

## **Issue Brief 5: Special Education**

The attached brief was developed to introduce and frame key issues under discussion by the Funding Formula Working Group.

These briefs do not address every issue that affects public education funding. By focusing on concise introductions to important and complicated topics, some detail and nuance has been intentionally omitted.

We welcome your feedback on these briefs or on any other topic related to Rhode Island's Funding Formula, which you may submit to [edfundingri@ride.ri.gov](mailto:edfundingri@ride.ri.gov).

## Issue Brief 5: Special Education

### Issue Summary

Students with disabilities (SWD) are being served in every school and district in Rhode Island. Students who are evaluated and determined to have a disability that requires additional support are provided individualized educational plan (IEP). The IEP is developed by a team of professionals and describes the services and supports to which the student has a legal right. Students with disabilities are regularly evaluated to determine whether they are making progress.

High-quality special education services:

1. Are responsive to the changing needs of the students;
2. Define special education as a service, *not a place* and keep students with disabilities with their classmates and peers;
3. Use a team approach to educating and monitoring student progress;
4. Treat parents as partners in the educational process; and
5. Are delivered by qualified and well-trained educators.

### Rhode Island Context and Data

Rhode Island has an average special education identification rate of 15.9%, which has fallen over the past five years. Table 1 summarizes the change in special education rates in Rhode Island's three largest districts which, together, serve almost 30% of the state.

|            | 2010 Special Education % | 2015 Special Education % | Change |
|------------|--------------------------|--------------------------|--------|
| Statewide  | 16.5%                    | 15.9%                    | -0.6%  |
| Providence | 18.1%                    | 16.7%                    | -1.4%  |
| Cranston   | 14.9%                    | 13.8%                    | -1.1%  |
| Warwick    | 18.7%                    | 18.1%                    | -0.6%  |

SWD have highly variable need based on the nature of their disability. Some students received services and quickly exit, while others receive services throughout their K-12 education. Some students require individualized supports until the age of 21, while others need to be placed in a non-public school equipped to meet their unique needs.

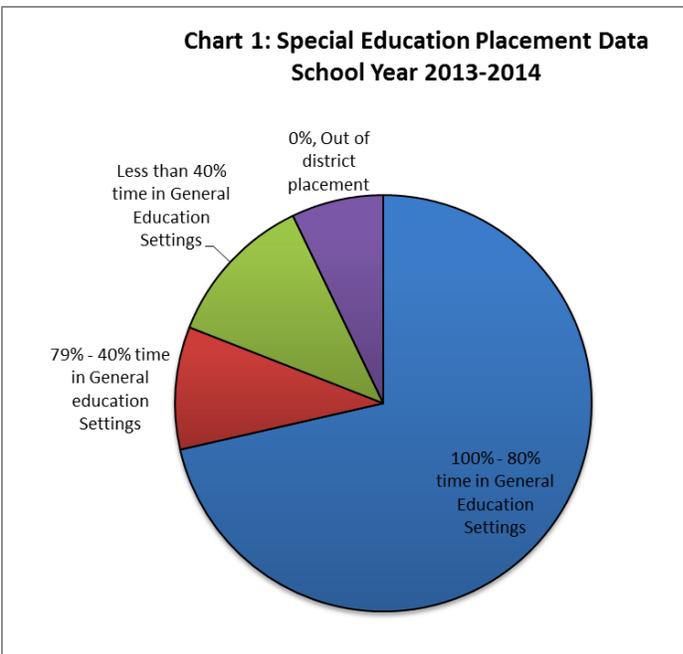


Chart 1 provides a high-level view of the proportions of special education service, which is presented as the percentage of time that students spend in general education settings. The vast majority of students with disabilities are spending the vast majority of their school day in general education settings. At the same time, it is critical to more fully understand the differences in cost between levels of supports in the various settings.

Table 2 displays the range in costs between levels of disability. Levels are displayed as the percentage of time students are in the regular classroom settings.

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| Table 2: Special Education Per-Pupil Expenditures |       |          |          |          |           |
|---|-------|----------|----------|----------|-----------|
| School Type                                       | Range | 80%>     | 79-40%   | <40%     | OOD       |
| <b>Traditional Districts</b>                      | Min   | \$1,897  | \$1,403  | \$1,645  | \$18,624  |
|   | Max   | \$27,957 | \$90,994 | \$90,572 | \$131,400 |
|   | Avg   | \$11,327 | \$30,928 | \$22,932 | \$63,236  |
| <b>State Schools</b>                              | Min   | \$4,169  | \$0      | \$0      | \$0       |
|   | Max   | \$50,014 | \$0      | \$0      | \$0       |
|   | Avg   | \$20,462 | \$0      | \$0      | \$0       |
| <b>Charter Schools</b>                            | Min   | \$2,977  | \$1,025  | \$0      | \$12,342  |
|   | Max   | \$10,298 | \$1,025  | \$0      | \$54,600  |
|   | Avg   | \$6,073  | \$1,025  | \$0      | \$33,293  |

The cost of special education is funded primarily by local education aid. In FY 2014, federal funding covered 16 percent of the estimated cost and the state funded \$2.5 million in reimbursement for our highest-cost students. The remainder of special education costs are funded through general state and local education aid.

### National Practice and Examples

47 states have a funding mechanism specifically for SWD.

- **Formula funding:** 31 states adjust the distribution of their funding formula for SWD
  - 10 states use a single weight
  - 10 states use multiple weights (to account for the degree of need)
  - 5 states use flat dollar allocations
  - 6 states use staff allotments
- **Categorical funding:** 12 states disperse funds for SWD through a state budget item
- **Reimbursements:** 4 states reimburse districts for expenses on SWD

Rhode Island's model is not represented in the categories above and contains two mechanisms:

- (1) Approximately \$700 of the \$8979 instructional core reflect special education expenses. This means a portion of special education costs are already included in the formula.
- (2) In fiscal year 2014, Rhode Island provided a total of \$2.5 million in reimbursement for its highest cost students through a categorical fund.

Like most states, Rhode Island treats state special education funding as discretionary; once passed on to districts, they are not required to use the funds for special education.