

Special Education Funding Commission

	Pennsylvania Special Education Funding Commission
	Public Hearing
	Financing of Special Education
	House Bill 2
	special education, special education funding, Title 1 funding, IEP, IDEA, Chapter 14
	Sandra Edling , Assistant Director of Management Services, Montgomery County IU #23 Laura Cowburn , Assistant to the Superintendent for Business Services, Columbia Borough School District Mike Griffith , School Finance Consultant, Education Commission of the States Lee Ann Wentzel , Superintendent, Ridley School District
	Co-Chairman Sen. Pat Browne (R-Lehigh), Co-Chairman Rep. Bernie O'Neill (R-Bucks), Sen. Judith Schwank (D-Berks), Sen. Edwin Erickson (R-Delaware), Sen. Mike Folmer (R-Lebanon), Rep. Mark Longiotti (D-Mercer), and Rep. Michael Peifer (R-Pike).

The committee held a public hearing on special education funding.

Chairman Browne stated the charge of the commission is to come up with a methodology to completely reform the funding formula for special education in the Commonwealth. Today's hearing will focus on how special education programs are financed, Chairman Browne stated.

[Sandra Edling](#), Assistant Director of Management Services, Montgomery County IU testified on behalf of the Pennsylvania Association of School Business Officials (PASBO) about the services provided to students with disabilities and the financial challenges the organization has incurred in providing the services. "Schools throughout the Commonwealth are required to abide by numerous Federal (Individuals with Disabilities Education Act ((IDEA)) and State (Chapter 14) laws that provide specific mandates related to the delivery of special education services," Edling stated. Edling commented on examples of the programs with financial impacts such as assistive technology supports, extended school year services, physical education programs, school to work transition services, and specialized transportation services. Edling urged the commission to consider not making any additional mandates.

[Laura Cowburn](#), Assistant to the Superintendent for Business Services, Columbia Borough School District, also testified on behalf of PASBO and remarked on the difficulties with being able to maintain services for students with disabilities and the problems that are faced. Cowburn offered recommendations to help improve the funding. "As a result of these dramatically increasing special education expenses, school districts have been forced to increase property taxes and to make cuts to educational programs. Because of the plethora of state and federal mandates that govern special education, there is very little flexibility in these programs, and, as a result, many of the cuts districts are forced to make are to regular education programs," Cowburn remarked. Cowburn recommended the commission "proceed with the tiered categories of special educational needs as outlined in [House Bill 2](#), increase special education funding to districts, modify the criteria for access to Contingency Funds, and cap charter school special education costs at actual costs."

Chairman Browne noted the commission is hopeful that it will be able utilize the system and services that are already provided. He stated the commission's statutory charge is to determine how to distribute the money that is available, not to determine how much money is available. Chairman Browne asked if a methodology is in place with the different services available to special education students to allocate the

services to the students who actually need them. Edling said the school maintains and tracks data regarding the services provided to specific students. The associated costs are also tracked, Edling noted.

Chairman Browne asked if, in terms of funding, the commission should look into whether students on Medicaid need additional funding to go along with the special education services. Edling replied it should be considered. She explained as an example occupational therapy can help a student physically hold a pencil while working on an assignment. She said in some instances medical related services should be involved in the formula for students who need them.

Rep. O'Neill asked if it is the responsibility of an Individualized Education Program (IEP) to cap the number of learning support students on a teacher's workload. Edling replied that under Chapter 14, twelve students would be considered the cap on a teacher's case-load.

Rep. O'Neill asked how the count is provided to IDEA and Edling replied it is broken down "clearly by functionality." Rep O'Neill asked how the funds from IDEA are received and distributed. Edling stated the same amount of money is given for each student.

Rep. O'Neill requested if data can be provided for all services of all students. Cowburn replied yes and said the funding formula allows for services to be tracked for each student. Rep. O'Neill requested if Cowburn can provide the data for cost per student who go to a charter school with IEPs. Cowburn replied for her district it is about \$25,000 per student with an IEP and about \$11,000 per student without an IEP.

Rep. Mark Longietti (D-Mercer) requested if PASBO is able to provide the commission with the most relevant data regarding special education services and costs to help in the establishment of the funding formula. Edling said yes. Rep. Longietti questioned if it is because instructional aides are present that the teacher-to-student ratios are depressed. Edling replied no. She explained the presence of an instructional aide as a way to provide a base for the level of services provided based on class size.

Rep. Longietti asked if Cowburn is able attribute anything to the "dramatic" increase in Columbia School District regarding the number of students who need IEPs. Cowburn replied many students move in and out of her district. High rental properties, transient students, and the fact the district is becoming known for its special education services attribute to the increase in the number of students in her district with IEPs, Cowburn stated.

Sen. Schwank noted the issue of transience is also an issue for Reading School District. Sen. Schwank asked if there are other mandates that are significant cost drivers. Cowburn replied the special education mandate structure is federally driven. She stated most of the issues come from how they have to deliver the methods, the paperwork, and record keeping. Cowburn noted she cannot think of anything else besides the lack of funding to continue the services.

Sen. Schwank asked if students at career and technical centers may have to be kept longer and asked if the transfer to the career track with special education students is seamless. Edling said they try to make it seamless, but it is a cost driver to provide the extra service especially for students who stay in the school system up until the cutoff age of 21. Edling estimated 1,100 students at the career and technical center are students with IEPs.

Chairman Browne noted the challenge with factoring transportation is because of geography differentials. He stated the geography component does not go along with the charge of the commission, but he said he recognizes it is a part of the problem. Cowburn stated the mileage costs are an issue because of driving students across the different areas.

Rep. O'Neill requested if Cowburn and Edling can provide the impact of the students with IEPs who decide to stay in school until 21 years of age.

[Mike Griffith](#), School Finance Consultant, Education Commission of the States, testified on special education funding across the nation. Griffith contended states and school districts are providing between 82 percent and 88 percent of funding while the federal government provides 12 percent to 15 percent. He added the federal government has promised to pay 40 percent of special education costs. Griffith noted states across the country are struggling with special education costs. He commented states are funding their share of special education costs "within the state's primary funding formula, outside of the formula or with high-cost programs." Griffith explained how other states are handling funding formulas. He commented for many states the special education funding is in the state's primary formula because it is easier to connect an overall funding program and the district's "ability to pay" is taken into account. Griffith stated a trend is to fund districts based on services provided versus disability categories. He added Pennsylvania can get involved by making use of research, receiving input from state educators, and beginning the change as a pilot program.

Chairman Browne remarked the state is looking to change the funding system into a hybrid of what other states are doing by changing the categories and trying to make it easily administered and altering the percentage given per category that is listed in the current statute. Chairman Browne asked if the direction the state is going is correct or if it needs to be changed. Griffith stated he does not think the state is going in the wrong direction. He stated the commission has a financial decision to make because it is dealing with a finite set of money. Griffith said it is appropriate to looking at the funding based on the services received by students and how to control costs.

Chairman Browne asked how Pennsylvania can learn from states that have tried to change costs based on categories for students without creating controversy. Griffith said he believes the best thing to do is talk with others and research the best weights that fit for the school districts. He stated sticking to three categories and weights may limit them, but they should not add too many categories.

Chairman Browne commented the commission is charged with funding three categories. Chairman Browne said he believes if the commission is able to support how the weights for the categories are determined he said he believes he can gain the support of the public.

Rep. O'Neill asked Griffith to explain the funding New York state uses for high-need students. Griffith stated the \$10,000 figure is a threshold with limitations on what can be spent on the student. He noted there are "complications with that." He said the \$10,000 is not in addition to the money already spent per student. Griffith stated New York is less generous because the norm is \$25,000-\$30,000 for a threshold and other states have a higher cap.

Sen. Edwin Erickson (D-Delaware) asked if any action by the federal government regarding special education is anticipated. Griffith said there is talk to remove IDEA funding from sequestration. He said the states may lose Title 1 funding if that happens. Griffith said he has not heard of any increase on the horizon during the next two to three years.

Rep. Longietti asked if the commission should be encouraged to look at the districts' ability to pay when making its recommendation. Griffith replied it should be something to look at because of other funding problems the districts may already have. He said many states have come up with high-cost, high-need formulas because some high-cost students can make up a significant portion of a district's budget regardless if it is an urban or rural school district.

Sen. Schwank questioned how other states handle high costs for high-need students. Griffith replied the majority of them know the threshold based on the formula given to them by the state. Griffith stated some school districts recognized the paperwork component and may look into hiring an assistant to help. Griffith remarked a threshold helps the district determine how the costs will be spent and what additional costs, if any, are needed.

[Lee Ann Wentzel](#), Superintendent, Ridley School District testified on behalf of the Pennsylvania Association of School Administrators (PASA). Wentzel remarked PASA would like the commission to also come up with a funding formula to help with the distribution of basic education. "The two formulas go hand-in-hand. While it is entirely appropriate to develop a formula to distribute special education funds-as the cost of providing special education services continues to drive increases in district budgets-we must be mindful that about 80 percent of students with disabilities receive some or all of their educational services in the regular classroom setting," Wentzel stated. She remarked PASA recommends the commission to review actual student enrollment, cost differentiation for the level of services, district need, elimination of "hold harmless," and a phase-in timeline should be established.

Chairman Browne commented equity and fairness between wealthier and non-wealthier school districts should be part of the commission's discussion. He asked if Wentzel can explain the different levels of categories. Wentzel replied there is a parent-level support that provides minimal services and/or a consult; the supplemental level is a little more intensive; and full-time level could include a full-time program either in school or out of school. Wentzel also noted her district has tried to provide services to help reduce costs for some services by establishing in-house programs for some students with needs.

Chairman Browne asked if it is possible to have a high-cost student in a supplemental category as opposed to a full-time support program. Wentzel replied it is possible but the district tries not to do so.

Rep. O'Neill requested data for the 15 schools in Delaware County and a breakdown of the funds between what is received from the federal government and what is received from the state. Rep. O'Neill asked if "hold-harmless" was for special education or for education in general. Wentzel said for this meeting it was in general, but she recognizes the difficulty in moving away from it; however, she opined, it needs to happen.

Sen. Erickson commented Wentzel's district is three times larger than Cowburn's school district but they face similar problems.

Sen. Schwank asked where the contingency funding issue comes in. Wentzel replied it has been a "hit or miss" for them about if they will receive the funding or not. Wentzel said some of the issues for the district are not being able to know if the funding will come or not.