

The background of the slide is a blurred photograph of a classroom. In the foreground, there are rows of wooden desks and blue chairs. The background shows more desks, a whiteboard, and some colorful decorations. A semi-transparent blue rectangle is overlaid in the center of the image, containing the text.

# California Special Education Finance System Study

CCSESA All Superintendent's Meeting

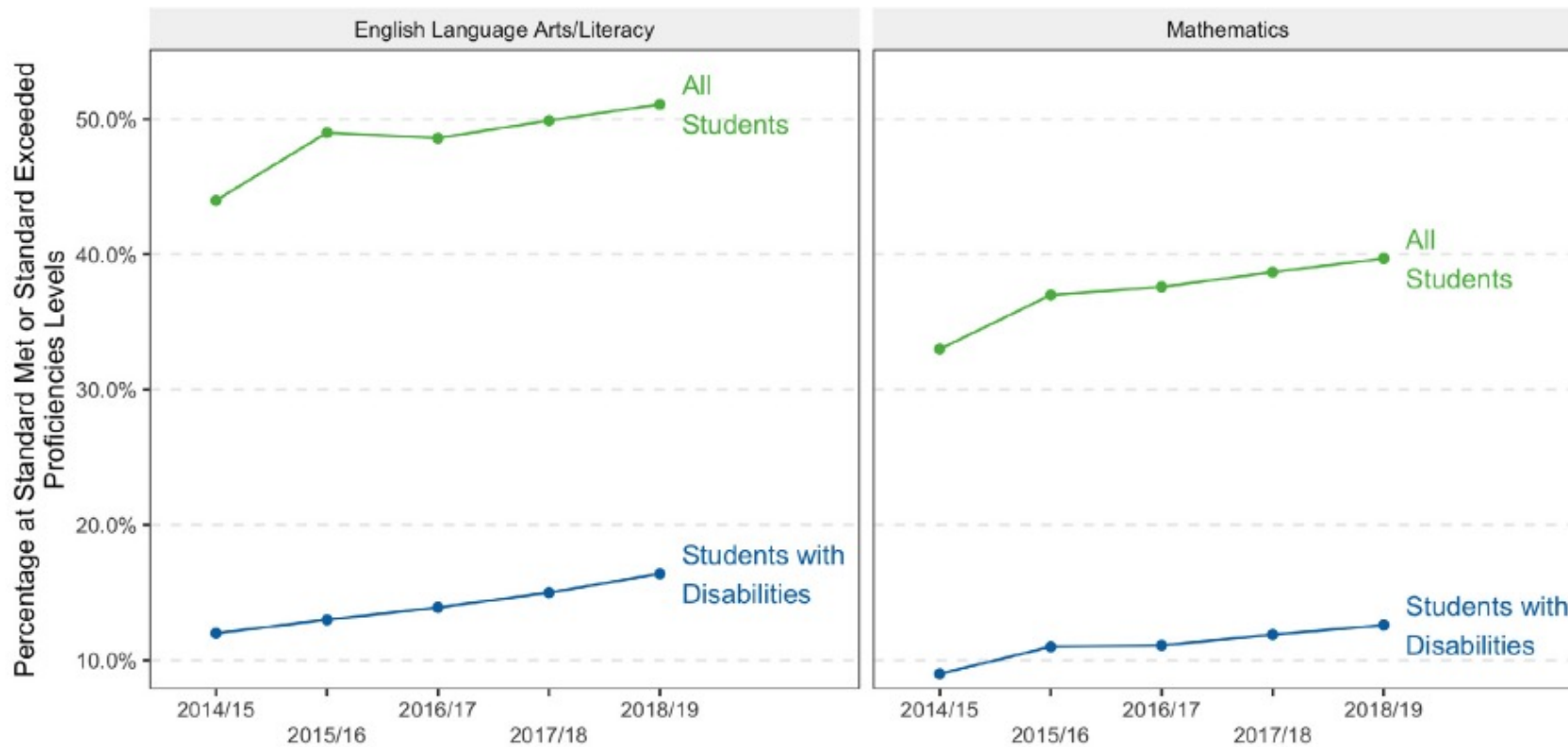
October 4, 2021

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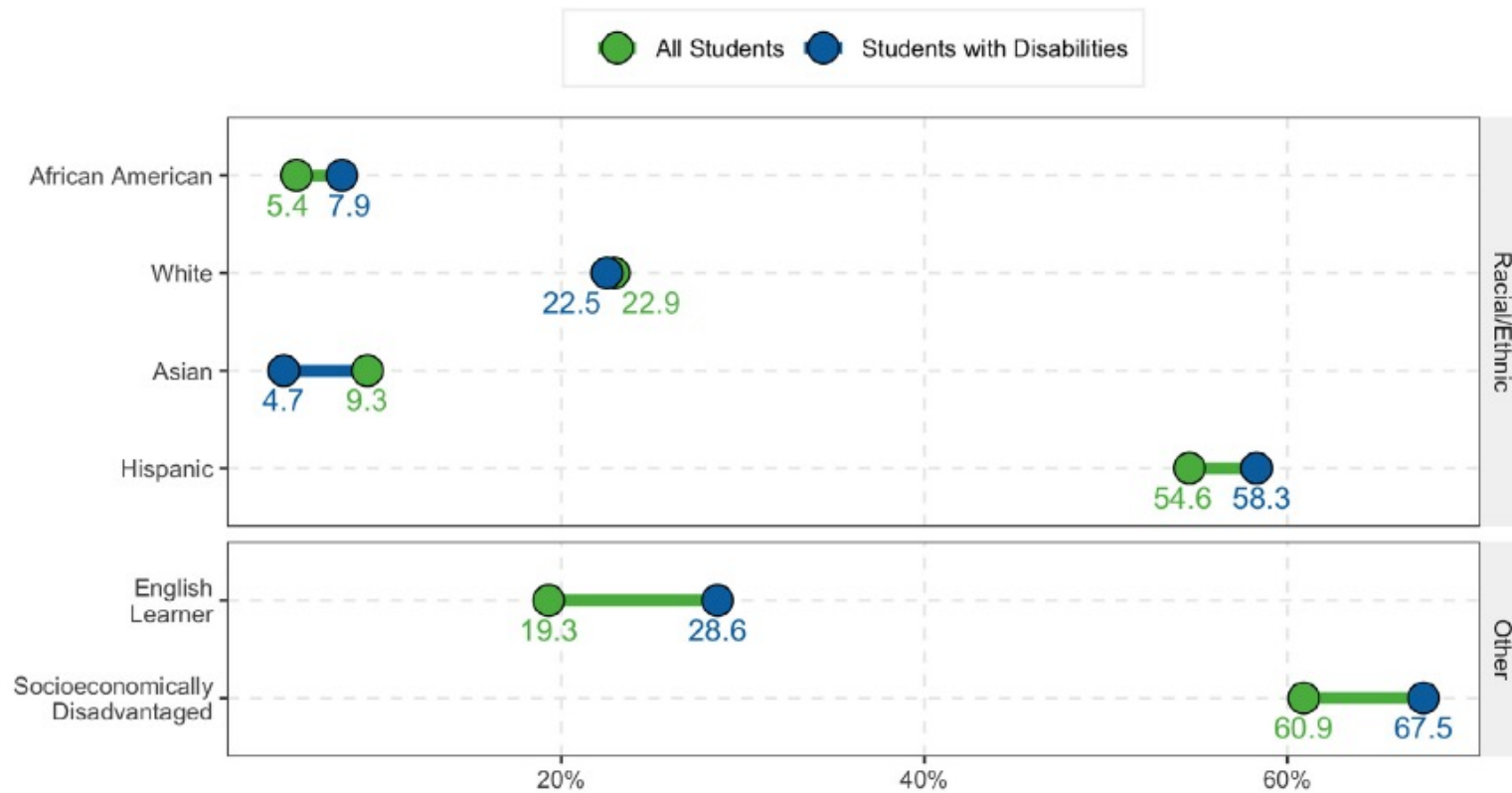
# Agenda

- Overview
- Key Takeaways and Recommendations
- Implications for County Offices of Education
- Time for Discussion

# Why a California Special Education Finance System Study?



# Why a California Special Education Finance System Study?



Note. Data from DataQuest Enrollment Data, 2018/19 (CDE, n.d.).



## Why a California Special Education Finance System Study?

- Previous research including WestEd's original analysis has shown that how you allocate, distribute, and place parameters on how resources are spent has an impact on student outcomes.
- Most every component of California's school funding system has gone through substantial review, consideration and changes – save special education.



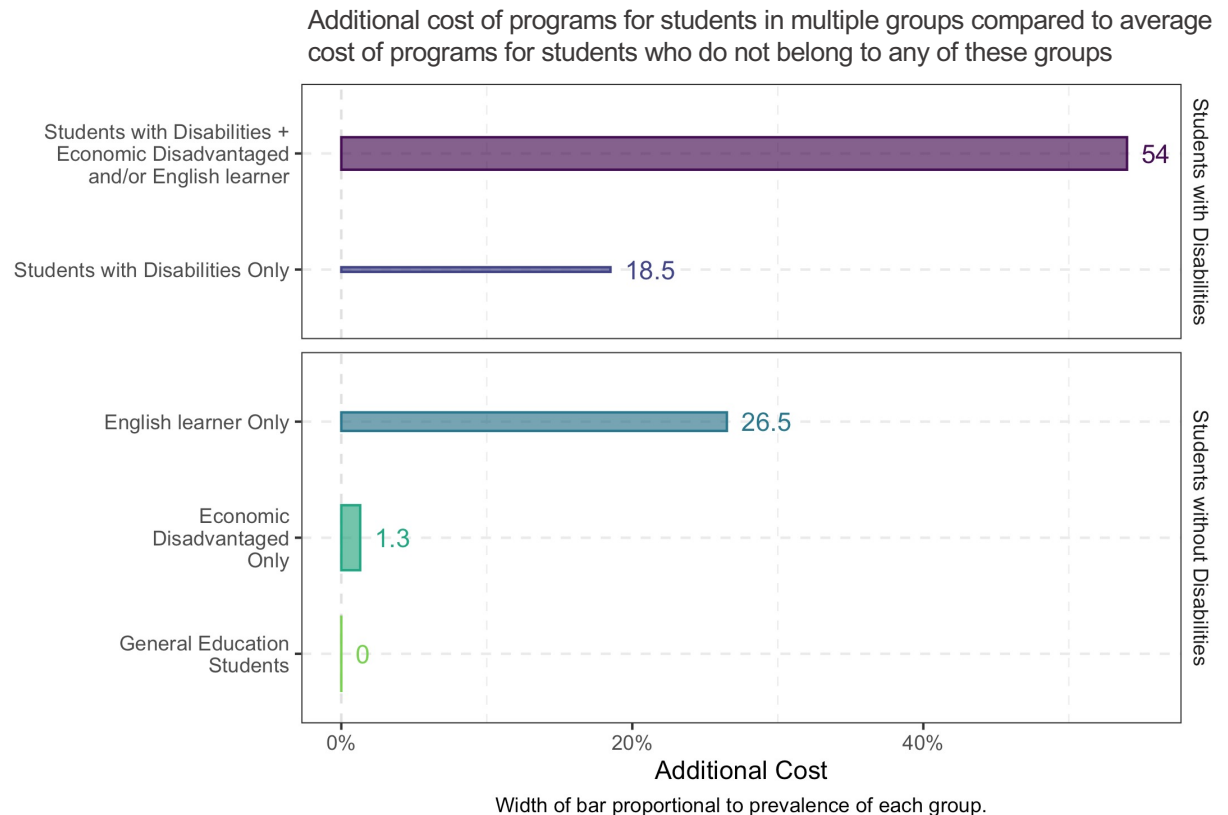
## Why a California Special Education Finance System Study? (cont.)

- Advance understanding of the current special education funding system.
- Learn how the system can improve outcomes for students with disabilities by providing the right amount of funding to the right agencies so they can provide the right services to the right students.



## Key Finding: Cost of achievement increases with multiple needs

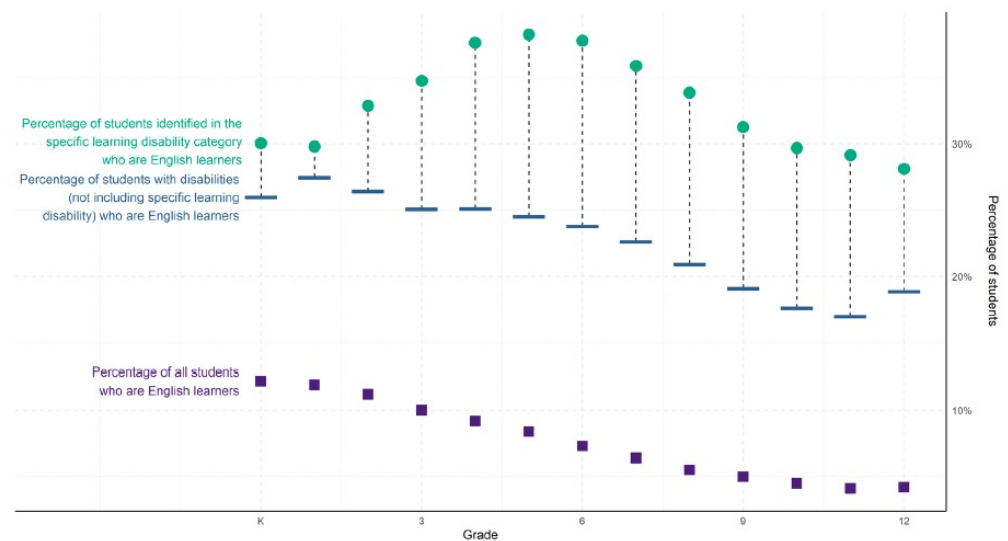
- The additional cost of programs for **SWDs who are also** either EL and/or economically disadvantaged is **greater than the sum** of the additional costs for programs related to each factor alone.
- This also implies that it is more often the case that students served by the system have multiple needs rather than a single need.



## Key Finding: English Learners represent larger proportions of SWD populations later in K12 education.

- The proportion in the SLD category grows substantially to grade 4 and is then maintained through grade 11.
- Forming hypotheses point to multiple contributions to this data pattern including lack of rigorous language and literacy development for EL students, gaps in progressive student support strategies between classroom and IEP, etc.

Exhibit E-3. Proportion of California public school students in general, students eligible for special education, and students identified in the Specific Learning Disability category, who were English learners, by grade.

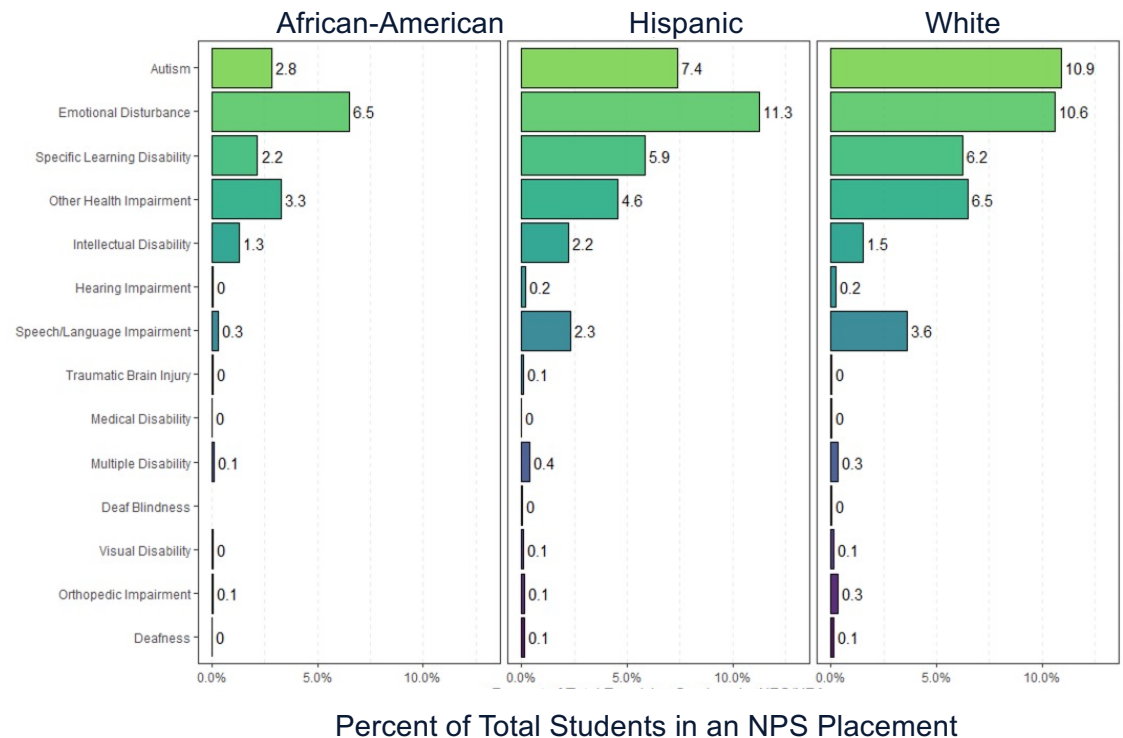


Source. Data from CASEMIS and CALPADS, 2018/19.



## Key Finding: NPS Placement Patterns

- The current funding formula may incentivize placement in NPS settings.
- Students in the disability categories **Emotional Disturbance, Autism, Specific Learning Disability, and Other Health Impairment** were most likely to be placed in an NPS.
- **White students** were **most likely** to be placed in an **NPS setting**.



Source: CASEMIS, 2018-19.

NPS placement includes Nonpublic Day School, Nonpublic Residential School (outside CA), Private Day School, Private Residential School, and Nonpublic Agency.

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## Goals of the Study's Considerations



**Promoting Inclusive Practices**

**Prioritizing Appropriate Early Intervention and Identification**

**Ensuring Funds Reach the Students with the Greatest Needs**

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## Promoting Inclusive Practices

### Long-term

- Continue providing Educationally Related Mental Health Services (ERMHS) funds to pay for services for students with and without IEPs, potentially by allowing flexible use of a portion of base funds.

### Long-term

- Given the number of students with disabilities who have needs beyond those related solely to their disabilities, encourage LEAs to create a single system for planning and coordinating funding and programs.

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# Prioritizing Appropriate Early Intervention and Identification

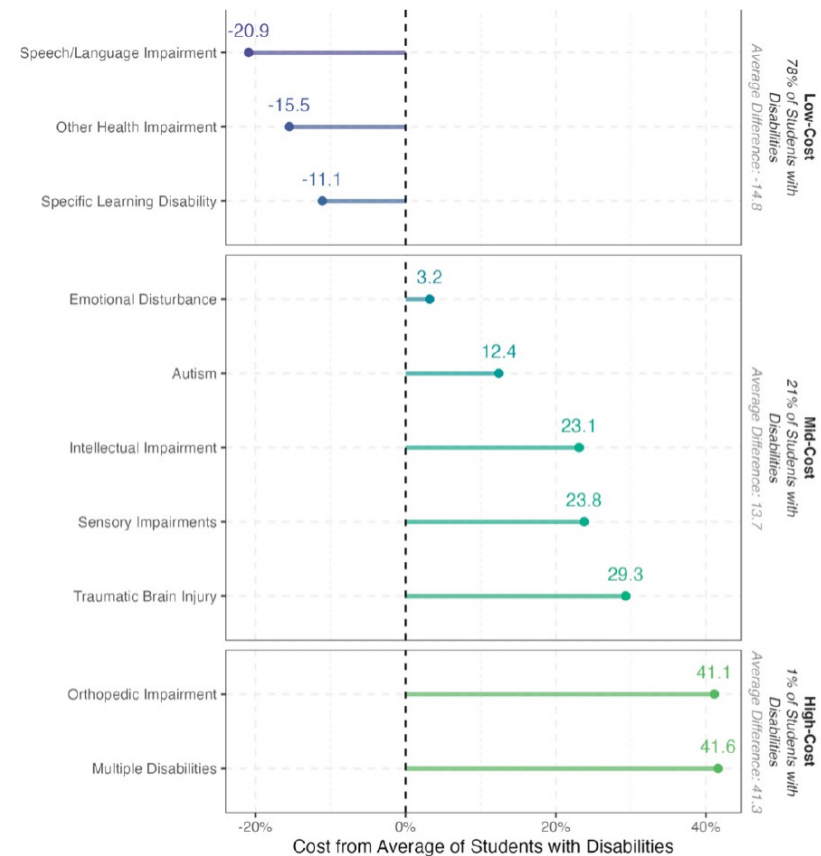
## Long-term

- Use one-time and ongoing funds to invest in early childhood special education and early elementary personnel preparation.

## Long-term Consideration: Allocation Formula

- Allocate base special education funding using the count of students with disabilities from the prior year, weighted by cost grouping.
- The research team established three weighted cost groupings:
  - Low: 0.842
  - Mid: 1.184
  - High: 1.421

Exhibit E-4. Percentage difference in cost from the average additional cost for programs for all students with disabilities, by disability category and cost groupings.



Source. Authors' calculations from the education cost function. Note that Sensory Impairments includes Visual Impairment, Hearing Impairment, Deafness, and Deaf-Blindness. The Multiple Disabilities category includes Medical Disability.

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## Access to Extraordinary Cost Pool Funds

### Long term:

- Establish and sufficiently fund a single state-level extraordinary cost pool to provide funds for the most expensive IEPs, even when such programs are provided within an LEA (rather than in an NPS placement).
- Allow extraordinary cost pool reimbursements to be accessed by individual LEAs or consortia.
- In coordination with the LAO workgroup examining the Out-of-Home Care program and funding, consider transitioning Out-of-Home Care funds to the extraordinary cost pool.



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**What do these recommendations look like in practice?**

What are the implications for COEs?



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## Implications for COEs

- With more flexibility, LEAs may make the same or different choices about the engagement with intermediary agencies. Engaging with existing LEAs partnered with COEs as well as potentially new LEAs will be a critical step to adapting to changes in the system.
- Following on from any changes made in law or regulation by the state, COEs may play an important role in considering how various activities associated with planning and follow-up on those planning process will be vitally important to effectuate the intent of the law/ regulatory change.

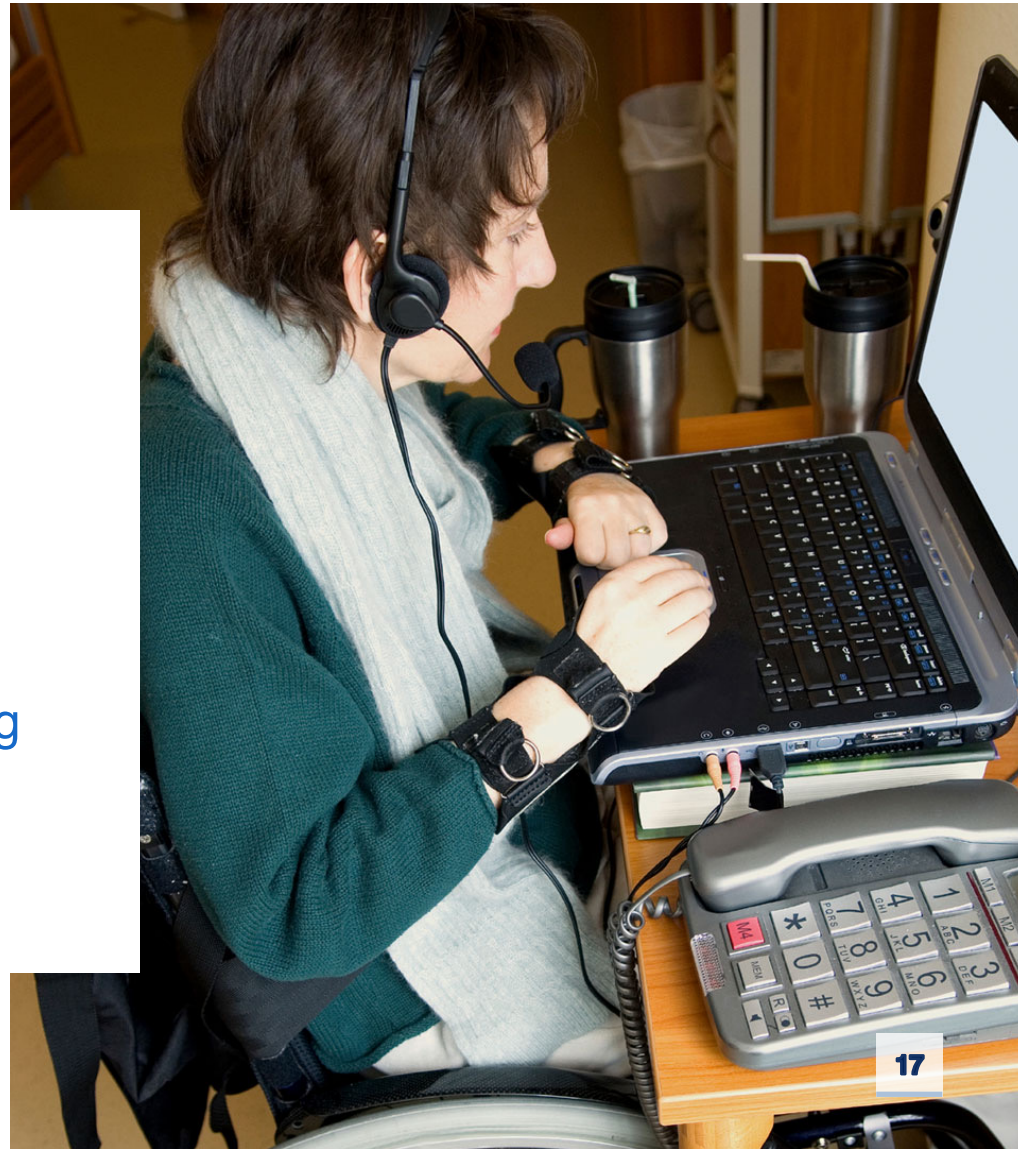
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**We need and appreciate your input**

Questions?

Comments?

What further data are needed to make  
decisions about special education funding  
in California?







# Thank you!

**Sara Doutre and Jason Willis**

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