

Special Education Funding

Arizona Department of Education, Exceptional Student Services (ESS)

Mike Mannelly, Associate Superintendent, Highly Effective Schools

Exceptional Student Services (Special Education)

Responsible for oversight of FAPE (free appropriate public education) for:
135,250 students with disabilities aged 3-22 (and those in the process)

Services provided at 763 PEAs (public education agencies)

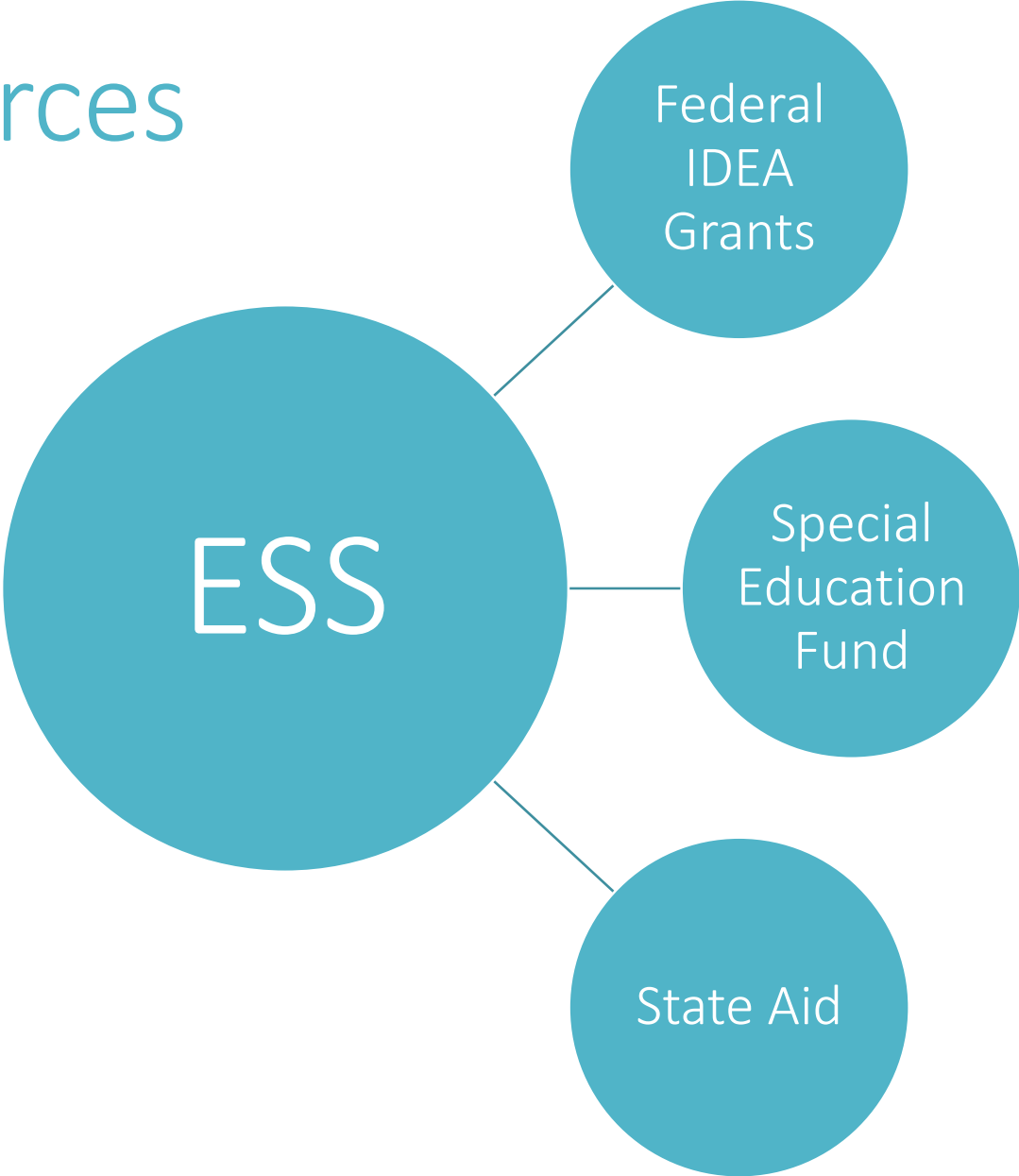
- 27.5% Traditional Districts

- 72% Charter Holding Entities

- >1% Secure Care and Institutions

General Oversight, IDEA Basic Entitlement Allocations, Fiscal and Programmatic Monitoring, and Professional Development & Technical Assistance

Three Funding Sources





Federal IDEA Grants (Part B)

Federal IDEA Grants – *34 CFR Part 300*

- Assist states in providing a free appropriate public education in the least restrictive educational environment for children with disabilities, ages three through 21
- Part B, Section 611 for children ages 3 through 21 – Approximately 173 million dollars for entitlement
- Part B, Section 611 for high risk (high cost) children ages 3 through 21 – Approximately 2 million dollars
- Part B, Section 619 for children ages 3 through 5 – Approximately 3.8 million dollars for entitlement
- Remaining funds used for administration and state activities – Approximately 24.2 million dollars



Special
Education
Fund

Special Education Fund – *A.R.S. § 15-1182 & 15-1202*

- Provide monies for the education of a child who has been placed in a residential facility by a state placing agency or who requires a residential special education placement; and
- Pay the special education instructional costs of a person at a state institution (Arizona State School for the Deaf and the Blind)
 - Approximate 32 million dollars budgeted from the state
- Any monies left unexpended from the prior two bullets may be distributed to school districts by the Department of Education for the following purposes:
 - To provide educational counseling, training and support services to a child with a disability in order to maintain the child's educational placement in the least restrictive environment
 - To provide educational transition assistance to children who return to their home after placement in a residential facility
 - To train personnel for and develop and implement model programs for use by school districts to serve children with emotional disabilities



State Aid

State Aid

- Paid through School Finance at the Department
- Approximately \$420 million for 2017 in special education add-on funding
- Applies an add-on weight to the base funding of a student dependent upon two factors:
 - Disability identified
 - Type of educational setting

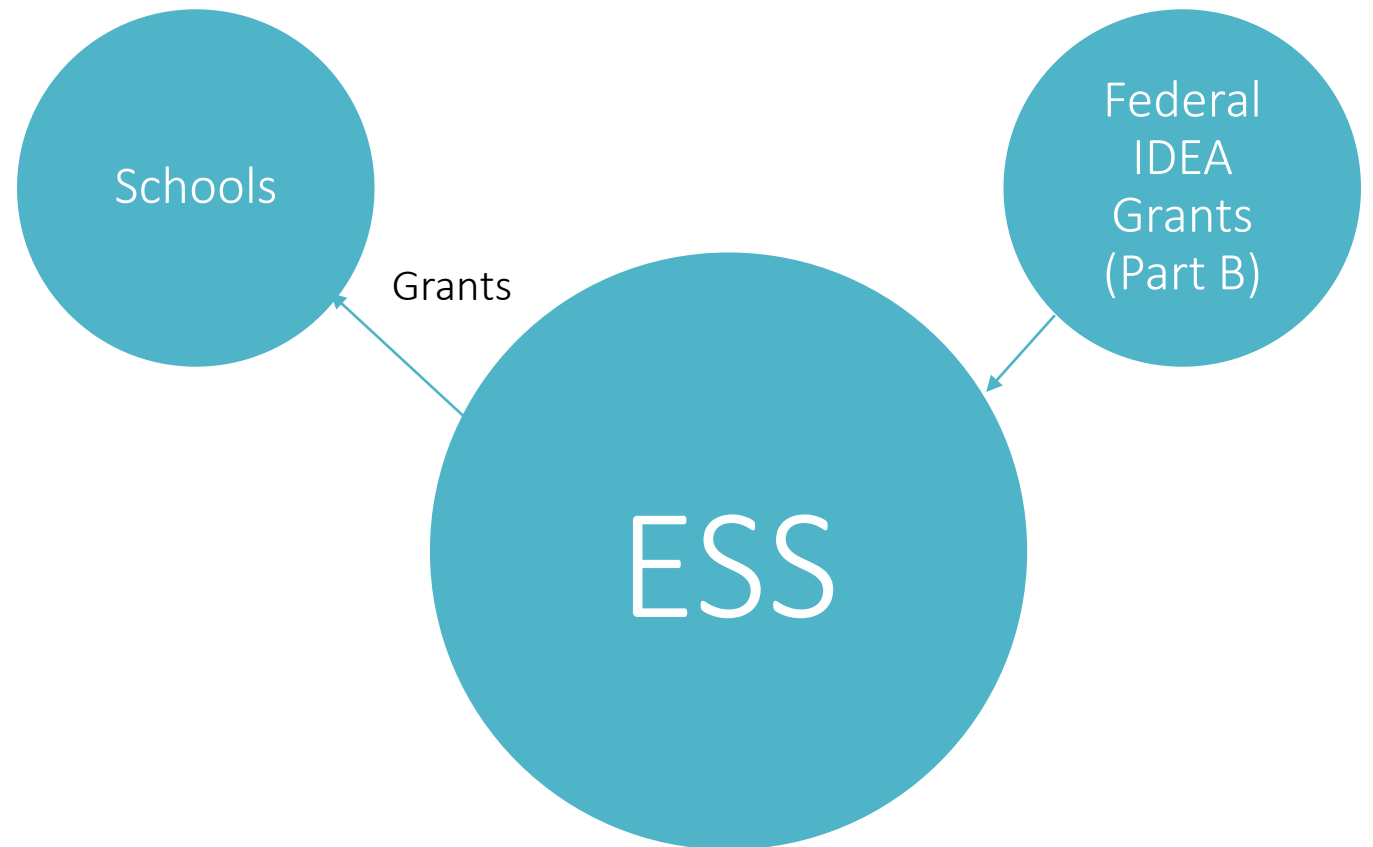
Distribution of State Formula Grants (Part B) to Schools

Federal IDEA Grants

Entitlement funds are sub-awarded through grants with the Arizona Department of Education as a flow-through

High cost funds are also sub-awarded through grants with the Arizona Department of Education as a flow-through

State activities flow to schools through services facilitated by the state such as professional development, dispute resolution, technical assistance, assistive technologies, etc.



Distribution of Special Education Fund to Schools

Special Education Fund

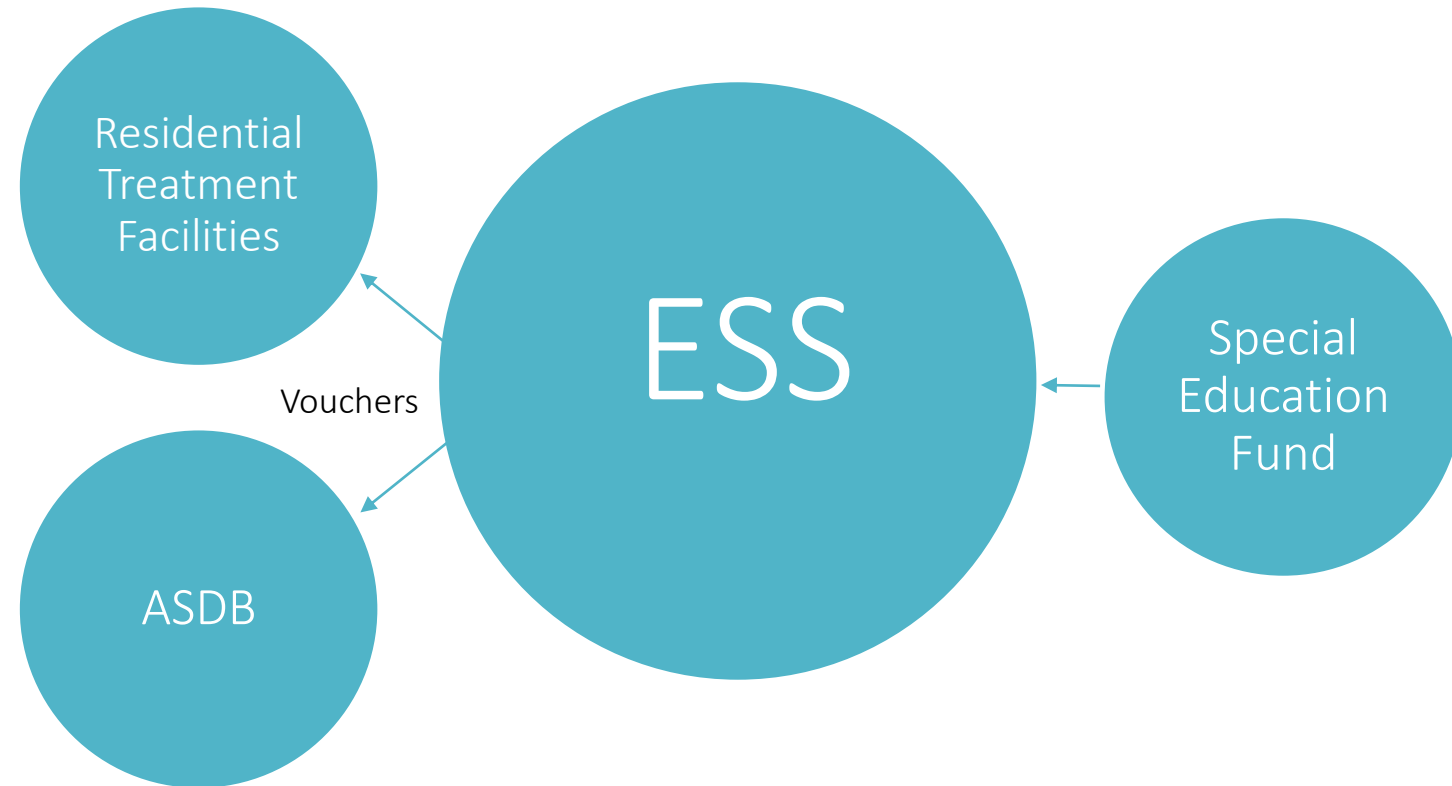
Voucher claims are submitted by residential treatment facilities and the Arizona State School for the Deaf and the Blind

Process for the required documentation such as an Individualized Education Program (IEP)

Payments are issued once a month for claims that have all of the required components

Other activities beyond voucher claims are in process of being implemented to utilize the state funds annually per statute

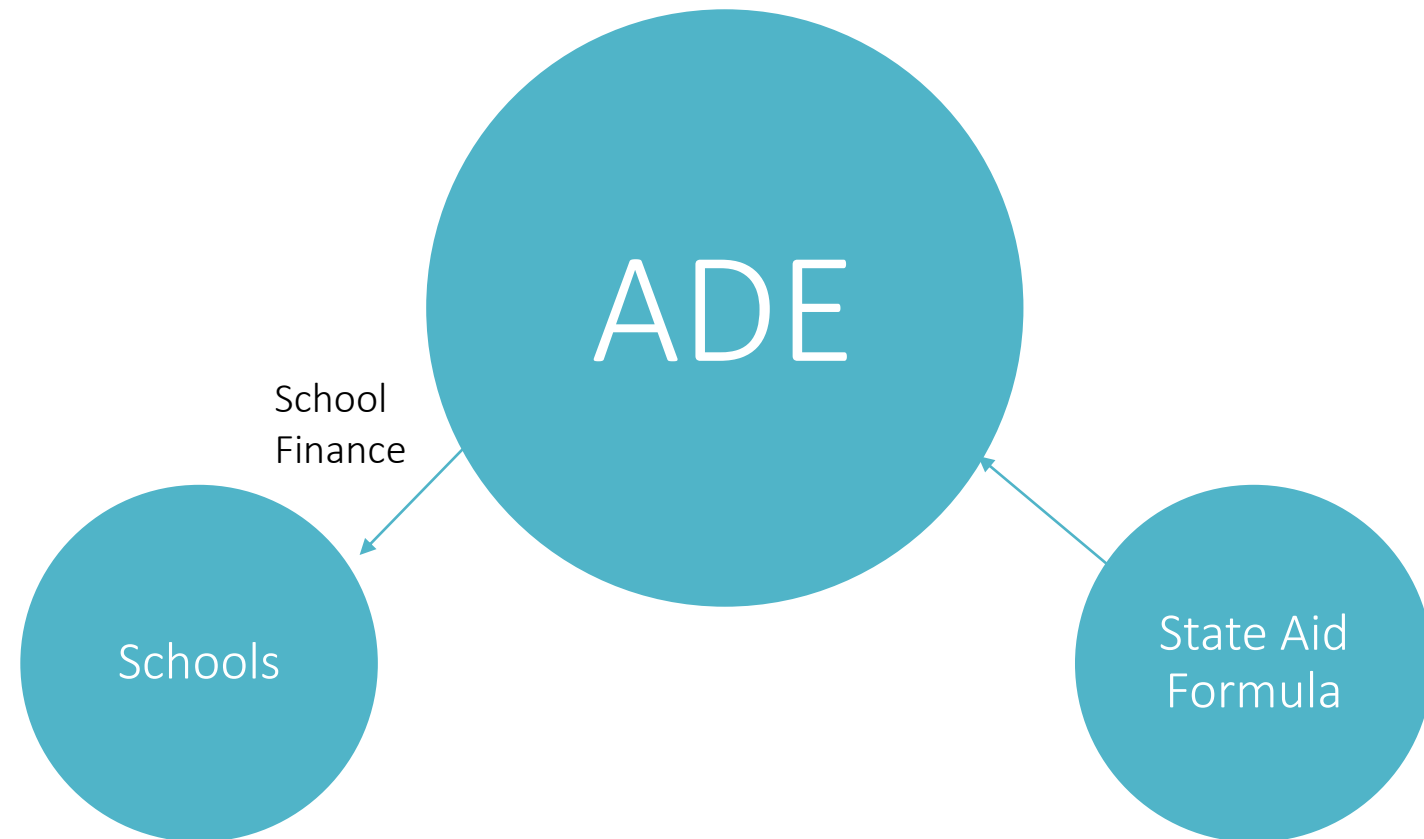
Process over 5000 claims every year with 1 FTE

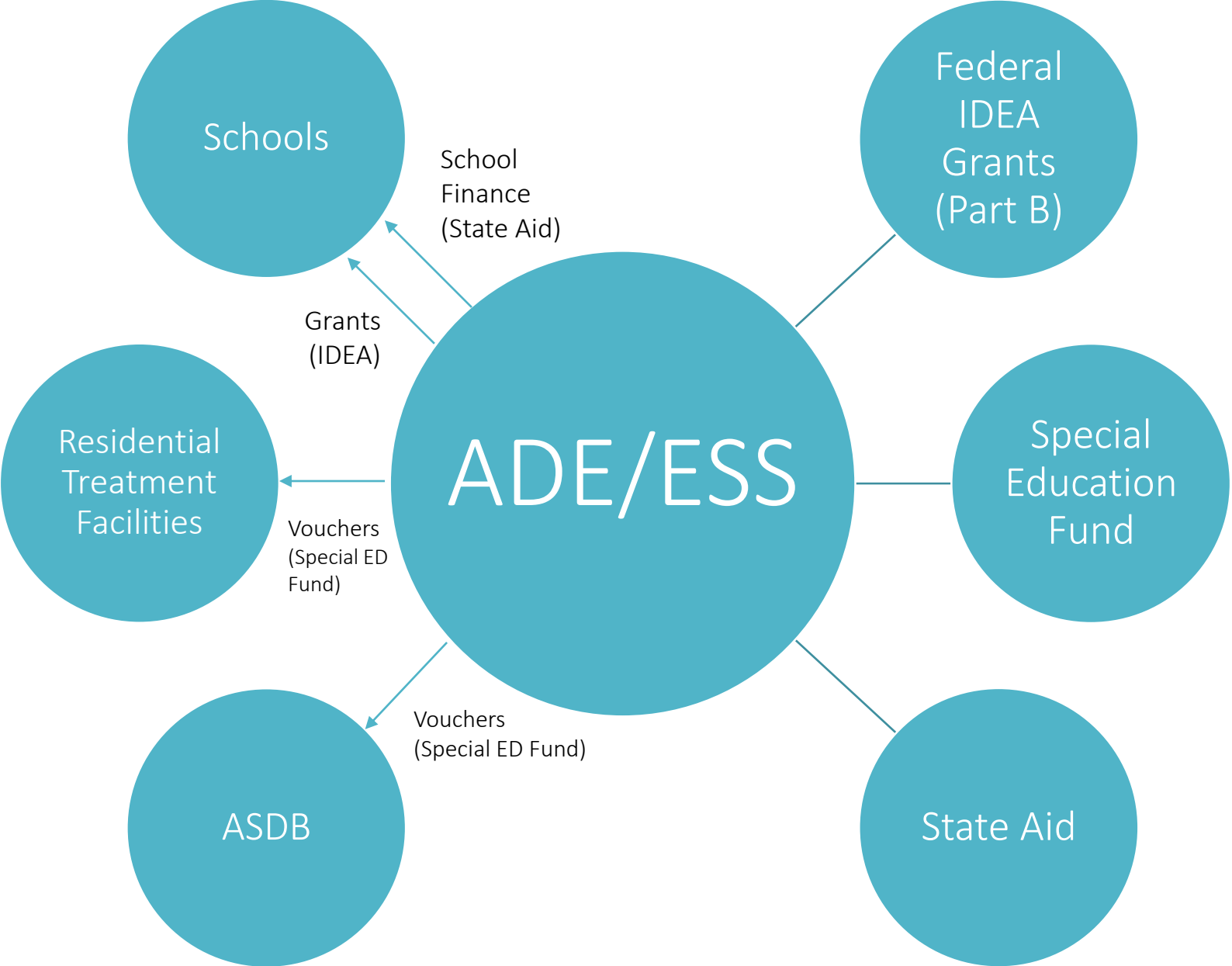


Distribution of State Aid to Schools

State Aid

Issued through regular school finance payments





Usage of Funds by Schools

Federal IDEA Grants

Varied across the state but some consistent rules to be allowable in a school's grant application

Cost should not exist if an absence of special education needs

Cost should not be generated by students without disabilities

If a cost is specific to certain students, the cost must tie into a student's IEP

Many applications change year to year depending upon the makeup of students with disabilities enrolled at their schools

Entitlement funds do not follow specific students year to year

New or expanding charters do lock in a portion of funds the first year students with disabilities are serviced at their school

State Aid

Used to support the educational costs for students with disabilities

Usage of Funds by Residential Treatment Facilities and ASDB

Special Education Fund

Used to pay the educational costs for students placed in a residential treatment center or receiving services through ASDB

New voucher claims are required if a funding arrangement takes place through a new district/charter and a residential treatment center

Classification & Funding

Federal IDEA Grants

Special Education classifications are driven by federal guidance and reported annually to the Office of Special Education Programs (OSEP)

Special Education Fund

Most of the voucher claims are for non-special education students placed into a residential treatment center by a state placing agency for care and safety

No real determination if this is overfunded or underfunded in regards to classification

State Aid

The add-on for student with disabilities provides a multiplier to the base level funding for all students

Some weights are rather large and Arizona has seen a gradual proportionate increase in high funded weights in identification (“Autism” approximately .5% for the past 10 years as an example [2008 – 4.0%, 2018 – 9.2%])

The most common feedback ADE receives from schools throughout the state is the hardship of barely making ends meet with just state funds

Many schools indicate they budget their federal dollars every year to their standard disability-related operations

Unit Structure

Exceptional Student Services (ESS)

Approximately 65 FTEs are dedicated to overseeing special education programs in the state

About 15 FTEs are used for Operations (including federal data collections & grant approvals)

About 25 FTEs are used for Program Support and Monitoring

About 16 FTEs are used for Professional Development

About 13 FTEs are used for Miscellaneous Activities or Special Projects

1 FTE for Special Education Fund (State funded voucher) processing

requesting additional 2.5 FTE to improve best practices; would not require increase of actual funds

Approximately 9 FTEs are providing special education guidance in Early Childhood focusing on preschool

Other Units

Approximate 22 FTEs provide services for and are funded by ESS through other units

4 FTEs fund Grants Management – Single Audit for IDEA grants to schools

3 FTEs fund Grants Management for fiscal processing related to IDEA

Approximately 7 FTEs for Dispute Resolution

Approximately 4 FTEs for Alternate Assessment

Approximately 4 FTEs for Information Technology services

Questions?

