

# Recap of the Special Education Allotment Advisory Committee Report from August 2020

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Presented to the Texas Commission on Special Education Funding, April 25, 2022

# Committee's Guiding Principles and Goals for Funding Reform

## **Principle 1**

State resources should be efficiently targeted to students with disabilities in the special education system in order to improve identification, services, and outcomes.

## **Goal 1**

Revise the current weighted funding structure away from placement-based weights in order to efficiently match funding to the service intensity needs of students.

# Committee's Guiding Principles and Goals for Funding Reform

## **Principle 2**

The current state funding system for special education should be simplified.

## **Goal 2**

Simplify the state allocation formula by reducing the number of steps and factors involved in the calculation of LEA allotments.

# Committee's Guiding Principles and Goals for Funding Reform

## **Principle 3**

Students with disabilities receiving special education services should be provided comprehensive and appropriate supports with a state funding system that promotes inclusion to the maximum extent appropriate to each student.

## **Goal 3**

Update the weight factors to reflect the full cost of instruction and services, including evaluation, related services, accommodations/modifications, and equipment.

# Committee's Guiding Principles and Goals for Funding Reform

## **Principle 4**

The growing cost of providing special education services and supports should be considered in the state budgeting process and in each LEA's annual budget development.

## **Goal 4**

Consider the costs of special education services in addition to projected growth in enrollment when developing state and local budgets.

# Issues Identified with the Current System

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Special education is a service, not a place.

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Instructional arrangement does not align with the intensity of special education services and supports a child receives.

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Contact hours are limited to 6 hours per day.

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Current formula reduces a student's total allocation by deducting regular FSP funding.

# Issues Identified with the Current System

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The extent and intensity of related services provided to a student are not accurately reflected in the current system.

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Evaluations are not directly tied to the funding system but take an extensive amount of time and human capital.

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Current allocation formula involves several complex steps, which haven't been updated for almost 30 years.

# Funding Reform Options

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- Could be a relatively simple transition by removing instructional arrangement as the basis for funding and use the intensity of special education services instead.
- Could be a more intensive long-term shift by establishing a matrix system that ultimately generates a cost factor based on the intensity of supports a student requires.



# Reform Example

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Students with disabilities who receive specialized instruction, services and supports as documented in the student's IEP on average

- Level I - less than 30 hours per six-week period = Adjusted Basic Allotment (ABA) multiplied by Factor 1
- Level II - between 30 and 59 hours per six-week period = ABA multiplied by Factor 2
- Level III - between 60 and 119 hours per six-week period = ABA multiplied by Factor 3
- Level IV - between 120 and 180 hours per six-week period = ABA multiplied by Factor 4

# Consider Data Collection

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## Current State Instructional Arrangement Data Collection

- Special education services provided in a special education setting:
  - For less than 21 percent of the day = PEIMS Code 41
  - For at least 21 percent but less than 50 percent of the day = PEIMS Code 42
  - For at least 50 percent but less than 60 percent of the day = PEIMS Code 43
  - For more than 60 percent of the day = PEIMS Code 44

## Federal Data Collection on Instructional Arrangement

- Students are served in the *regular* classroom:
  - At least 80 percent of the day
  - Between 40 and 79 percent of the day
  - Less than 40 percent of the day

# Reform Example

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## Instead of This:

### Current State Instructional Arrangement Data Collection

- Special education services provided in a special education setting:
  - For less than 21 percent of the day = PEIMS Code 41
  - For at least 21 percent but less than 50 percent of the day = PEIMS Code 42
  - For at least 50 percent but less than 60 percent of the day = PEIMS Code 43
  - For more than 60 percent of the day = PEIMS Code 44

## Change to This:

### State Special Education Allotment Data Collection

- Special education services provided ~~in a special education setting~~ **to a student, regardless of setting**:
  - For less than 21 percent of the day – Level I
  - For at least 21 percent but less than 50 percent of the day – Level II
  - For at least 50 percent but less than 60 percent of the day – Level III
  - For more than 60 percent of the day – Level IV

# Reform Example (continued)

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- Change state collection of placement data to match what is submitted to the federal government (regular classroom 80 percent or more of day, between 40 and 79 percent of day, less than 40 percent of day)

# A Matrix Approach

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Consider the frequency and nature and intensity of services provided in the following areas:

A: Curriculum and Learning Environment

B: Social or Emotional Behavior

C: Independent Functioning

D: Health Care

E: Communication

# Average Per Pupil Expenditure (APPE)

- National = \$13,964 (estimated for 2022)  
[<https://www2.ed.gov/about/overview/budget/budget22/justifications/i-special.ed.pdf>]
- Texas = \$10,830 (for 2021-2022)  
[<https://tea.texas.gov/academics/special-student-populations/special-education/programs-and-services/special-education-funding/high-cost-funds>]

# Average Per Pupil Expenditure (APPE)

- APPE is calculated without regard to disability status
- Note that for the high-cost fund, expenses for a student must be more than 3 times the APPE = \$32,490 (for 2021-2022)
- Consideration in the weighted system might begin with a percentage above the APPE and culminate with a percentage above the high-cost fund eligibility amount

# Other Suggestions

- Create related services weights
- Create some type of evaluation reimbursement fund
- Relieve costs associated with residential placements and contracted personnel



# Other Suggestions

- Reduce focus on disability specific short-term grants
- Differentiate between levels of support in each setting
- Consider funding on basis of enrollment rather than ADA

# Considerations

- Certain data is already collected by LEAs through PEIMS/TSDS. We must strive to eliminate duplicative collection and be mindful of the time, effort and cost of instituting new data collection requirements.
- Simplifying the calculation system should be a priority. Any stakeholder should be able to understand the general methods of how the special education allotment is generated.

# Considerations

- Public schools are required by law to serve all students. Parents are vital partners in their child's education in a public school, and they have specific due process rights when disagreements occur, as long as the child remains enrolled. The state must ensure its state special education allotment prioritizes the need to provide for all students in public schools, regardless of cost.
- Budgeting at the local level should ensure special education is appropriately prioritized.

# Considerations

- The dyslexia allotment is funded based on the number of students identified through PEIMS/TSDS. It is not based on student attendance. The special education allotment is funded based on student attendance. When a student is absent, their service providers still require a salary. Further, there is likely a need to make up any missed services when a student is absent. The concept of funding special education based on enrollment rather than attendance should be explored.

# Considerations

- There is an extreme shortage of special education teachers and administrators, paraprofessionals, related service providers, and evaluation personnel. It is critical in funding discussions to consider how the state can recruit, train, and retain qualified personnel.

# For Further Information:

<https://tea.texas.gov/sites/default/files/2020-SPED-Allotment-Advisory-Committee-Report-R2.pdf>

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