

Arizona Special Education Programs and Cost Analysis

Project Overview and Status Update
June 2022



**ARIZONA DEPARTMENT
OF EDUCATION**



Purpose

- Provide a comprehensive picture of the funding needs for all children with disabilities who receive special education and related services under the Individuals with Disabilities Education Act in the Arizona public education system
- Provide ADE and stakeholders with the necessary data to propose policy changes in special education funding

Criteria for LEA Cohort

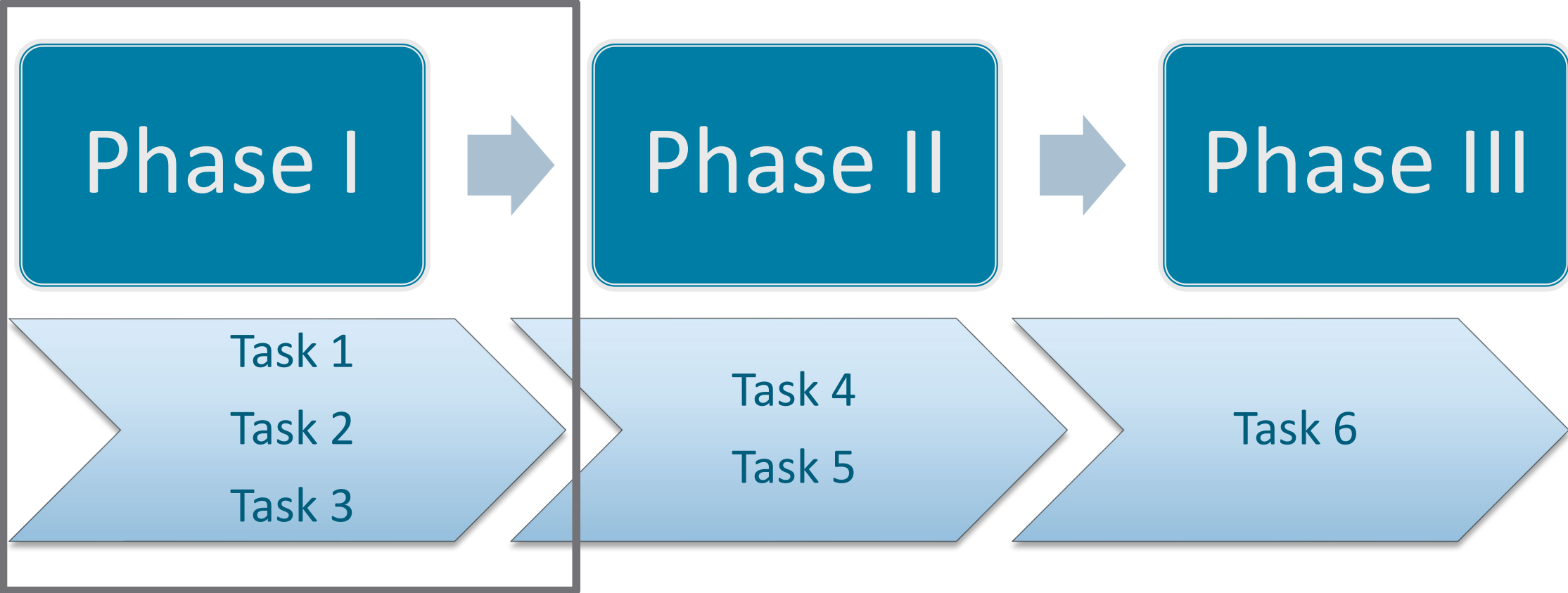
- Intended to represent a minimum of 20% of the public school special education population
- Inclusive of traditional public school districts and charter schools
- Inclusive of single site charters and LEAs, and larger charter networks
- Represent every county in Arizona
- Representative of urban and rural LEAs
- Representative of Impact Aid students
- Representative of K-8 and K-12 LEAs

LEA Cohort

LEA Name - Public School Districts	Grades Served
Amphitheater Unified School District	K-12
Arizona State Schools for the Deaf and Blind	K-12
Casa Grande Elementary School District	K-8
Chandler Unified School District	K-12
Chinle Unified School District	K-12
Cottonwood Oak-Creek Unified School District	K-12
Crane Elementary School District	K-8
Duncan Unified School District	K-12
Flagstaff Unified School District	K-12
Lake Havasu Unified School District	K-12
Mesa Unified School District	K-12
Miami Unified School District	K-12
Parker Unified School District	K-12
Phoenix Union High School District	9-12
Pima Unified School District	K-12
Prescott Unified School District	K-12
Santa Cruz Unified School District	K-12
Sierra Vista Unified School District	K-12
Vail Unified School District	K-12
Washington Elementary School District	K-8
Whiteriver Unified School District	K-12

LEA Name - Public Charter Schools	Grades Served
Anthem Preparatory Academy	K-12
Archway Classical Academy Arete	K-8
Archway Classical Academy Chandler	K-8
Archway Classical Academy Cicero	K-8
Archway Classical Academy Glendale	K-8
Archway Classical Academy Lincoln	K-8
Archway Classical Academy North Phoenix	K-8
Archway Classical Academy Scottsdale	K-8
Archway Classical Academy Trivium East	K-8
Archway Classical Academy Trivium West	K-8
Archway Classical Academy Veritas	K-8
Arete Preparatory Academy	K-12
Chandler Preparatory Academy	K-12
Cicero Preparatory Academy	K-12
Edge School Inc.	9-12
Glendale Preparatory Academy	K-12
Horizon Community Learning Center	K-12
Lincoln Preparatory Academy	K-12
Maryvale Preparatory Academy	K-12
North Phoenix Preparatory Academy	K-12
Scottsdale Preparatory Academy	K-12
Trivium Preparatory Academy	K-12
Veritas Preparatory Academy	K-12

Timeline Review



Phase I Report Issued – May 2022

Task One: Special Education Statewide Demographic and Staffing Trend Analysis

Objective/Task: Identify the change in the public education student population from 2009-10 school year to 2018-19 school year to include total change in percentage of public education student population, to include children with a disability or disabilities.

Methodology: Evaluate the student level demographic data for 2019 compared to 2010.

Data Source: ADE student demographic data

Population Sample: Statewide to include school districts and charter schools

Objective/Task: Identify the impact of the teacher and related service provider shortage on special education and identify the additional costs associated with special education staffing models compared to the average teacher pay for general education programs.

Methodology: Evaluate the teacher and related service provider vacancies as of October 2019. Determine the number and cost for filling these vacancies with vendor/contractors.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase I Outcomes

Task 1 – Enrollment Change

- Statewide public education enrollment increased 5%; however, special education population increased 15% during the same time period
- Disability categories with largest increases:
 - Developmental Delay
 - Mild Intellectual Disability
 - Other Health Impairment
 - Autism

Total Public Education Population Change

2010	2019	Change	Percentage
1,086,047	1,141,694	55,647	5%

Total Public Special Education Population Change

2010	2019	Change	Percentage
125,584	144,503	18,919	15%

Public Education Population with Single Disability vs Multiple Disabilities

	2010	% of Total	2019	% of Total	Change	Percentage
Single	93,676	75%	111,471	77%	17,795	19%
Multiple	31,908	25%	33,030	23%	1,122	4%
Total	125,584		144,501		18,917	15%

Unduplicated Public Education Population Count by Disability

Disability	2010	% of Total	2019	% of Total	Change	Percentage
DD	3,615	2.9%	13,715	9.5%	10,100	279%
ED	4,778	3.8%	6,474	4.5%	1,696	35%
MIID	2,001	1.6%	5,311	3.7%	3,310	165%
OHI	5,725	4.6%	14,305	9.9%	8,580	150%
SLD	44,302	35.3%	54,976	38.0%	10,674	24%
SLI	45,665	36.4%	23,993	16.6%	(21,672)	-47%
A	6,879	5.5%	14,374	9.9%	7,495	109%
DB	*	*	*	*	*	767%
EDP	1,434	1.1%	1,710	1.2%	276	19%
HI	1,880	1.5%	1,625	1.1%	(255)	-14%
MD	881	0.7%	856	0.6%	(25)	-3%
MDSSI	797	0.6%	820	0.6%	23	3%
MOID	2,096	1.7%	1,981	1.4%	(115)	-5%
OI	1,745	1.4%	1,448	1.0%	(297)	-17%
PSD	2,477	2.0%	1,813	1.3%	(664)	-27%
SID	422	0.3%	278	0.2%	(144)	-34%
TBI	*	*	*	*	*	-33%
VI	740	0.6%	701	0.5%	(39)	-5%
Total	125,584		144,503		18,919	15%

Phase I Outcomes

Task 1 – Staffing Impact

- Special education teachers are paid on average 9% more than general education teachers
- Outsourced employees cost significantly more than LEA employees
 - Teacher - \$9,000
 - Occupational Therapist - \$37,000
 - Speech Pathologist - \$23,000

Percentage of Vacancies for Special Education Teachers in Public Education Systems

	Budgeted FTE	Employed by LEA	Outsourced by LEA	Unfilled FTE	% Unfilled
TOTALS	2,157.85	1,943.20	12.86	201.79	9%

Percentage of Vacancies for Special Education Related Service Providers in Public Education Systems

Occupational Therapists

	Budgeted FTE	Employed by LEA	Outsourced by LEA	Unfilled FTE	% Unfilled
TOTALS	87.72	51.69	27.88	8.15	9%

Physical Therapists

	Budgeted FTE	Employed by LEA	Outsourced by LEA	Unfilled FTE	% Unfilled
TOTALS	36.33	21.06	14.27	1.00	3%

Percentage of Vacancies for Special Education Related Service Providers in Public Education Systems

Speech Pathologist Therapists

	Budgeted FTE	Employed by LEA	Outsourced by LEA	Unfilled FTE	% Unfilled
TOTALS	348.60	217.85	92.86	37.89	11%

Psychologists

	Budgeted FTE	Employed by LEA	Outsourced by LEA	Unfilled FTE	% Unfilled
TOTALS	198.18	166.62	20.30	11.26	6%

Additional Cost to Outsource Instructional and Related Service Providers Compared to the Salary Paid to an LEA Employee for the Same Position

Position	Employed Total Costs versus Outsourced	Employed Salary versus Outsourced
Special Education Teacher	\$ 7,390	\$ (9,068)
Occupational Therapist	\$ (16,883)	\$ (37,836)
Physical Therapist	\$ 23,051	\$ 242
Speech Language Therapist	\$ (4,206)	\$ (23,798)
Psychologist	\$ 17,688	\$ (1,378)
Other Related Service Providers	\$ (35,307)	\$ (52,643)

Task Two: Analysis of Transportation Trend Data and Direct Costs

Objective/Task: Identify the change in special education verses general education transportation route miles from 2010 to 2019. Compare this trend to total student enrollment trend data.

Methodology: Evaluate the submitted route mileage data for 2019 compared to 2010.

Data Source: ADE Trans55-1 data, total student enrollment data and special education designation data for same period

Population Sample: Statewide to include school districts and charter schools

Objective/Task: Evaluate the actual cost of special education transportation compared to the state-funded transportation formula.

Methodology: Identify the FY22 route costs compared to the per mileage funding model.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase I Outcomes

Task 2 – Statewide Transportation Change

- Total statewide transportation decreased
- Special education miles account for approximately 35%
- Students with disabilities account for approximately 11%
- Approximately 20% of students with disabilities are provided specialized transportation services

Special Education Route Miles as a Percentage of Total Route Miles

Actual SPED Miles (100 Days)		Actual All Miles (100 days)		SPED Miles % of Total Miles	
2010	2019	2010	2019	2010	2019
17,230,127	15,148,296	48,355,219	43,701,107	36%	35%

Student Riders with Disabilities as a Percentage of Total Riders

SPED Riders (100 days)		All Riders (100 days)		SPED Riders % of Total Rider	
2010	2019	2010	2019	2010	2019
28,042	28,242	335,412	259,151	8%	11%

Student Riders with Disabilities as a Percentage of Total Students and Percentage of Students with Disabilities Accessing Transportation

SPED Population % of Total		SPED Population Accessing	
2010	2019	2010	2019
12%	13%	22%	20%

Phase I Outcomes

Task 2 – LEA Transportation Costs

- Special education cost per mile calculated at \$0.02 to \$10.43 per mile more than the state average
- Special education cost per mile calculated at \$0.74 to \$11.95 per mile more than the state funding formula
- Special education cost per student calculated at \$19 to \$16,590 more per student than the state per rider average

Special Education 2022 Cost per Mile Compared to 2019 and 2020 State Averages

LEA	SPED Cost per Mile	Additional Per Mile Cost Over State Average FY19	Additional Percentage Cost	Additional Per Mile Cost over State Average FY20	Additional Percentage Cost
Amphitheater Unified School District	\$ 4.57	\$ 0.28	7%	\$ 0.29	7%
Arizona School for the Deaf and Blind	\$ 4.44	\$ 0.15	4%	\$ 0.16	4%
Casa Grande Elementary School District	\$ 4.31	\$ 0.02	0%	\$ 0.03	1%
Chandler Unified School District	\$ 7.12	\$ 2.83	66%	\$ 2.84	66%
Chino Unified School District	\$ 3.51	\$ (0.78)	-18%	\$ (0.77)	-18%
Cottonwood Oak Creek Unified School District	\$ 8.29	\$ 4.00	93%	\$ 4.01	94%
Crane Elementary School District	\$ 3.83	\$ (0.46)	-11%	\$ (0.45)	-11%
Flagstaff Unified School District	\$ 6.95	\$ 2.66	62%	\$ 2.67	62%
Great Hearts Academies	\$ 5.40	\$ 1.11	26%	\$ 1.12	26%
Horizon Honors Community Schools	\$ 0.86	\$ (3.43)	-80%	\$ (3.42)	-80%
Lake Havasu Unified School District	\$ 6.98	\$ 2.69	63%	\$ 2.70	63%
Mesa Unified School District	\$ 4.44	\$ 0.15	3%	\$ 0.16	4%
Miami Unified School District	\$ 14.72	\$ 10.43	243%	\$ 10.44	244%
Parker Unified School District	\$ 10.98	\$ 6.69	156%	\$ 6.70	156%
Phoenix Union High School District	\$ 8.98	\$ 4.69	109%	\$ 4.70	110%
Prescott Unified School District	\$ 6.44	\$ 2.15	50%	\$ 2.16	50%
Santa Cruz Valley Unified School District	\$ 3.15	\$ (1.14)	-27%	\$ (1.13)	-26%
Sierra Vista Unified School District	\$ 8.43	\$ 4.14	96%	\$ 4.15	97%
Vail Unified School District	\$ 6.07	\$ 1.78	42%	\$ 1.79	42%
Washington Elementary School District	\$ 6.50	\$ 2.21	52%	\$ 2.22	52%
Whiteriver Unified School District	\$ 5.95	\$ 1.66	39%	\$ 1.67	39%

Special Education 2022 Cost per Student/Rider Compared to 2019 and 2020 State Averages

LEA	SPED Cost per SPE D Rider	Additional Per Student Cost Over State Average FY19	Additional Percentage Cost	Additional Per Student Cost over State Average FY20	Additional Percentage Cost
Amphitheater Unified School District	\$ 7,734.49	\$ 6,310.49	443%	\$ 6,364.49	465%
Arizona School for the Deaf and Blind	\$ 9,734.99	\$ 8,310.99	584%	\$ 8,364.99	611%
Casa Grande Elementary School District	\$ 7,562.41	\$ 6,138.41	431%	\$ 6,192.41	452%
Chandler Unified School District	\$ 8,126.00	\$ 6,702.00	471%	\$ 6,756.00	493%
Chino Unified School District	\$ 2,163.09	\$ 739.09	52%	\$ 793.09	58%
Cottonwood Oak Creek Unified School District	\$ 11,878.11	\$ 10,454.11	734%	\$ 10,508.11	767%
Crane Elementary School District	\$ 8,145.33	\$ 6,721.33	472%	\$ 6,775.33	495%
Flagstaff Unified School District	\$ 13,622.58	\$ 12,198.58	857%	\$ 12,252.58	894%
Great Hearts Academies	\$ 13,944.60	\$ 12,520.60	879%	\$ 12,574.60	918%
Horizon Honors Community Schools	\$ 7,923.69	\$ 6,499.69	456%	\$ 6,553.69	478%
Lake Havasu Unified School District	\$ 6,120.02	\$ 4,696.02	330%	\$ 4,750.02	347%
Mesa Unified School District	\$ 5,318.60	\$ 3,894.60	273%	\$ 3,948.60	288%
Miami Unified School District	\$ 4,858.95	\$ 3,434.95	241%	\$ 3,488.95	255%
Parker Unified School District	\$ 13,491.07	\$ 12,067.07	847%	\$ 12,121.07	885%
Phoenix Union High School District	\$ 11,653.48	\$ 10,229.48	718%	\$ 10,283.48	751%
Prescott Unified School District	\$ 7,613.35	\$ 6,189.35	435%	\$ 6,243.35	456%
Santa Cruz Valley Unified School District	\$ 11,279.83	\$ 9,855.83	692%	\$ 9,909.83	723%
Sierra Vista Unified School District	\$ 8,183.37	\$ 6,759.37	475%	\$ 6,813.37	497%
Vail Unified School District	\$ 1,389.57	\$ (34.43)	-2%	\$ 19.57	1%
Washington Elementary School District	\$ 6,232.55	\$ 4,808.55	338%	\$ 4,862.55	355%
Whiteriver Unified School District	\$ 17,962.34	\$ 16,538.34	1161%	\$ 16,592.34	1211%

Special Education 2022 Cost per Mile Compared to 2022 per Mile Funding

LEA	SPED Cost Per Mile	Additional per Mile Cost Over Per Mile Funding FY22	Additional Percentage Cost
Amphitheater Unified School District	\$ 4.57	\$ 1.80	42%
Arizona School for the Deaf and Blind	\$ 4.44	\$ 1.67	39%
Casa Grande Elementary School District	\$ 4.31	\$ 1.54	36%
Chandler Unified School District	\$ 7.12	\$ 4.35	101%
Chino Unified School District	\$ 3.51	\$ 0.74	17%
Cottonwood Oak Creek Unified School District	\$ 8.29	\$ 5.52	129%
Crane Elementary School District	\$ 3.83	\$ 1.06	25%
Flagstaff Unified School District	\$ 6.95	\$ 4.18	97%
Great Hearts Academies	\$ 5.40	\$ 2.63	61%
Horizon Honors Community Schools	\$ 0.86	\$ (1.91)	-44%
Lake Havasu Unified School District	\$ 6.98	\$ 4.21	98%
Mesa Unified School District	\$ 4.44	\$ 1.67	39%
Miami Unified School District	\$ 14.72	\$ 11.95	279%
Parker Unified School District	\$ 10.98	\$ 8.21	191%
Phoenix Union High School District	\$ 8.98	\$ 6.21	145%
Prescott Unified School District	\$ 6.44	\$ 3.67	85%
Santa Cruz Valley Unified School District	\$ 3.15	\$ 0.38	9%
Sierra Vista Unified School District	\$ 8.43	\$ 5.66	132%
Vail Unified School District	\$ 6.07	\$ 3.30	77%
Washington Elementary School District	\$ 6.50	\$ 3.73	87%
Whiteriver Unified School District	\$ 5.95	\$ 3.18	74%

Task Three: Analysis of Residential Treatment Center and Private Placement Costs Compared to the Funding Formula

Objective/Task: Identify the cost for residential treatment center and private placement options compared to the funding formula.

Methodology: Evaluate the out-of-state and private placement costs and compare to the state funding formula.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase I Outcomes

Task 3 – Private Placement and Residential Treatment Centers Costs

- Private placement cost exceed the state funding formula by over 82%
- Students in private placement represented only 2% of the students with disabilities in the LEA sample

LEA Cost for Private School Placement by Student Need Compared to State Funding Formula

Disability	State Funding	LEA Cost	Difference
A	\$ 4,810,292	\$ 7,404,148	\$ (2,593,856)
DD	80,273	724,598	(644,325)
ED	25,368	435,702	(410,333)
EDP	3,382,229	4,895,093	(1,512,864)
HI	97,875	170,808	(72,933)
MD	149,848	199,937	(50,089)
MDSSI	269,432	377,729	(108,297)
MIID	93,769	847,605	(753,836)
MOID	266,731	533,975	(267,244)
OHI	111,400	989,089	(877,690)
OI	91,887	135,201	(43,314)
PSD	86,578	193,832	(107,254)
SID	243,765	470,326	(226,560)
SLD	28,351	337,601	(309,251)
SLI	-	12,262	(12,262)
TBI	4,643	15,994	(11,351)
TOTALS	\$ 9,742,441	\$ 17,743,900	\$ (8,001,459)

LEA Cost for Residential Treatment Center by Student Need Compared to the State Funding Formula

Disability	State Funding	LEA Cost	Difference
A	\$ 28,572	\$ 40,249	\$ (11,677)
ED	99,450	261,091	(161,642)
EDP	57,762	98,444	(40,682)
MIID	458	8,494	(8,037)
NSE	5,046	45,171	(40,125)
OHI	31,090	104,305	(73,215)
SLD	48,780	128,458	(79,678)
TOTALS	\$ 271,158	\$ 686,212	\$ (415,056)

Questions on Task 1, 2 or 3

Task Four: Analysis of Special Education ESAs as a Total Cost of the ESA program Compared to the Public Education Proportionate Distribution of State Revenues Between General Education and Special Education

Objective/Task: Determine statewide ESA cost as a component of the total cost of the ESA program and of overall special education costs compared to the public education proportionate distribution of state revenues between general education and special education.

Methodology: Aggregate statewide data for ESAs provided for those designated special education to provide an overall look at how much the ESAs cost for special education as a component of overall special education costs.

Data Source: Statewide ESA data

Population Sample: Statewide to include ESA specific data

Phase II Current Work

Task 4 – ESA Cost Analysis

- Gathering data from ADE for FYs 2018 through 2022

Task Five: Analysis of Special Education Direct Program Costs

Objective/Task: Identify the actual additional costs related to state and locally funded special education services. Determine the total cost for providing public education to special education in comparison to the Arizona funding model provided.

Methodology: Evaluate the actual costs for both instructional and related service providers to deliver services to students with disabilities. Identify expenditures for students with multiple disabilities. Identify funding formula in comparison to actual costs. Financial costs will include the additional salaries, benefits, and non-payroll expenditures beyond what would have been expended by the LEA for general education programs.

Data Source: District survey/data

Population Sample: Representative sample of LEAs

Phase II Current Work

Task 5 – Special Education Direct Program Costs

- LEAs to gathered special education provider time details during April
- Obtained Medicaid billing companies to assist in gathering time details to lessen the impact on LEAs
- LEAs will provide cost/financial information after close of FY(June 30)

Questions on Task 4 and 5

Task Six: Model Design Evaluation and Financial Analysis

Objective/Task: identify the cost for certain program models.

Methodology: Analyze costs and considerations for design and planning for models based on the staffing structures and components involved.

Data Source: District survey/data and/or focus groups with LEA leaders and special education administrators. Research and input from special education financing and program design and monitoring experts.

Population Sample: Program Sample of LEAs

* Note – HeinfeldMeech will only be responsible for the financial aspect of the program design and financial analysis of this phase.

Phase III Planning

Task 6 - Early stages in establishing scope

- Examine choice points around planning and design of special education continuum of service and service delivery models
- Examine choice points around continuum of placement
- Blending funding streams
- Examine how LEAs monitor effectiveness of staffing and instructional framework

Questions on Task 6

Questions / Discussion



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