UPDATE: Safety Net Survey
2013–14

Authorizing legislation: RCW 28A.150.392 (3)

Special Education
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Executive Summary

Safety Net funding is available to school districts with a demonstrated capacity for special education funding in excess of state and federal funding otherwise available to the district. A bulletin is published by the Office of Superintendent of Public Instruction (OSPI) each year to provide application instructions for the school year. Application forms are also published by OSPI for district use in completing Safety Net applications. The Individualized Education Program (IEP) Review Form is a tool provided by OSPI to assist districts in verifying that their IEPs are properly formulated. Properly formulated IEPs are a condition of Safety Net funding.

In 2013–14, the Safety Net Committee approved awards for 109 districts. The committee awarded 1,924 high-need individual student applications, and five community impact applications, for a total of $33,830,159.

The Legislature requires OSPI to annually survey school districts about improving the special education Safety Net process. In September 2014, an electronic survey was distributed to districts that participated in the Safety Net program during 2013–14.

Overall, districts that received funding through Safety Net were supportive of the process, and districts that did not receive funding through Safety Net were less supportive. Respondents said that the process could be improved by:

- Providing award notification earlier in the year so districts can access award money before August.
- Allowing districts to resubmit “corrected” applications later in the year.
- Providing more information about why applications had fiscal corrections or were not funded.
- Releasing the Safety Net bulletin and providing training earlier.

Most respondents were positive about the support they received in their applications and the training available to them. They also reported that the Safety Net process improved IEPs at the district level. The State Oversight Committee reviewed the prior year Safety Net survey and concluded that the August notifications are set by the Appropriations Act and the Committee is unable to adjust final determinations absent Legislative authority. While districts would like to have the Oversight Committee review the applications more than once during the school year, districts do have the opportunity to resubmit applications for reconsideration in August. The Oversight Committee agrees that as much feedback as possible is necessary for districts and has worked to improve the rationale for notifying district why applications were rejected. OSPI releases the Bulletin and establishes training dates as soon as possible after the survey results are obtained and processed.
Background

In 1995, the Legislature mandated the development of a “Safety Net” to accompany legislative changes to the state funding formula for special education. The special education Safety Net was implemented in the 1996–97 school year and has operated each year since that time.

The 1995 change to the special education funding formula was in response to numerous public policy issues, various studies, and a Thurston County Superior Court decision in 1988 in which plaintiffs argued that the state limitation on a category of special education students (specific learning disabled) for state funding purposes was unconstitutional.

Judge Robert Doran ruled the funding formula constitutional. Judge Doran concluded that the state could choose to make provisions in addition to the funding formula, such as a “Safety Net.” Districts could apply for supplemental funding and demonstrate, within parameters established by the Legislature, that they were unable to provide an appropriate program of special education using all available resources.

The Legislature has consistently agreed that Safety Net funding is not an entitlement. Safety Net funding is a supplement to the state funding formula and includes conditions, derived from the Doran decision in 1988, for accessing funds which exceed the regular apportionment formula criteria. In order to receive supplemental Safety Net funding, districts are required to demonstrate that they:

(a) Provided a reasonably efficient program.
(b) Utilized all available state and federal funding.
(c) Had properly formulated IEPs for eligible students in the applicant districts.

The Safety Net process as authorized by the Legislature and administered by OSPI has evolved during the last 18 years. Since the 1996–97 school year, the state Safety Net Oversight Committee has approved over $377 million in state and federal Safety Net funding. Annual adjustments have been made consistent with changes in public policy to both the Safety Net and the state special education funding formula. The categories and sources of funding for Safety Net have changed over time. In previous years, Safety Net funding was available in four different categories:

- Maintenance of State Revenue (MOESR),
- Students above the funded percentage,
- Student demographics, and
- High-need individuals.

The only category of Safety Net funding that has been available for each of the years in which Safety Net has operated is the high-need individual student category. The high-need individual student category costs out the IEP services for each student the district submits for supplemental funding. Federal funding has always been the principal, if not sole source, for this Safety Net category.

In 2005, an alliance of 12 school districts sued the state in Thurston County Superior Court claiming that the state special education funding formula was unconstitutional. The community impact
category was created by the 2007 Legislature in response to Judge Thomas McPhee’s ruling that the formula was constitutional. Judge McPhee also concluded that the state could not limit access to Safety Net funding on the basis of whether or not a district exceeded the 12.7 percent index in the apportionment formula. The community impact category allows districts to identify and quantify unique characteristics of their school communities that have an adverse fiscal impact on the district’s provision of special education services.

Although the Superior Court opinion was upheld by the Court of Appeals in March of 2009, the case was accepted for review by the State Supreme Court in September of 2009. In December of 2010, the Washington State Supreme Court upheld the Superior and Court of Appeals rulings by a margin of eight to one.

In 2011, the Legislature modified the Safety Net language in the Appropriations Act to require that all Safety Net applications needed to be verified in August of each year. The requirement to make Safety Net determinations based on an analysis of actual expenditure data from the most current school year has the effect of restricting applications until the end of the school year when a more accurate picture of annualized services can be presented.

The Safety Net process will be further impacted in the future by the most recent decision by the State Supreme Court in McCleary v. State of Washington. If basic education is fully funded by the Legislature by 2018 as ordered, state funding for special education will correspondingly increase because the .9309 “excess cost” factor up to 12.7 percent of a district’s resident K–12 population will be driven based on a higher basic education allocation for each district. Increased state funding for special education will theoretically decrease a district’s reliance on supplemental Safety Net funding from year to year.

**Update Status**

Ninety-nine people completed the survey. Over 60 percent were special education administrators and almost one-quarter were business managers or administrators.

A significant majority of responses (at least 80 percent):

- Thought the Safety Net Bulletin was clear and the OSPI staff, trainings, and website were helpful.
- Believed that the process was fair, the review committee was representative of the state, and that they received good feedback if their application was not funded.
- Thought the IEP tool was helpful and found that their IEPs improved because of the Safety Net process.
- Liked the idea of an online application for the Safety Net.

Complete survey results are available in Appendix A.
Conclusion and Next Steps
Safety Net Survey results will be used to improve the Safety Net process for the 2014–15 school year. The application process is outlined in the 2014–15 Safety Net Bulletin released November 3, 2014. Training has been scheduled for eight of the nine educational service districts in the months of November, December, and January. Online training modules have also been developed and are available on OSPI’s website at: http://www.k12.wa.us/SpecialEd/Finance-Grants/SafetyNet.aspx.
2013–14 SAFETY NET SURVEY APPENDIX A

Safety Net Award Results
In 2013–14, the state Safety Net committee approved 109 districts for Safety Net awards. The committee awarded 1,924 high-need individual student applications, and five community impact applications, for a total of $33,830,159 (see Table 1). Prior to the initial 2013–14 submission dates, state-sponsored Safety Net training was provided to approximately 136 school district and educational service district (ESD) staff in nine ESDs.

Table 1: Safety Net applications and award amounts (by school year)

<table>
<thead>
<tr>
<th>School Year</th>
<th>Amount Awarded</th>
<th>Applications Awarded</th>
</tr>
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<tbody>
<tr>
<td>10–11*</td>
<td>$29,741,010</td>
<td>1,854</td>
</tr>
<tr>
<td>11–12*</td>
<td>$29,272,386</td>
<td>1,759</td>
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<td>12–13*</td>
<td>$31,333,668</td>
<td>1,865</td>
</tr>
<tr>
<td>13–14*</td>
<td>$33,830,159</td>
<td>1,924</td>
</tr>
</tbody>
</table>

*Includes High-Need Individual Student and Community Impact applications.

Survey Demographics
The survey was sent to superintendents, special education directors, and business managers of applicant districts. The survey included ten specific questions related to the Safety Net process and an opportunity for comments and suggestions to improve process. A total of 99 respondents completed the survey, and 44 comments were received.

Of the 99 respondents:

- 64.65 percent identified themselves as special education administrators.
- 11.11 percent indicated they were the district superintendent.
• 23.23 percent stated they were the district business manager or business services administrator.
• 1.01 percent stated they were administrative support.

The percentage of respondents for each of the nine ESDs was as follows: ESD 101 (Spokane) 10.10 percent, ESD 105 (Yakima) 2.02 percent, ESD 112 (Vancouver) 12.12 percent, ESD 113 (Olympia) 12.12 percent, ESD 114 (Bremerton) 9.09 percent, ESD 121 (Seattle-Tacoma) 29.29 percent, ESD 123 (Tri-Cities) 4.04 percent, ESD 171 (Wenatchee) 4.04 percent, and ESD 189 (Anacortes) 17.17 percent.

Survey Results

1. The 2013–14 Safety Net Bulletin—which outlined the process changes, application criteria, and submission deadlines—was clear.

Of the respondents, 96 percent either agree or somewhat agree that the 2013–14 Safety Net Bulletin was clear. This percent remained the same as the survey results for 2012–13.
2. OSPI-sponsored training for the 2013–14 Safety Net process was helpful.

Of the respondents, 96 percent either agree or somewhat agree that the OSPI sponsored training was helpful. This percentage increased from the survey results for 2012–13, when 89 percent agreed or somewhat agreed. It is important to note that there are numerous Safety Net training opportunities available to districts that are not sponsored or endorsed by OSPI. This question is only intended to evaluate OSPI sponsored trainings.

3. The Safety Net website includes information that is helpful to my district in the Safety Net application process.

Of the respondents, 94 percent either agree or somewhat agree that information provided on the OSPI Safety Net website was helpful to them in the application process. This percentage is up slightly from 2012–13 in which 92 percent either agreed or somewhat agreed.
4. OSPI staff members are helpful to my district in the Safety Net application process.

Of the respondents, 98 percent either agree or somewhat agree that OSPI staff members are helpful to their district in the Safety Net application process. This percentage is similar to the 2012–13, 2011–12, and 2010–11 results, which exceeded 90 percent in each year.
5. The Safety Net committee members are representative of districts in our state and carefully consider the district requests for Safety Net funding.

![Bar Chart]

Of the respondents, 94 percent either agree or somewhat agree that the Safety Net committee members are representative of districts in the state and carefully consider the district requests for Safety Net funding. This percentage has increased from 2012–13 when 87 percent agreed or somewhat agreed. During 2012–13, there were 19 voting members of the Safety Net committee. Of this number, 11 were local directors of special education, five were local district business managers or district finance directors, and three were either current or former district administrators. The committee also includes one non-voting members from the State Auditor’s Office. The state director of special education serves as an ex officio, non-voting committee member and acts as the committee manager.
6. Although I may not always agree with the results, I was informed why my Safety Net applications were/were not funded.

Of the respondents, 88 percent either agree or somewhat agree that they were informed why their Safety Net applications were or were not funded. This percentage has decreased from the 2012–13, at which time 93 percent either agreed or somewhat agreed.

7. The IEP Review Form was a helpful tool in submitting the Safety Net applications.

Of the respondents, 89 percent of the respondents either agree or somewhat agree that the IEP Review Form was a helpful tool in submitting Safety Net applications. This percentage is down from 2012–13 when 95 percent either agreed or somewhat agreed.
8. My district’s IEPs have improved as a result of the Safety Net process.

Of the respondents, 90 percent of the respondents either agree or somewhat agree that the district’s IEPs have improved as a result of the Safety Net process. This percentage has increased from 2012–13 when 84 percent either agreed or somewhat agreed.

9. Although I may not always agree with the results, I believe the Safety Net standards are uniformly applied to all districts.

Of the respondents, 81 percent agree or somewhat agree that the Safety Net process is fair and that the standards are uniformly applied to all districts. This percentage has decreased from the 2012–13 results when 86 percent agreed or somewhat agreed with this statement. There is considerable variability in and among the districts that apply for Safety Net funding. For example, of the 117 local education agencies (LEAs) that applied for Safety Net funding in 2013–14, five were non-high districts, 36 were districts with total enrollments of less than 2,000, 80 were districts with greater than 2,000 students, and one was an educational service agency (ESA).
10. Being able to resubmit an application that has been previously rejected for reasons specified by the Safety Net committee is helpful to me.

This question was eliminated in the 2011–12 survey because the question was no longer relevant. Districts could not resubmit an application that had been previously rejected in the 2013–14 Safety Net cycle.

11. Being able to electronically submit my Safety Net application will be helpful to me.

Of the respondents, 90 percent either agree or somewhat agree that being able to electronically submit their Safety Net applications is helpful. This percentage has increased significantly from 2012–13, in which 80 percent agreed or somewhat agreed that electronic Safety Net submission would be helpful.
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