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[00:00:34] **Speaker 1** A major compromise included in the new state budget says the state will provide 90% of the funding for high-cost special education students. To detail how this will impact schools, we are joined by two members of the Winnakee School District. Steve Summers is the Executive Director of Business Operations, and Tiffany Loken is the Director of Special Education. Thank you both for joining us. Thank you. Thanks for having us. Tiffany, let's start with you. Give me the quick definition of high-cost special education student, and how many do you have in Winnokee?

[00:01:03] **Speaker 2** When we look at high-cost, it's any student that their services meet the threshold of $30,000 or more for that individual student. So in our district, we have between 60 and 70 students that would meet that threshold, at least for this last year. They met about 60 or 70 students.

[00:01:18] **Speaker 1** Okay. Steve, what's the financial impact of going to 90% from, you know, low to low 30%?

[00:01:25] **Speaker 3** Sure, the reimbursement level that we received in 24-25 was about $300,000. We expect that's going to increase by about $400,000 this year and another $350,000 the following year. So very significant investment from the state into this program.

[00:01:42] **Speaker 1** And so what is the plan for how that money will be spent? Where will it be redirected in the budget?

[00:01:48] **Speaker 2** We did decide, we took to the school board a proposal to begin a new program, an alternative program for elementary age students, that need a little more intensive support than what we can provide in a regular education classroom. And the board was really supportive because of this additional funding, because we could speak to using the high cost funds to fund the program and it's starting this week, so.

[00:02:11] **Speaker 1** Is there an obligation for districts to keep that money in special education? Because some districts have had to pull from general ed to fund special education.

[00:02:19] **Speaker 3** Yeah, the increased funding does go into our special education fund. In some district case that may reduce the transfer that is needed from the general education fund to the special ed fund. In our district we will partner together between the business office and the special ed office to improve or increase our investment in students who have IEPs, whether it's the program that Tiffany's referencing or whether when we need to add an additional one-on-one pair educator for students who move in. But we tend to utilize the funds to increase the services for students with IEPs.

[00:02:54] **Speaker 1** So Tiffany, there are already skeptics saying that schools are gonna push more kids into this category to try and grab more state dollars. Should we expect to see an increase in the number of kids that have this definition apply to their IEP?

[00:03:07] **Speaker 2** I don't think you'll see an increase in the number of students. I think what you're gonna see in future years is an increase in the numbers of districts that are applying for high cost special education aid. Now that the percentage is increasing, there's more of an incentive for districts to apply for that aid. So I don't think you're going to see a student increase, but definitely additional districts applying for those funds.

[00:03:26] **Speaker 1** So were there districts before that weren't providing all the services that potentially they could have to some of these students because they couldn't afford it? Or what was the rationale?

[00:03:35] **Speaker 3** So in the last fiscal year, there are about 270 organizations or school districts that applied for this funding, and there's more than 400 school districts in Wisconsin. So for many of them, they determined that the reimbursement level that was coming back wasn't significant enough for the investment and the time to go through and file the claim. For others, they may not have identified students that were $30,000 or more and above. Tiffany and I are partnering with our professional organizations this year to help provide professional development across the state. We do expect more schools to learn about this system, how it works. And because of the increased investment from the states. We are expecting more districts are gonna be willing to spend the time necessary to really apply for and manage these funds.

[00:04:25] **Speaker 1** So the state budget also included a jump in the reimbursement rate for regular special education from 32% to 42%. Is that a bigger number overall for most schools than this high cost?

[00:04:39] **Speaker 3** Yes, it's a significantly bigger number for most schools than the high cost. In our case, as an example, it's an over $800,000 increase in additional funding for special ed students in 25, 26. And it's the largest increase I've seen in my career. So it's significant. And what it's going to allow most schools to do is to benefit all students. I think it's important to note that an increase in funding for special education students benefits the entire school system. Students both with and without IEPs, because when a school special education fund is not funded correctly, the Fund 10 or the general fund has to reimburse, which removes opportunities for students who don't have IEP. So it truly benefits all kids for special ed funding to be at a more appropriate level.

[00:05:30] **Speaker 1** And Tiffany, working with these kids can be very rewarding, but it can also be very challenging. And there's a lot of turnover in some of these paid staffing positions. Could you see an increase in funding for wages to try and keep more consistency there?

[00:05:43] **Speaker 2** Yeah, I think that could be a possibility. I think increasing wages definitely helps you to recruit people and be able to keep them. I mean, just example for our district alone, we had 12 full-time positions open this summer, and we're very close to being full-staffed, but it's definitely difficult to keep people, especially in our paraprofessional positions, who are really working with some of our highest-need students.

[00:06:06] **Speaker 1** So Steve, most districts around the state have closed open enrollment to students with IEPs, especially high-cost students. With the state increasing that reimbursement, could you imagine more districts reopening open enrollment since it's not a financial burden to take some of these kids from out of district? Sure.

[00:06:22] **Speaker 3** In our case, we always evaluate open enrollment capacity based on the services and whether or not we have staffing available. So we have had openings for special ed students prior to this increased investment in funding. So we tend to look at it from the perspective of do we have space available with the staff that we currently have? And if the answer is yes, then Tiffany does recommend to our school board that we accept students with IEPs. The fact that there will be additional funding coming forward does certainly provide us with additional opportunities to add staff if students do join us. We tend to allow students to join us through open enrollment if we have the capacity for them, irregardless of finances.

[00:07:10] **Speaker 1** All right, Steve Summer, Tiffany Loken from the Winnakee School District. Thank you for your time.

[00:07:14] **Speaker 3** Thank you. Appreciate it.

[00:07:20] **Speaker 2** That did go bad.

[00:07:20] **Speaker 3** That was actually like six.

[00:07:22] **Speaker 1** We went a little over. All right, that was fast.

[00:07:25] **Speaker 3** Well, we really appreciate it. Thanks for highlighting the story and.

[00:07:32] **Speaker 2** I do think that would be great because we have a small numbers our new program has four students in it So it would be easy to get parent permission. Yeah

[00:07:39] **Speaker 1** Yeah, so what kind of program, I did a story a number of years ago about the autism-focused school up in Managua. Not the choice school, sorry. Yeah, and charter school, thank you. And one of the things that they had was a lot of more hands-on, in the field, those kind of things. Is that similar to what you're looking at or?

[00:08:01] **Speaker 2** Yeah, it's a combination, you know, there's the students that with significantly high needs, what we did is we sat down to look at, you know, sometimes we'll contract out, you know, go to a special school, you know, contract with another school. But we just felt like we could provide a better education for those students if we kept them in our district. And that way we can keep them connected with their peers and keep them connected with, you know, social interaction as well. It's a small program for kids with very intense needs. It's not specific to one particular disability area, so we do have students with autism, but we also have students with emotional behavioral disorders in that program as well.

[00:08:38] **Speaker 1** All right, well, we are good on the set here. Thank you so much. Before you run too far, you still have your mics so we can help.