 29%
    - Psychologists: 84%
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# “Act 221” Pupil Service Positions

- You can seek IDEA funding above percentages
  - But you must be able to document total Fund 27 share
- 

# State & IDEA Eligible Transportation

- **When required by IEP**
- **Eligible route must be 100% IEP-required**
  - Incidental Benefit Exception: picked up at same location; no additional costs; doesn't displace rider with IEP
  - Newly Homeless Accommodation or Foster Care: up to 20 days

# State & IDEA Eligible Transportation


- **Additional service on “regular” route (to and from school)**
  - e.g. bus aide for one student per their IEP
  - Only the excess cost of the service is eligible (Fund 27)
  - Regular route transportation (Fund 10)
- **A student maybe be eligible for special education categorical aid for support services while being transported on the regular bus route and be eligible for Pupil Transportation Aid**

# State & IDEA Eligible Transportation

- A student who exclusively rides a specialized transportation route may not be counted for Pupil Transportation Aid.
- Vehicle/equipment purchases w/ pre-approval
  - No approval needed for equipment <\$10,000

# Contracting – State Aid Eligible


## Contracted services (limited positions)

- **SPEd Substitutes and Aides**
  - **OT/PT**
  - **Audiology/Interpreter**
  - **Orientation & Mobility**
  - **Speech/Language**
  - **Transition**
- 

# Contracting – IDEA Eligible

- **Historically IDEA formula reimbursement for private vendor contracted positions aligned with state special education categorical aid (limited positions as noted on previous slide)**
- **IDEA now includes private vendor special education, pupil services, and related service positions can be reimbursed with IDEA formula funds, such as special education teachers (Visual Impairment, Hearing Impairment), school social workers, school psychologist, school counselors, etc.**
- **Allowability of IDEA eligible costs has not changed – staff employed or contracted by the LEA must be appropriately licensed**

# Other State & IDEA Eligible Costs


- **Extended School Year (not summer school)**
  - **Homebound instruction travel**
  - **Unemployment, up to 1 year after termination**
  - **Tuition to non-WI public school district**
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# IDEA Formula – Only Eligible Examples

- Child Find
- Clerical support (not for Medicaid filing)
- Contracted nursing
- Curriculum/instructional development
- Equitable Services (private school)
- Evaluations
- IDEA auditing costs

# IDEA Formula – Only Eligible Examples

- **Equipment, supplies, technology**
  - **Legal administration (documentation, policy, training)**
  - **Remodeling**
  - **Staff development (training, college credit)**
  - **Transition skills development**
  - **Tuition to private agency**
- 

# WUFAR Project Codes

- **011: Local cost, eligible for categorical aid**
- **019: Local cost, not eligible**
- **160: CARES**
- **340: IDEA grant-funded cost, direct to district (Roll-up of 341, 342, and 347)**
- **317: Federal grant-funded cost via other district**
- **450: Special Education State Grants direct from DPI (e.g. Transition Readiness)**
- **517: Federal grant-funded cost via CESA/CCDEB**
- **599: Cost funded by other grant**

# WUFAR Project Codes

- Reported in PI-1505-SE, not full PI-1505
- Describe costs by funding source and aid eligibility
- Full list in “Special Education and School-Age Parents Aid Eligibility” at [dpi.wi.gov/sfs/aid/special-ed/sped-sap/eligibility](https://dpi.wi.gov/sfs/aid/special-ed/sped-sap/eligibility)

# Eligibility vs. Coding

Documents available at [dpi.wi.gov/sfs/aid/special-ed/sped-sap/eligibility](https://dpi.wi.gov/sfs/aid/special-ed/sped-sap/eligibility)

- “Special Education and School-Age Parents Age Eligibility” describes aid-eligible costs
- “Fund 27 Matrix” shows valid WUFAR account codes for the PI-1505-SE
- “Allowable Costs” lists costs eligible for IDEA FT/PS at [dpi.wi.gov/sped/educators/fiscal/allowable](https://dpi.wi.gov/sped/educators/fiscal/allowable)

# Eligibility vs. Coding

WISCONSIN SCHOOL FINANCE REPORTING SYSTEM  
 FUND 27 EXPENDITURE ACCOUNT CODES  
 EFFECTIVE FISCAL YEAR 2020 | UPDATED August 11, 2020

**NOTE:** This matrix identifies valid Fund 27 account numbers in the PI-1504/1505-SE reports. It does not specify allowed expenditures under any federal or state grant or aid program; users should consult program documentation for coding grant expenditures.

**X = Valid for all LEAs. D = Valid for districts only. C = Valid for CESAs/CCDEBs only.**

TYPE	WUFAR FUNCTION	WUFAR OBJECT	ACCOUNT TITLE	PROJECT CODES													
				Local		IDEA			Package		State Grant			Title I		CARES	
				011	019	317	340	517	091	092	315	450	515	599	140	151	160
E	156800	999	Other Miscellaneous	X	X				X	X	X		X	X			
<b>Special Education Curriculum - Combined Cost Reporting</b>																	
E	158000	100	Salaries	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	211	Retirement - Employee's Share Paid by Employer	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	212	Retirement - Employer's Share	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	218	Retirement - Contribution to Employee Benefit Trust	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	219	Retirement - Other Employee Benefits	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	220	Social Security	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	230	Life Insurance	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	240	Health Insurance	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	250	Other Insurance	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	290	Other Employee Benefits	X	X	X	X	X	X	X	X	X	X	X	D	D	X
E	158000	310	Personal Services		X	X	X	X	X	X	X	X	X	X	D	D	
E	158000	322	Rentals of Computers and Related Equipment		X	X	X	X	X	X	X		X	X	D	D	
E	158000	325	Vehicle and Equipment Rental		X	X	X	X	X	X	X		X	X	D	D	
E	158000	342	Employee Travel		X	X	X	X	X	X	X		X	X	D	D	X
E	158000	343	Contracted Service Travel		X	X	X	X	X	X	X		X	X	D	D	

# Eligibility vs. Coding

The Fund 27 Matrix does not define eligible costs...

*...just because you can code it doesn't make it eligible!*


# Contracting w/Eligible LEAs

- Contractor/fiscal agent is eligible LEA  
(CESA, CCDEB, another district, ind. charter)
- Cost is eligible for state categorical aid
- Contractor/fiscal agent receives aid
- Responsible for transiting it back per agreement
- Unless paid with grant funds

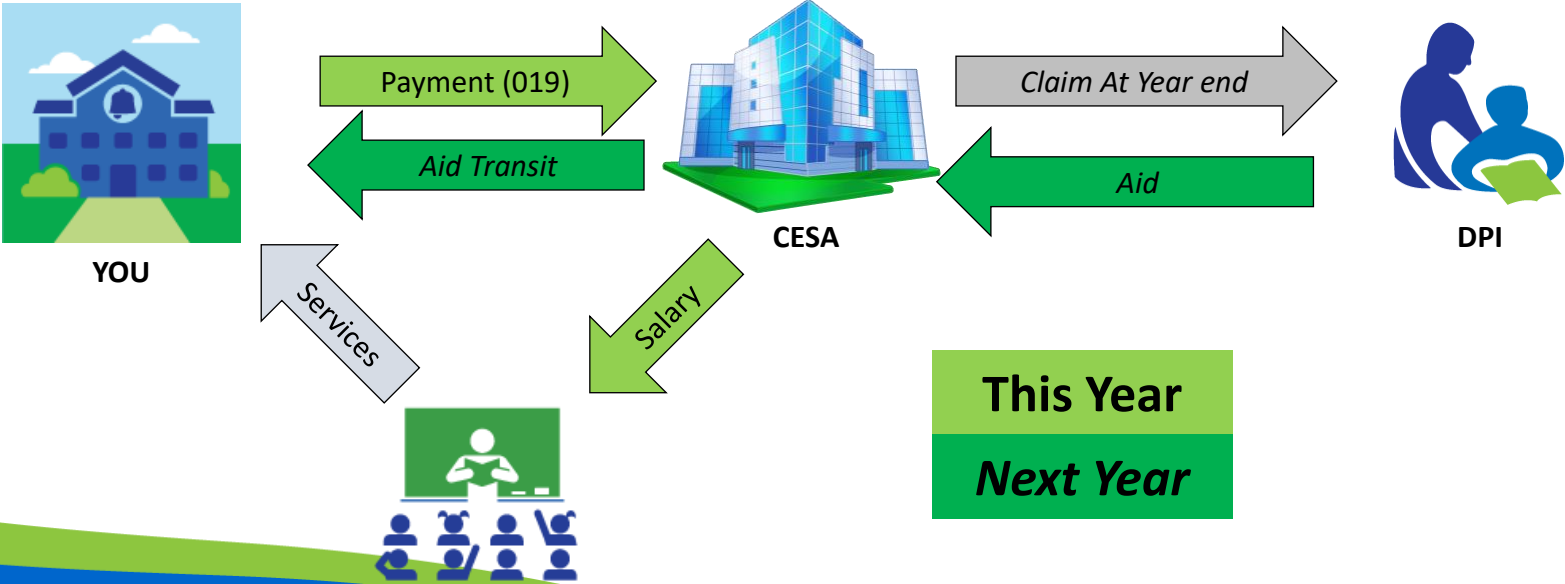


# Contracting w/Eligible LEAs

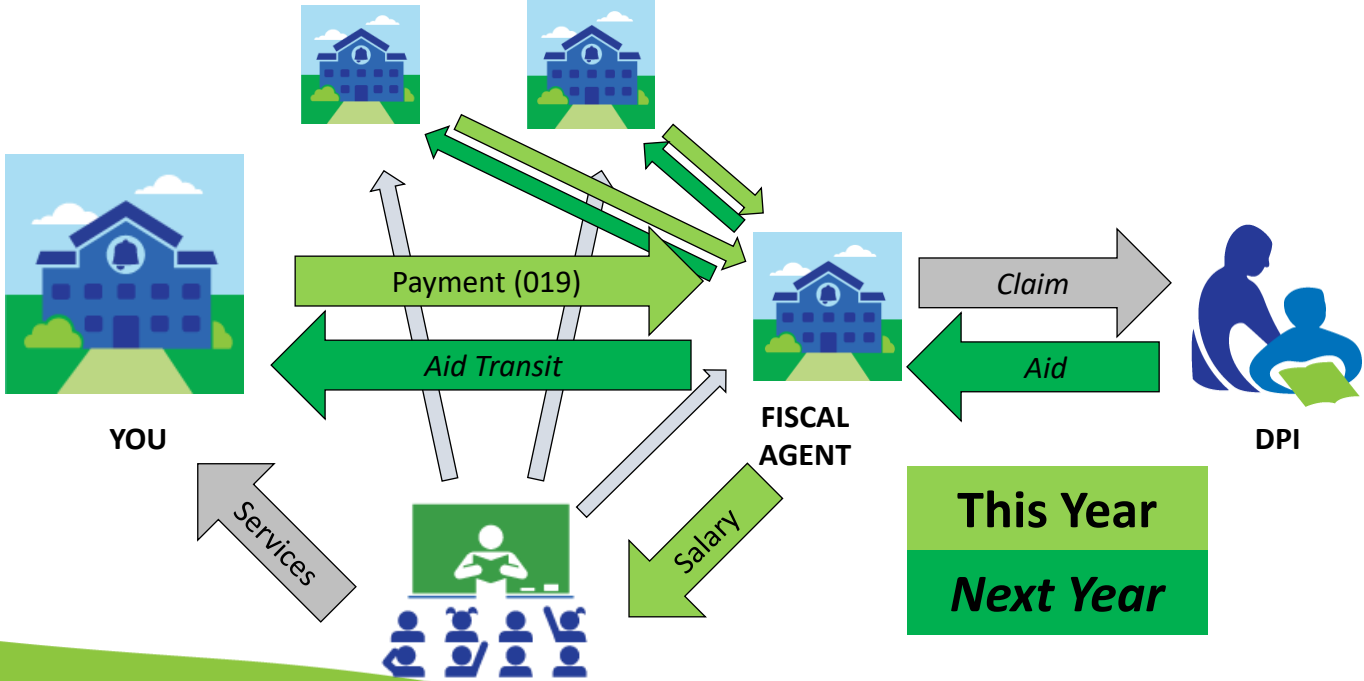
## Three basic types

- Direct Contract
  - Cooperative (66.0301) Agreement
  - Package Program
- 

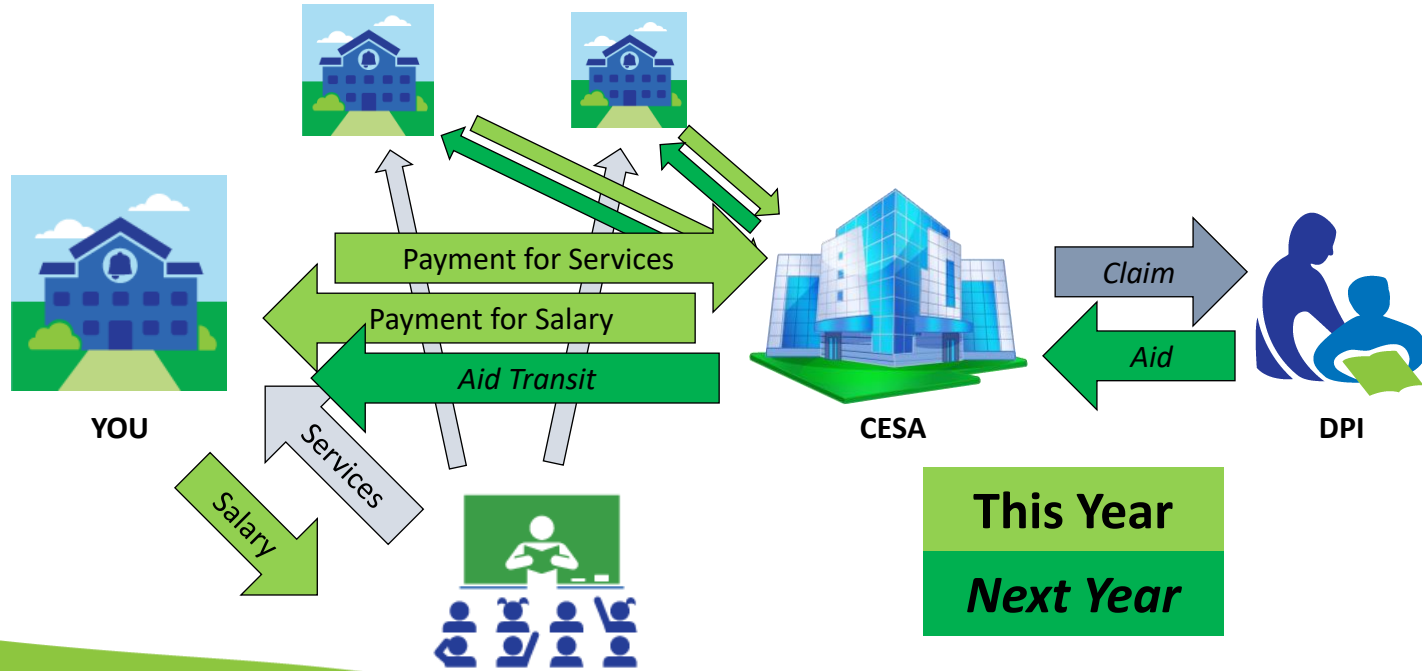
# Direct Contract



# Cooperative (66.0301) Agreement



# Package Program




# Things to Know



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# Maximizing Your Revenue

- **Make Sure Staff Are Licensed**
    - Checkoff/tracking system for SPED staff and new hires can be helpful
  - **Track Costs for High-Need Students**
    - Submit High Cost Special Education Aid
  - **Use your FT/PS Grant Funds**
  - **If In Doubt, Ask!**
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# Open Enrollment for SwDs – Two Options

1. Basic OE aid amount
2. Actual Costs OE amount


In both options, the district of attendance (non resident) district assumes FAPE and MOE, retains state & federal special education aids

# Open Enrollment for SwDs – Basic Aid


- Funded by \$13,013 in 2021-22 DPI aid transfer from resident district
  - Fund 10 expense
- 




# Open Enrollment for SwDs – Actual Cost

- **First year in which a pupil with disabilities is open enrolled, the OE payment would be the basic aid amount for pupils with disabilities**
  - **Second or subsequent year, the nonresident district can choose to continue to receive the OE basic aid amount OR be reimbursed for actual costs of providing FAPE to the pupil in the previous school year, up to \$30,000**
- 


# Open Enrollment for SwDs – Actual Cost

- Fund 27 expenditure (function 437000, object 382) for the paying district (resident district)
  - Fund 27 revenue (source 347) for the receiving district (nonresident district).
  - Could impact MOE for receiving district
  - Transfers are not eligible for SPED/SAP Categorical Aid
- 

# Special Needs Scholarship Program

- **Funded by \$13,013 in 2021-22 DPI aid transfer (Fund 10 expense)**
  - **Payment deducted from general aids**
  - **Revenue limit (district receives non-recurring exemption equal to aid reduction)**
  - **SwD counted by resident district for general aids paid in the next fiscal year**
- 

# Tuition Agreements

- For individual students, Wis. Stat. § 121.78
  - Resident district pays another district for instruction/placement
  - Specify exact amount of tuition this year
  - Specify maximum estimated aid transit next year
- 

# Tuition Agreements

**Resident  
District**



**Pays Tuition for an individual student to  
attend another district**

**Another  
District**



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**

# Cooperative Agreements

- For student programs, Wis. Stat. § 66.0301
- Multiple LEAs share costs of a program
- One LEA is fiscal agent
- Resident District is FAPE agency
- Specify cost sharing/allocation
- Identify categorical aid transit

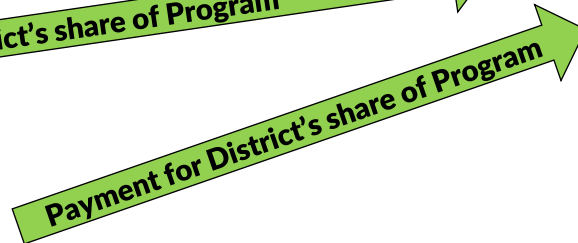
# Cooperative Agreement



**Payment for District's share of Program**



**Payment for District's share of Program**



**Payment for District's share of Program**



# Tuition vs. Cooperative Agreements

## Tuition Agreements

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

## Cooperative Agreements

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

- Resident district remains FAPE agency in either case
- Districts may not cast tuition agreements as “66.0301” to avoid space determination/Open Enrollment issues



# DPI Website Links

**Special Education Aids:** [dpi.wi.gov/sfs/aid/special-ed/overview](https://dpi.wi.gov/sfs/aid/special-ed/overview)

**WUFAR:** [dpi.wi.gov/sfs/finances/wufar/overview](https://dpi.wi.gov/sfs/finances/wufar/overview)

**IDEA Technical Assistance:** [dpi.wi.gov/sped/educators/fiscal](https://dpi.wi.gov/sped/educators/fiscal)

**Tuition Agreements:** [dpi.wi.gov/sfs/finances/tuition/overview](https://dpi.wi.gov/sfs/finances/tuition/overview)

# DPI Contacts

**State special education aids and reporting:  
Roselynn Bittorf, School Financial Services**  
[roselynn.bittorf@dpi.wi.gov](mailto:roselynn.bittorf@dpi.wi.gov), 608-267-9212

**IDEA flow-through and preschool grants:  
Rachel Zellmer, Special Education**  
[rachel.zellmer@dpi.wi.gov](mailto:rachel.zellmer@dpi.wi.gov), 608-266-1787