



INTERIM REPORT TO THE EDUCATION FUNDING TASK FORCE

Special Education Safety Net Workgroup

2018

Authorizing legislation: Senate Bill 2242, Sec. 408 (2017)
(<http://lawfilesexternal.wa.gov/biennium/2017-18/Pdf/Bills/Session%20Laws/House/2242.SL.pdf>)

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Executive Summary

House Bill 2242, Sec. 408 (2017) directed the Office of Superintendent of Public Instruction (OSPI) to review the current Safety Net process, make recommendations about possible adjustments to improve the Safety Net process, and to evaluate the appropriate funding level to meet the purpose of Safety Net.

Safety Net funding is available to districts and charter schools that demonstrate a need for special education funding in excess of state and federal funding available to the district. OSPI publishes an annual Safety Net bulletin and application forms.

Safety Net has been available in some form since the 1996–97 school year and the Safety Net Oversight Committee has awarded more than \$502 million in state and federal Safety Net funding since that time.

Introduction

House Bill 2242, Sec. 408 (2017) directed OSPI to review the current Safety Net process, make recommendations of possible adjustments to improve the Safety Net process, and to evaluate the appropriate funding level to meet the purpose of Safety Net. The superintendent must submit the recommendations to the governor, and the legislative education and operating budget committees by November 1, 2018.

Additionally, in a letter dated August 29, 2017, the Education Funding Task Force requested the [special education cost] multiplier and the process districts use to account for special education expenses be examined and an interim report submitted to the Legislature in January 2018.

The purpose of this report is to briefly recap the efforts of the Special Education Safety Net Legislative Workgroup during the months of October through December 2017, as well as to describe the remaining planned activities.

Workgroup Formation

In September 2017, Superintendent Reykdal selected a [diverse workgroup of twenty-two \(22\) individuals](#) from throughout the state with knowledge of special education program delivery and funding to perform the requested study.

Workgroup Efforts

Date	Agenda	Materials presented
10/25/2017	Introduction to assignment, planning	RCW 28A.150.392, WAC 392-140-600—685, historical Safety Net applications, and awards data
11/30/2017	Review of other states' special education funding mechanisms and high need programs Brainstorm recommendations Discussion regarding possible other components of Safety Net, definition of high need individual and threshold, and improvements to the Safety Net process Discussion regarding solicitation of recommendations from districts	State Funding for Students with Disabilities: All States All Data (June 2015) Summary displaying fiscal range of individual high need applications Historical display of high need individual application threshold and basic education allocation

Date	Agenda	Materials presented
		Safety Net Survey Gizmo document
12/1, 12/6, 12/15	Survey presented at regional special education directors meetings	To date, 142 comments received

Considerations for Possible Adjustments

Areas considered thus far by the workgroup, organized by the summarized requests of the Legislature.

Possible adjustments to improve the Safety Net process – additional categories
Background: Currently RCW 28A.150.392 authorizes Safety Net funding in two categories—high need individual (1996) and community impact
Recommendations: Additional categories or funding amounts dedicated for distribution as:
Catastrophic funding – one-time funding available when a situation so severe that the district’s ability to provide FAPE is impacted;
Assistive technology - funding available at any time during the school year as needed for any item, piece of equipment, or product that is used to increase, maintain, or improve functional capabilities of a student with disabilities, not dependent upon a single child’s individualized education program (IEP) for high need reimbursement.
Equipment - funding for program needs such as Hoyer lifts, changing tables, and conversions to district vehicles to accommodate wheel chairs. This category would cover equipment needed by multiple students receiving special education services, not just one specific high need student.
Applied behavior analysis – funding for a teaching method found to be effective for students with autism.

Possible adjustments to improve the Safety Net process – access limited based on district’s special education percentage
Background: SSB 5883, Sec. 507 (5) established the state funded special education funding index as the lesser of the district’s actual enrollment percent or 13.5 percent.
Current standard/Recommendation: A district’s special education percentage should not limit the district’s ability to access high need student funding.

Possible adjustments to improve the Safety Net process – change to definition of high need student and limitation

Background: When using federal funding (IDEA) for a special education high need program, the state must ensure that the cost of the high need student with a disability is greater than three times the average per pupil expenditures, as defined in section 9101 of the ESEA. Washington uses a combination of state and federal funding for the high need program, and in consultation with the Office of Financial Management and the fiscal committees of the Legislature, has reduced the cost of the high need student with a disability (threshold) to 2.7 times the average per pupil expenditure using state funding. 34 CFR 300.704 (c)

Recommendations: Any change to the high need individual threshold should be carefully considered if high need reimbursement is to continue to be a combination of state and federal funding. Currently, \$14,787,000 of IDEA funding is budgeted annually by OSPI for high need individual reimbursement.

Possible adjustments to improve the Safety Net process – access to Safety Net based on a concentration of higher than statewide average costs, but costs do not exceed the high cost threshold

Background: Currently this is not a category of Safety Net funding.

Recommendations: At this time, there has been limited discussion on this topic. The needs of districts vary, depending on the size, capacity, and individualized needs of enrolled students receiving special education services. Individual districts' special education average per pupil costs in 2015-16 ranged from \$1,842 to \$26,548 per student with disabilities, demonstrating that the use of a statewide APPE may not adequately address the costs.

How can the process be improved?

Background: RCW 28A.150.392 (3) requires the superintendent annually survey districts regarding their satisfaction with the Safety Net process and consider feedback from the districts to improve the Safety Net process. For the years 2008 through 2016, survey results indicated agreement with 10 of the 10 questions at 85 percent or higher.

Comments from Survey:

Allow electronic submission of high need applications

Define safety net funding as safety net 'reimbursement', not 'awards' which has a competitive connotation rather than acknowledgement of reimbursement provided to students with disabilities via an IEP (WAC 392-140-600)

Expand number of categories for safety net funding

Include state tribal compact schools as an eligible special education applicants (WAC 392-140-602)

How can the process be improved?

Remove the term 'properly formulated' from the standards and criteria of IEP submitted for safety net reimbursement (WAC 392-140-609)

Allow an applicant to submit additional information to the state oversight committee when requesting review and reconsideration of an application (WAC 392-140-656)
Provide direct OSPI and ESD Special Education Director assistance to districts in developing Safety Net applications

Redefine 'high need' individual student

Release safety net funding earlier in the school year

Does the [special education cost] multiplier accurately reflect the actual needs in school districts?

Background: The special education cost multiplier was established in 1995. The per pupil special education allocation is determined by multiplying the district's base education allocation (BEA) per full-time equivalent student times .9309 and subtracting the district's federal funds integration rate per student. This information is captured on Report 1220.

Recommendations: There is unanimous agreement that the 22 year old special education cost multiplier should be increased. The workgroup supports OSPI's 2018 supplemental budget request increasing the multiplier from .9309 to 1.09. There is concern that districts with large enrollment or districts with very small enrollment of students receiving special education services speculated that a larger increase to the multiplier is needed to eliminate their dependence on local levies for special education program costs. The workgroup will continue to analyze the effect of changes to the multiplier with further consideration of a multi-level multiplier.

Next Steps

Future workgroup meetings and/or presentations:

February 15, 2018 – Special Education Safety Net Legislative Workgroup meeting

April 30, 2018 – Workgroup meeting to review draft recommendations

May 10, 2018 – Presentation at annual Washington Association of School Business Officials conference

August 3, 2018 – Presentation at annual Washington Association of School Administrators conference

August 29, 2018 – Final meeting of Workgroup

September 4, 2018 – Delivery of recommendations to Superintendent Reykdal

Special Education Safety Net Legislative Workgroup

Task: Review current Safety Net process, make recommendations on possible adjustments to improve the process, evaluate appropriate funding level to meet the purpose, examine the special education cost multiplier, and process districts use to account for special education expenses. (EHB 2242, Sec. 408 & Education Funding Task Force)

Workgroup Facilitator: Greg Abell

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