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Welcome to our Unpacked podcast. We're unpacking the realities in today's public schools.

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I'm Mickey O'Neill. I'm your host, and I am joined by Jason Malema,

00:00:21.472 --> 00:00:22.852 superintendent at Ingham ISD.

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Say hello to our audience, Mr. Malema. Hello.

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Thanks so much for joining us. I'm Jason Malema, superintendent at Ingham ISD.

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Well, we are in a four-part series, and this is part number four.

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We have covered some basics about ISDs, what is an ISD as an overall,

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what is the governance structure of an ISD, a little bit about the history of

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ISDs and maybe some future projections about ISDs.

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And today we're going to talk about funding because funding for ISDs is pretty

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complex and people don't necessarily understand how an ISD is funded versus a local district.

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So maybe we could just talk about ISDs first and then do a comparison to how

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Sure. So here in the state of Michigan, ISDs are funded through millages that

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So all the districts, all the taxpayers, the homeowners, the landowners pay

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towards a millage that has been voted on within the ISD that contributes to certain areas.

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In our ISD, we have millages in three specific areas, general education.

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Special education, and career and technical education.

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So we have three different millages that would show up. If you were looking

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at your tax rolls that come, the summer, winter tax levies, you would actually

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see those listed on there as ways in which we are funded.

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So we receive very few dollars in per pupil, and the bulk of the dollars that

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we receive then are from those millages.

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We also receive funds from grants that we get from the state and grants that

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come in at the federal level. So a special education is a great example.

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We have IDEA funds that come in that flow from the federal level to the state,

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two ISDs that support things.

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We also have some state grants that support special education.

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And then Perkins funds, another example, the federal level dollars that flow

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from the feds that come into the state, and then two ISDs that be able to support

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career and technical education. So you talked a little bit about the grant piece.

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I think that can be pretty complex when you think about reporting.

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Can you talk a little bit about the complexity around reporting to share how

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we've spent the funds for grants and what that looks like? And maybe...

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The time that it takes around doing that. Sure.

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So we have grants that support learners in a variety of areas.

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And I'll start actually 31N. These are line items with inside the budget is

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where they're usually looked at.

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So 31N is our mental health grant that we have.

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We provide supports to our local districts for mental health counselors.

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They could be social workers. They could be counselors that are out

there literally

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doing triage based services in areas where there might be a not be as many mental

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health supports for students, kind of deserts or areas that are just overloaded.

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There are more student needs than what there are providers available.

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And so we try to be that middle spot, the intermediary, to make sure that students

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are getting those supports, just trying to think about how important that is,

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mental health, for our overall students.

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With that, we collect information, and then I use that in advocacy with our

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legislators to talk about how many students are served.

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We've been able to serve over 1,800 students over the last three years in direct

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referrals for mental health. which is amazing when we think about how much of

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an impact that makes for our local school districts, as well as the students and their families.

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That's fantastic. Well, that's a great example that people can probably really

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resonate, I'm sure, with our audience and helps them better understand that piece.

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Well, talk a little bit about the restriction on the funds that ISDs have,

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if you could, so that our listeners could understand that piece. Sure.

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So when grant dollars come in, they are directly apportioned to go to a specific area.

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For example, we get grant dollars to support free pre-K for all the GSRP program.

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Those dollars have to be allocated for GSRP.

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They can't be used and taken over

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to CTE, for example, to buy new welding equipment. Doesn't work that way.

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They go into the classrooms that actually support those students.

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Likewise, we get Perkins funds for our career and tech ed programs.

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Those funds can't be used, for example, to buy or put in a barrier-free playground

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at Hartwood or Beekman, some of our schools that support students with special needs.

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So when funds come in for grants, they're directly allocated.

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They go specifically to those spots.

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And that's a good thing because that means we know exactly where those dollars

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are being spent and there's a responsibility that comes with those.

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So I don't think grants are necessarily a bad thing when they're done well.

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And what happens if there's a shortfall on funding for things like special education?

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Where does the additional funding then come from?

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So that's a big topic when we think about the challenges that schools have,

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and probably something that we should unpack in a future episode.

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Special education funding is incredibly complicated. It's definitely got restrictions

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and has traditionally been underfunded at both the state and federal level and

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is currently undergoing changes at the federal level.

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And so that cascades down to what happens at our local districts.

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And so within our ISD, we are not fully funded for special education.

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And our local districts then use general education dollars to pay for the required

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special education costs that we have.

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So that's a challenge that our local districts have when we think about how

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do we fund special education.

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We have continued to advocate to make sure that we are providing the right amount

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of services for the students that we need.

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We have over 7,000 students with IEPs here in this ISD.

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And then we think about areas like Medicaid that provide reimbursement.

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Over 60% of our students are Medicaid eligible.

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And we provide information that goes back to thinking about those grants that

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goes back to the federal government for reimbursement of those services.

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And so those are important as we think about ways to deframe the cost for students as well.

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Talk about Medicaid a little bit. There's a lot of discussion around that right now. And.

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What does a student, how does Medicaid funding support students?

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I mean, give us some specific examples. Like, how is that funding allocated to a classroom support?

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Sure. So many of our students with IEPs require supports and services in areas

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such as physical therapy, occupational therapy, speech and language services.

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They might require psychological support.

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There might be other behavioral needs that they have.

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Those are dictated within their IEP. And if it's in the IEP,

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we have to provide it. So Medicaid, as I mentioned, over 7,000 students with

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IEPs here within our IEPs, over 60% that are Medicaid eligible.

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Medicaid gives us reimbursement for the services that we provide for those students.

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So those funds come back to us and they reimburse for our direct staff.

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We can also use those funds for some of the extra benefits.

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Devices that students might need. For example, whether it be standing equipment

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to help a student stand correctly, different types of wheelchairs,

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we can use that, some of the equipment that directly supports students in special education programs.

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So those reimbursement dollars become very important funding source for us.

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That's great information. So tell us, tell the listeners a little bit about

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the difference between an ISD and a local district.

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They get a student foundation allowance. What does that mean?

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And are there restrictions on those books?

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Sure. At a local district, when I was superintendent of the local district,

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it's a little bit easier in a budgeting standpoint that pretty much all of your

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And so you get funded based on the number of students that you have inside the

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district times their enrollment, their full-time enrollment equivalency.

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And the legislature tells us what the full-time enrollment is.

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Currently in this state, it's about \$9,600 per pupil.

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So take your number of pupils, multiply by that, that's how much dollars you

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get. And then there might be some small grants or some other areas in which you're supported.

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Title I, Title II, those are examples of different grants that are

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out there. But the base of your funding comes from your FTE.

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ISDs are not really funded by FTEs. We have very few students. We count that way.

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Most of our students, again, come in and we're providing services in career

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and technical education or in special education or in early childhood.

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Those are grants or those are millages that support those areas.

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Okay. All right. Well, thank you very much. I think that's all we have time for today.

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I appreciate you sharing your knowledge about ISD funding and how they differ

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from local districts and unpacking that with our audience.

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Thanks so much. We appreciate you joining us as we continue to unpack it.