

Safety Net Funding State and Federal

1. **Purpose:** State and federal safety net funds are made available for districts with demonstrated capacity for special education funding beyond the amounts provided through the special education funding formula under RCW 28A.150.390.
2. **Description of services provided:** State and federal funding may be provided to eligible districts as reimbursement for services that have been provided to special education students through a properly formulated IEP.

Criteria for receiving services and/or grants: Safety net funds are awarded by a state safety net oversight committee subject to the following conditions and limitations consistent with RCW 28A.150.392 and 34 CFR §300.704:

- a. The committee shall consider additional funds for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards. In the determination of need, the committee shall require that districts demonstrate that they are maximizing their eligibility for all state and federal revenues related to services for special education-eligible students and all federal revenues from federal impact aid, Medicaid, and the Individuals with Disabilities Education Act-Part B and appropriate special projects. Awards associated with (b) and (c) below shall not exceed the total of a district's specific determination of need.
- b. The committee shall then consider the extraordinary high cost needs of one or more individual special education students. Differences in costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.
- c. Using criteria developed by the committee, the committee shall then consider extraordinary costs associated with communities that draw a larger number of families with children in need of special education services. The safety net awards to school districts shall be adjusted to reflect amounts awarded under (b).

3. **Beneficiaries in 2017-18 School Year:**

of School Districts: 111
of Students: 2,793

of OSPI staff associated with this funding (FTEs): 1.55 FTE
of contractors/other staff associated with this funding: 2

FY 18 Funding:	State Appropriation:	\$31,087,000
	Federal Appropriation:	\$14,787,000
	Other fund sources:	\$0
	TOTAL (FY18)	\$45,874,000

4. **Are federal or other funds contingent on state funding? If yes, explain.** Yes
34 CFR §300.163 Maintenance of state financial support.

- (a) A state must not reduce the amount of state financial support for special education and related services for children with disabilities, or otherwise made available because of the excess costs of educating those children, below the amount of that support for the preceding fiscal year.

34 CFR §300.166 Rule of construction. In complying with §300.162 and §300.163, a state is may not use funds paid to it under IDEA-B to satisfy State-law mandated funding obligations to LEAs, including funding based on student attendance or enrollment, or inflation.

34 CFR §300.704 State-level activities. Regulations pertaining to the administration of IDEA Part B and coordination of activities under Part B are found in §300.704.

5. **State funding History:**

Fiscal Year	Amount Funded	Actual Expenditures
FY18	\$31,087,000	\$31,087,000
FY17	\$24,473,000	\$24,266,403
FY16	\$20,691,000	\$20,691,000
FY15	\$19,949,000	\$19,915,331
FY14	\$17,578,000	\$17,578,000
FY13	\$34,200,000	\$9,469,000
FY12	\$8,914,000	\$8,589,244

6. **Federal funding History:**

Fiscal Year	Safety Net Funding	Actual Expenditures
FY18	\$14,787,000	\$18,432,037
FY17	\$13,675,000	\$17,403,705
FY16	\$13,675,000	\$13,656,230
FY15	\$14,787,000	\$13,720,185
FY14	\$14,787,000	\$13,782,418

7. **Number of beneficiaries (e.g., schools, students, districts) history:**

Fiscal Year	# of high need districts	# of high need students
FY18	111 districts	2,793 students
FY17	116 districts	2,530 students
FY16	98 districts	2,299 students
FY15	109 districts	1,984 students
FY14	109 districts	1,924 students
FY13	106 districts	1,865 students
FY12	99 districts	1,752 students

8. **Programmatic changes since inception (if any):**
9. **Evaluations of program/major findings:** Currently a study of the safety net program is underway. EHB 2242, Sec. 408 (2017) required the superintendent of public instruction review the current safety net process. The superintendent must make recommendations on possible adjustments to improve the safety net process and evaluate the appropriate funding level to meet the safety net's purpose. E2SSB 6362, Sec. 106, (3) requires that the superintendent review and revise the rules by December 1, 2018.
10. **Major challenges faced by the program:** This proviso currently allocates \$35,952,000 of state funds and requires \$14,787,000 of federal IDEA funds be used for Safety Net which totals \$50,739,000 available for Safety Net. In the spring of 2018, 121 school districts plus ESA 112 with 27 district members submitted requests totaling \$71,239,947. **The potential unfunded need is \$20,500,947.**

By not adequately funding Safety Net for school district reimbursement, school districts must absorb the extraordinary costs for some students with disabilities (which are required under IDEA) and community factors beyond their control and use basic education funding. Long term, this impacts educational services to all students within the school district and the basic education services provided.
11. **Future opportunities:** See 9.
12. **Statutory and/or Budget language:**
Budget Proviso:

ESSB 6032 Section 507 (7) \$31,087,000 of the general fund--state appropriation for fiscal year 2018, \$35,952,000 of the general fund state for fiscal year 2019, and \$29,574,000 of the general fund--federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.
13. **Other relevant information:** 34 CFR §300.166 Rule of construction prohibits a state from using funding paid under IDEA-B to satisfy a state mandated funding obligation to LEAs. This is why Community Impact funding is a state obligation.
14. **List of schools/districts receiving assistance:** See OSPI [website](#).
15. **Program Contact Information:** **Mary Ellen Parrish**
Program Supervisor
360-725-6075