



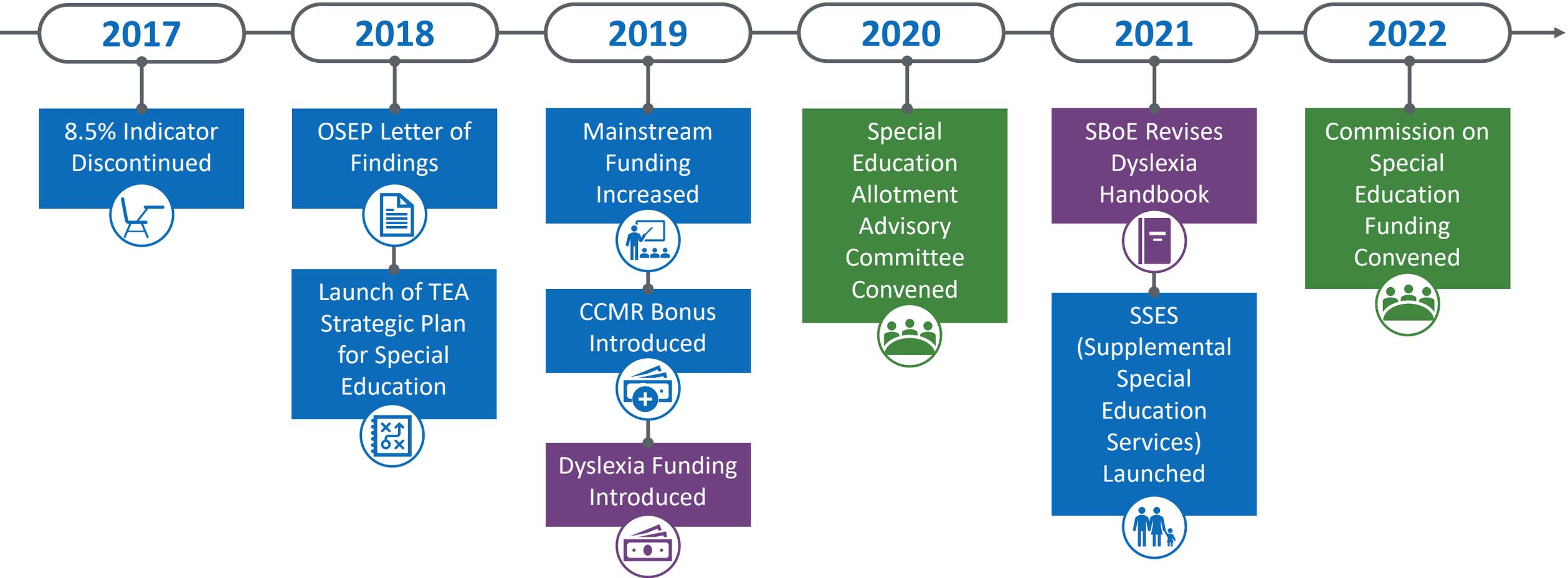
Special Education Trends

TEXAS COMMISSION ON SPECIAL EDUCATION FUNDING

TEXAS EDUCATION AGENCY

MARCH 2022

Special Education Improvements in Recent Years



TEA's strategic plan for special education has involved a major investment in oversight and support



Monitoring



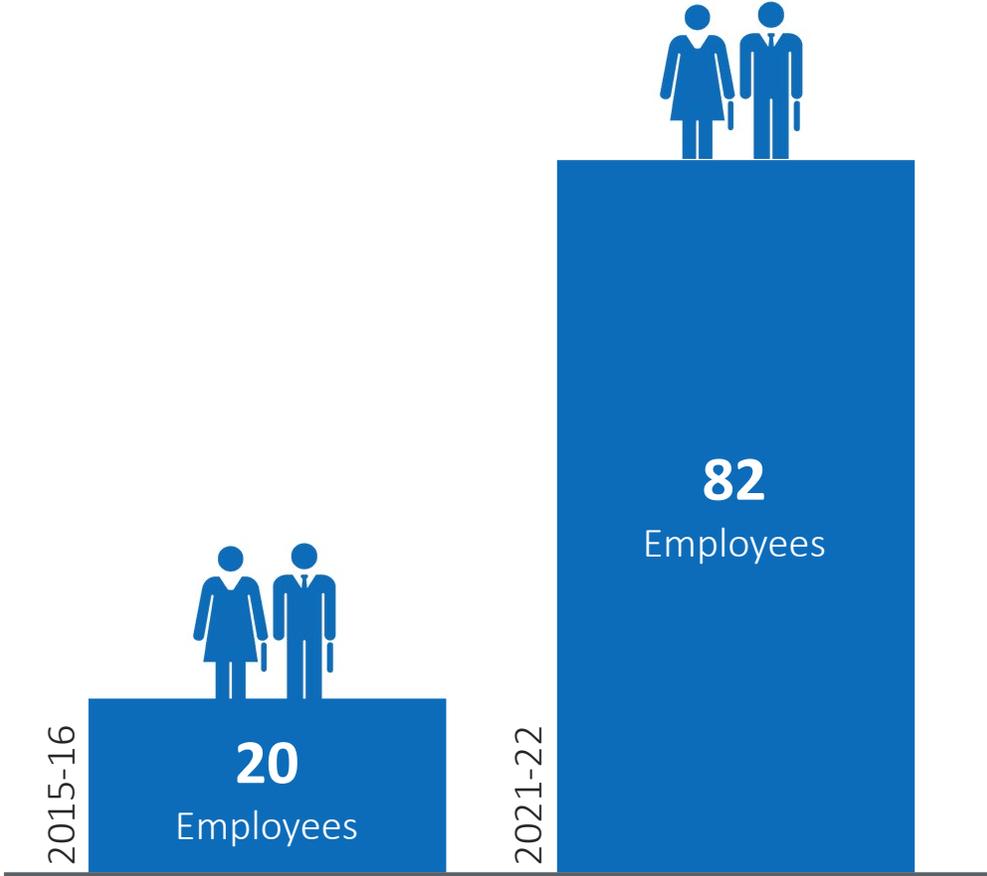
Identification & Evaluation

Technical Assistance

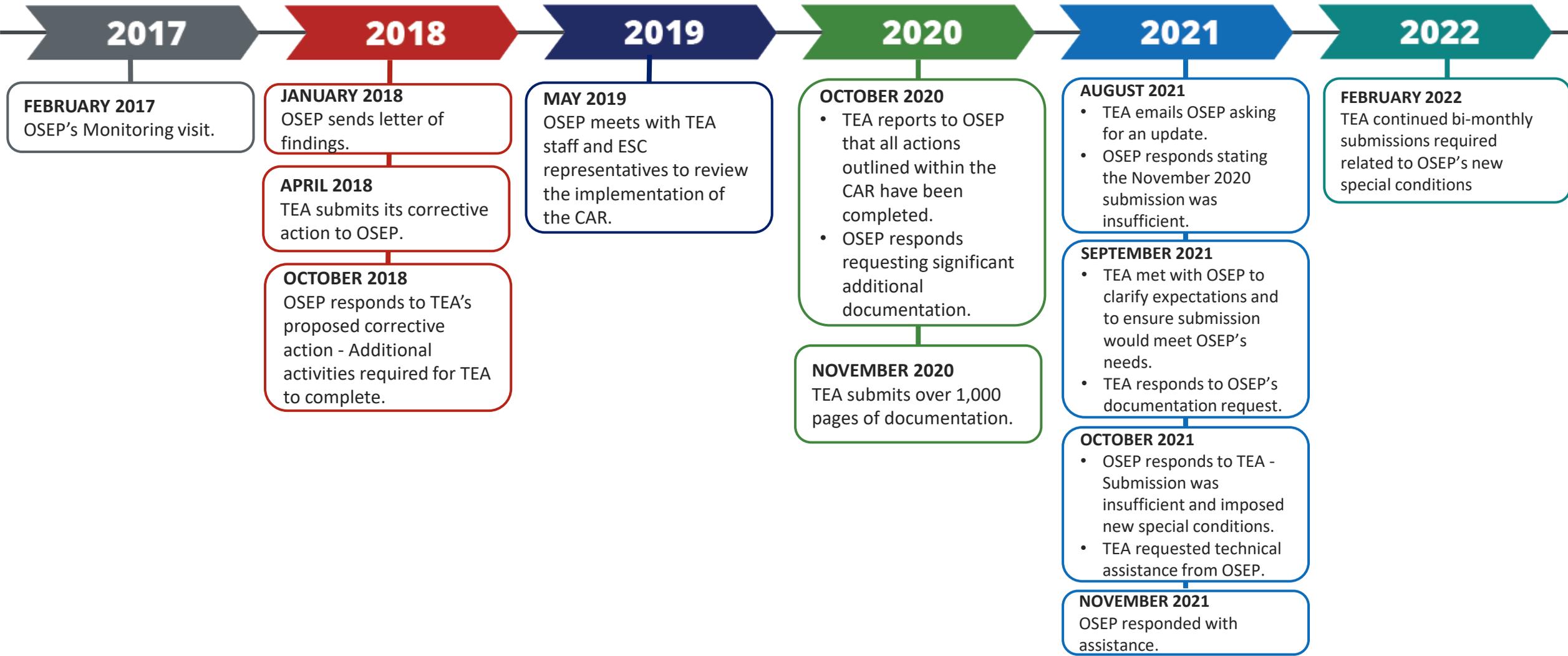


School, Family, and Community Engagement

of special education employees at TEA

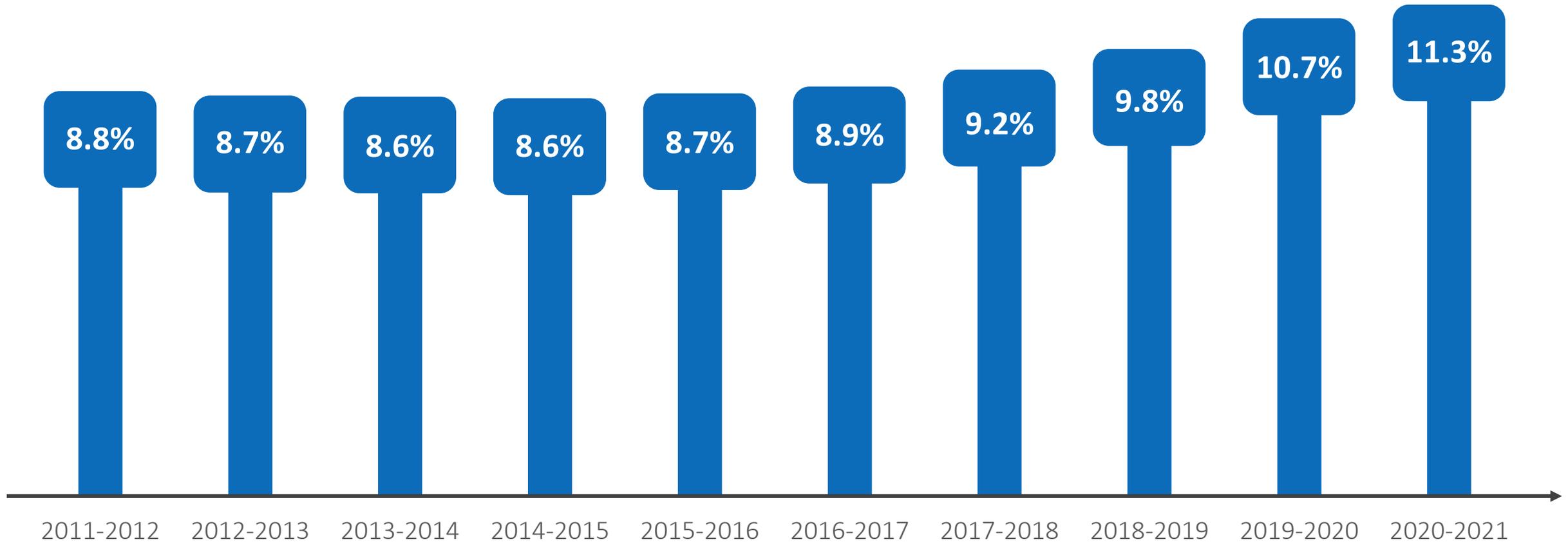


Timeline of Federal Involvement in Texas Special Education



The Special Education Strategic Plan is Working.

Special Education Participation Rates are Significantly Higher

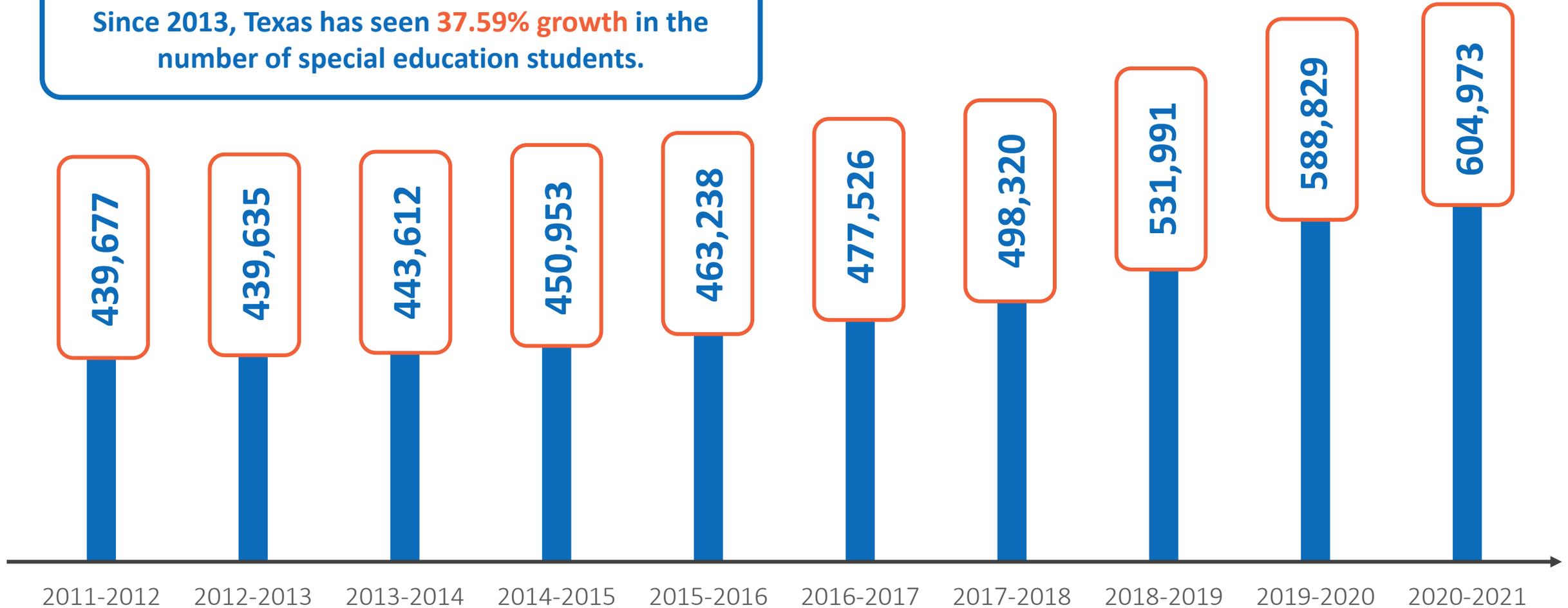


SOURCE: U.S. Department of Education, National Center for Education Statistics. (2016). Digest of Education Statistics, 2015 (NCES 2016-014), [Chapter 2](#). and <http://nces.ed.gov/fastfacts/display.asp?id=64> (* represents not yet published)



The Number of Special Education Students Served has Significantly Increased

Since 2013, Texas has seen **37.59% growth** in the number of special education students.

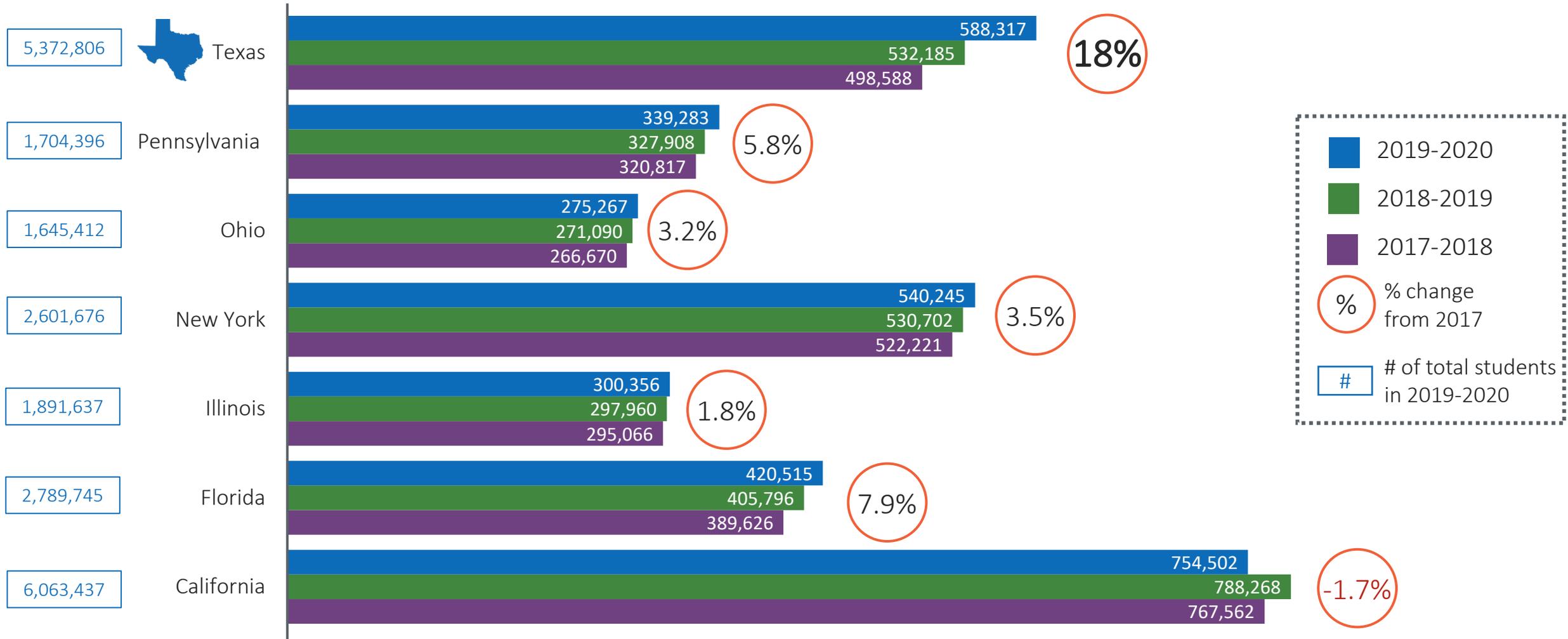


SOURCE: U.S. Department of Education, National Center for Education Statistics. (2016). Digest of Education Statistics, 2015 (NCES 2016-014), [Chapter 2](#). and <http://nces.ed.gov/fastfacts/display.asp?id=64>

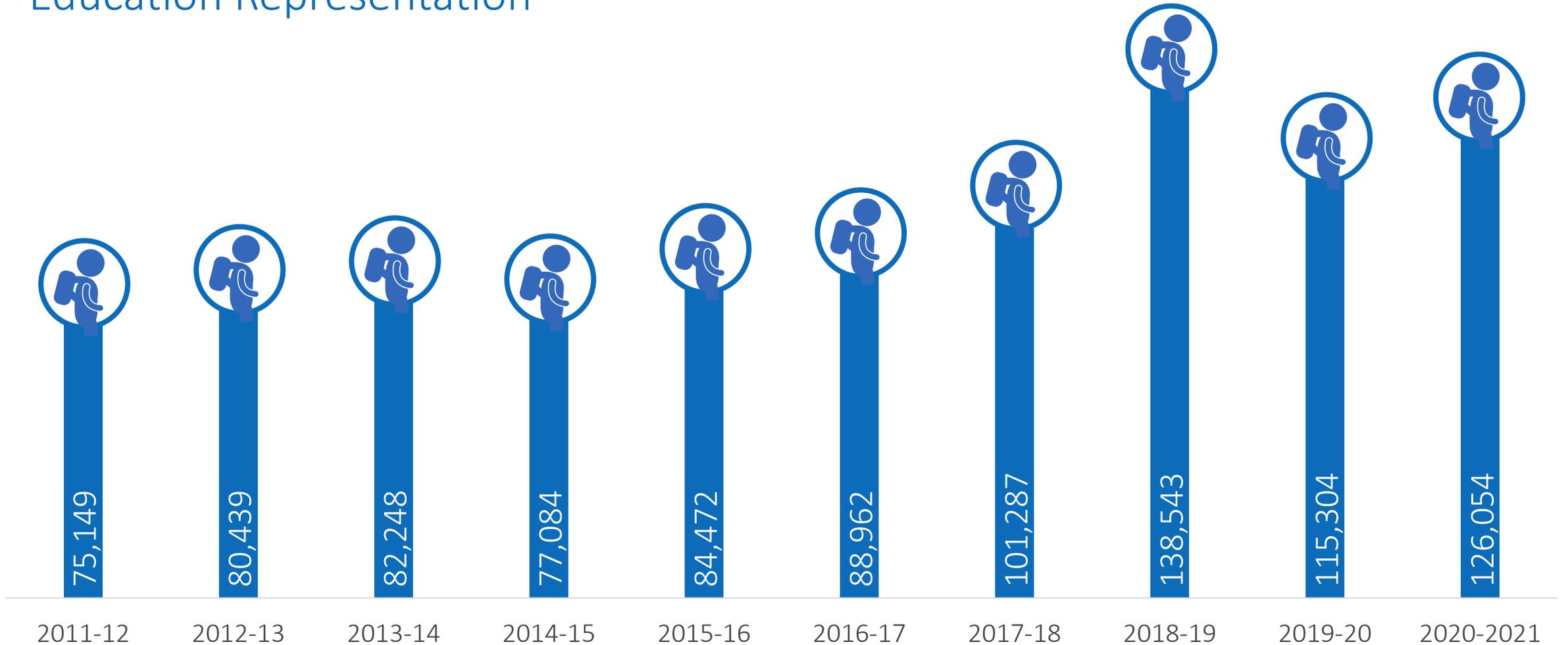


Texas has shown the biggest increase in serving students with disabilities in the past 3 years.

State comparison for states > 275,000 SPED Child Count under IDEA



Special Education Evaluations Serve as a Leading Indicator for Total Special Education Representation

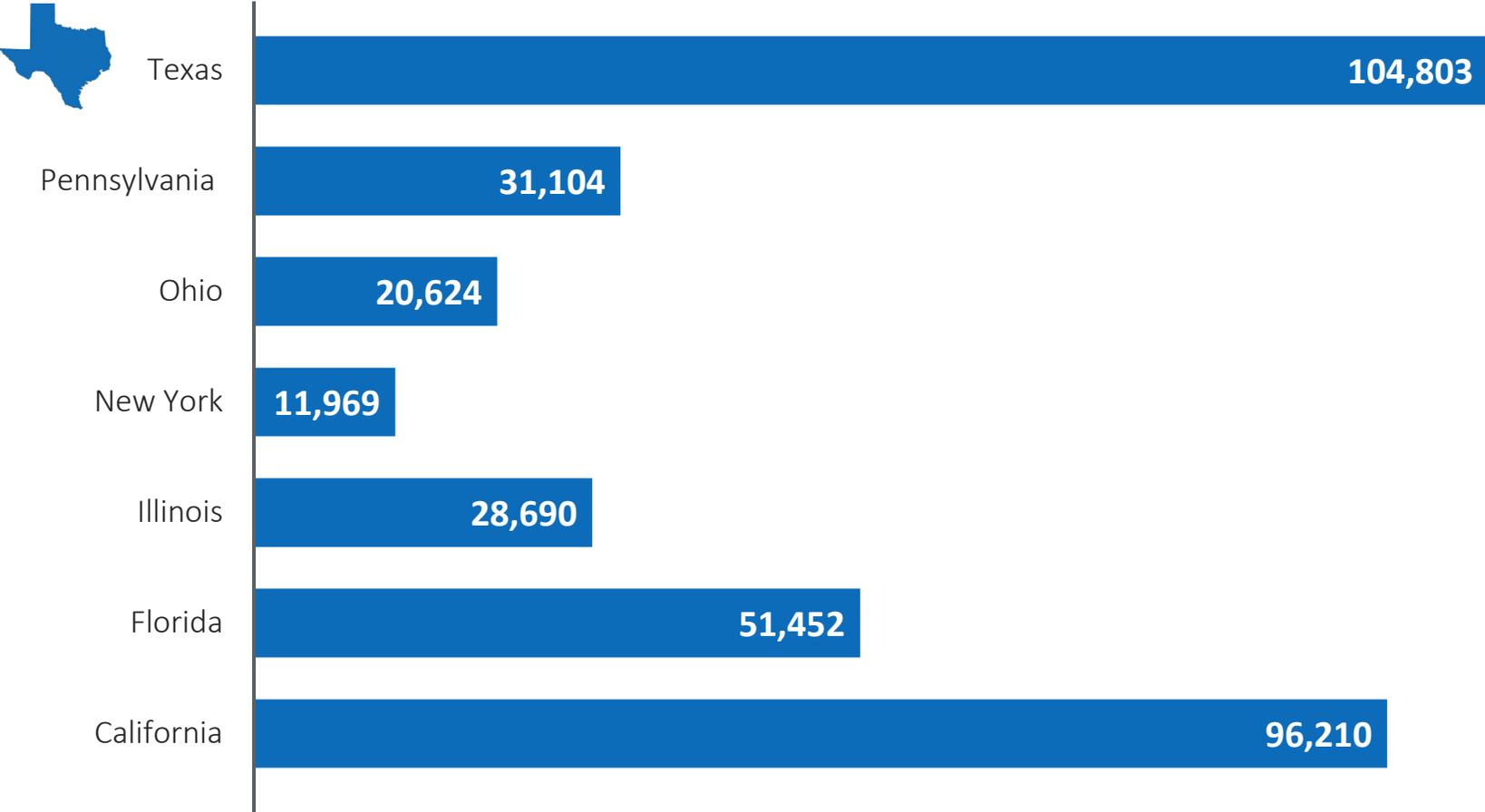


Note – these numbers reflect evaluations for initial referrals to special education as well as evaluations necessary to transition students from ECI (IDEA Part C) to special education (IDEA Part B).



Texas had the largest number of Initial SPED Evaluations during the 2019-2020 school year.

State comparison for states > 275,000 SPED Child Count under IDEA

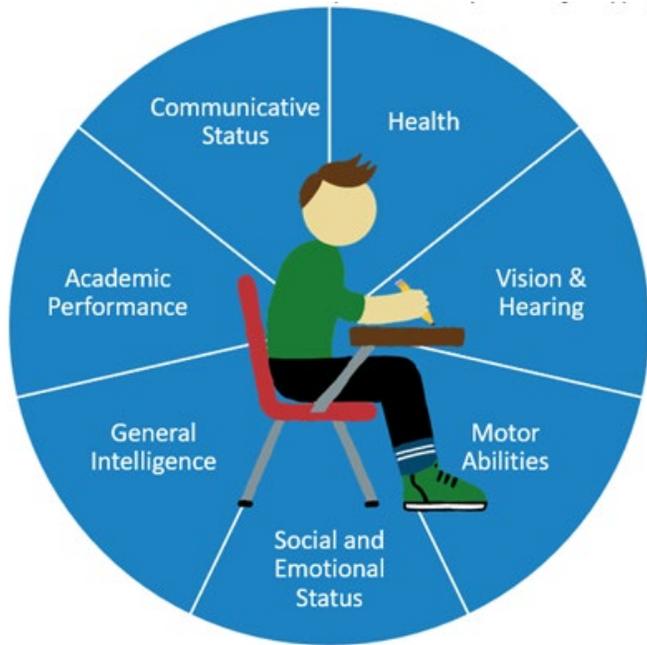


Data Source: State Performance Plan (SPP) Indicator 11, reported in state's FFY 2019 SPP/APR count of the number of children for whom parental consent to evaluate was received. State reports can be located at <https://sites.ed.gov/idea/spp-apr-letters> Note – these numbers reflect evaluations conducted as part of an initial referral to special education IDEA Part B only

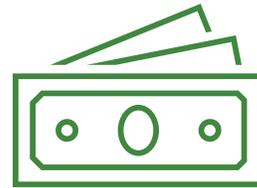


Full Individual Initial Evaluations (FIEs)

A child is assessed in all areas of suspected disabilities, including the following, if appropriate:



The cost of an FIE can range from:



\$1,000 – \$5,000

There is a need for more dedicated capacity support related to evaluation. Some efforts are underway:

HB 1525 (2021) - **\$50M**

New Dyslexia Grant: Grow Your Own Diagnosticians or LSSPs (Licensed Specialist in School Psychology)

SB 500 (2019) - **\$50M**

Region 20 – Evaluation Capacity Grant to reimburse LEAs for evaluation costs

TEA SpEd Strategic Plan

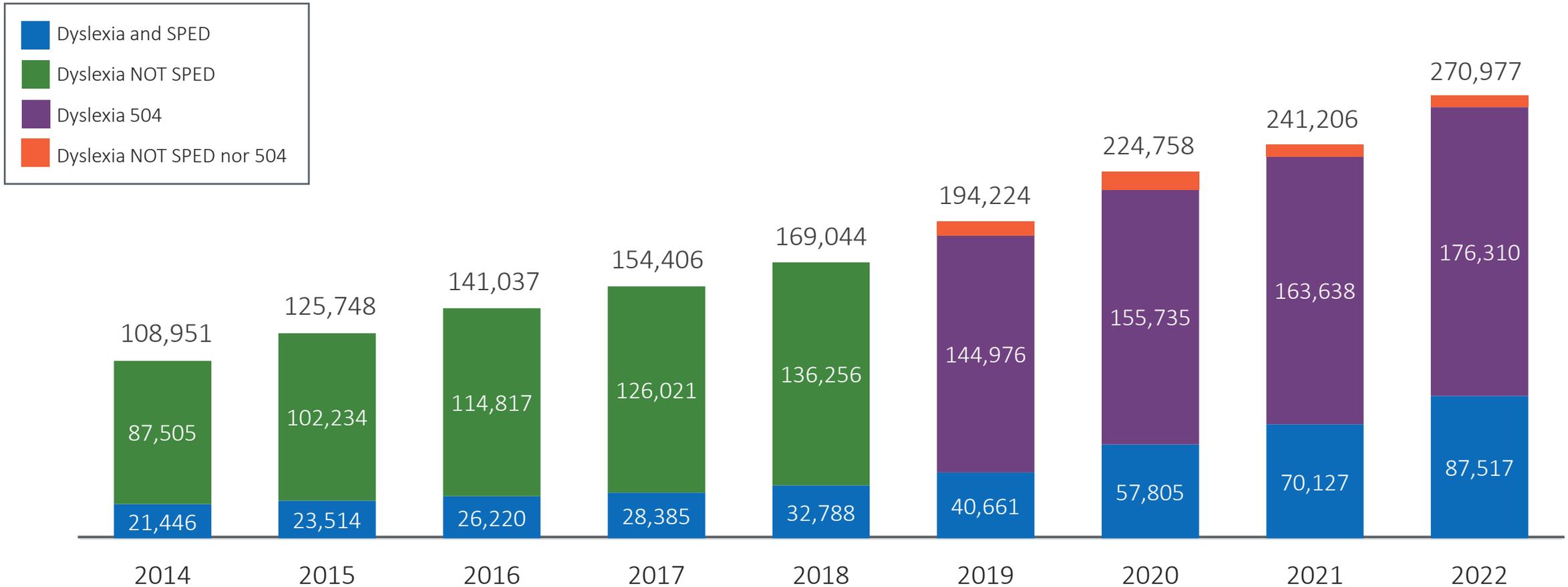
Small and Rural Schools Network (SRSN) Evaluation Certification Reimbursement Program

TEA SpEd Strategic Plan

Texas Women’s University (TWU) Speech Pathology Program

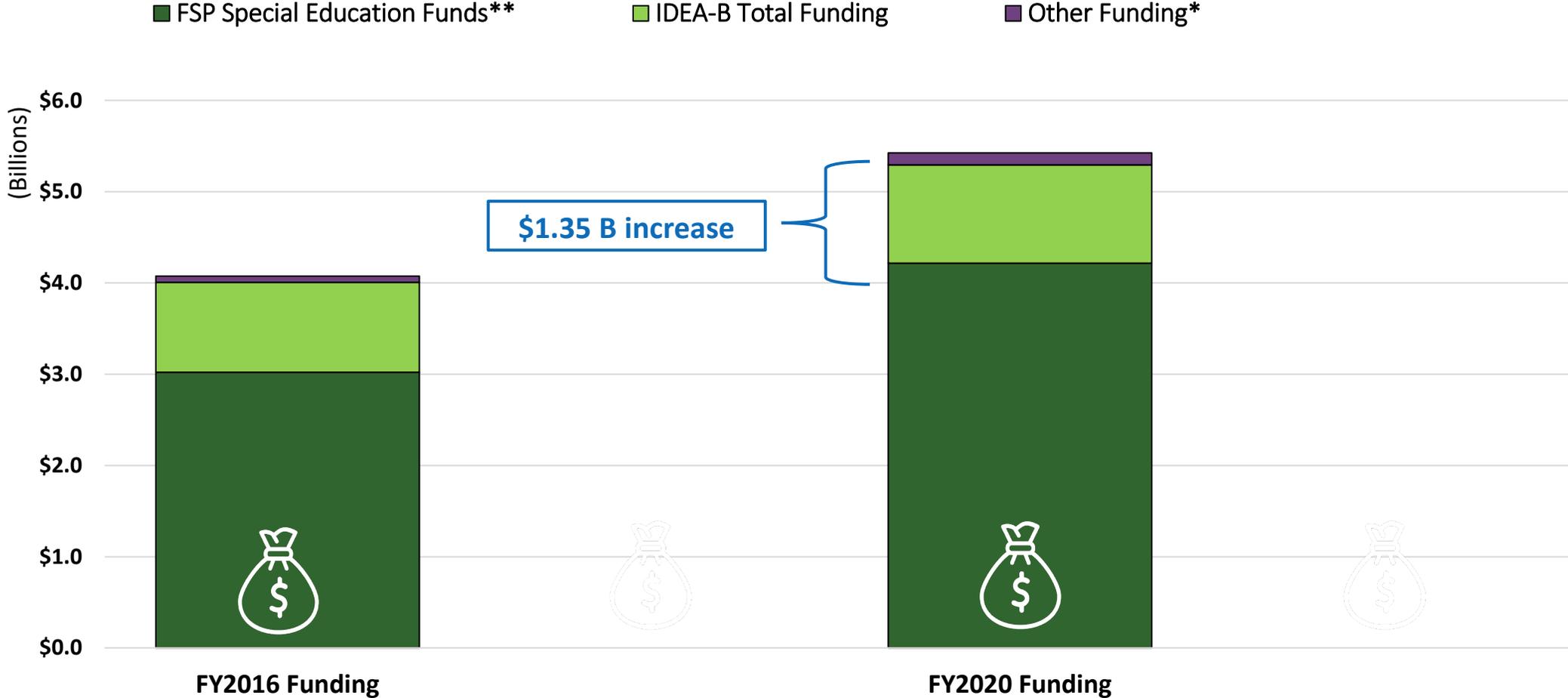
Students identified with dyslexia continues to increase.

In the last 6 years, there has been more than 2x growth in students served.



TEA started to collect 504 information in 2019.

Total Special Education funding has significantly increased.



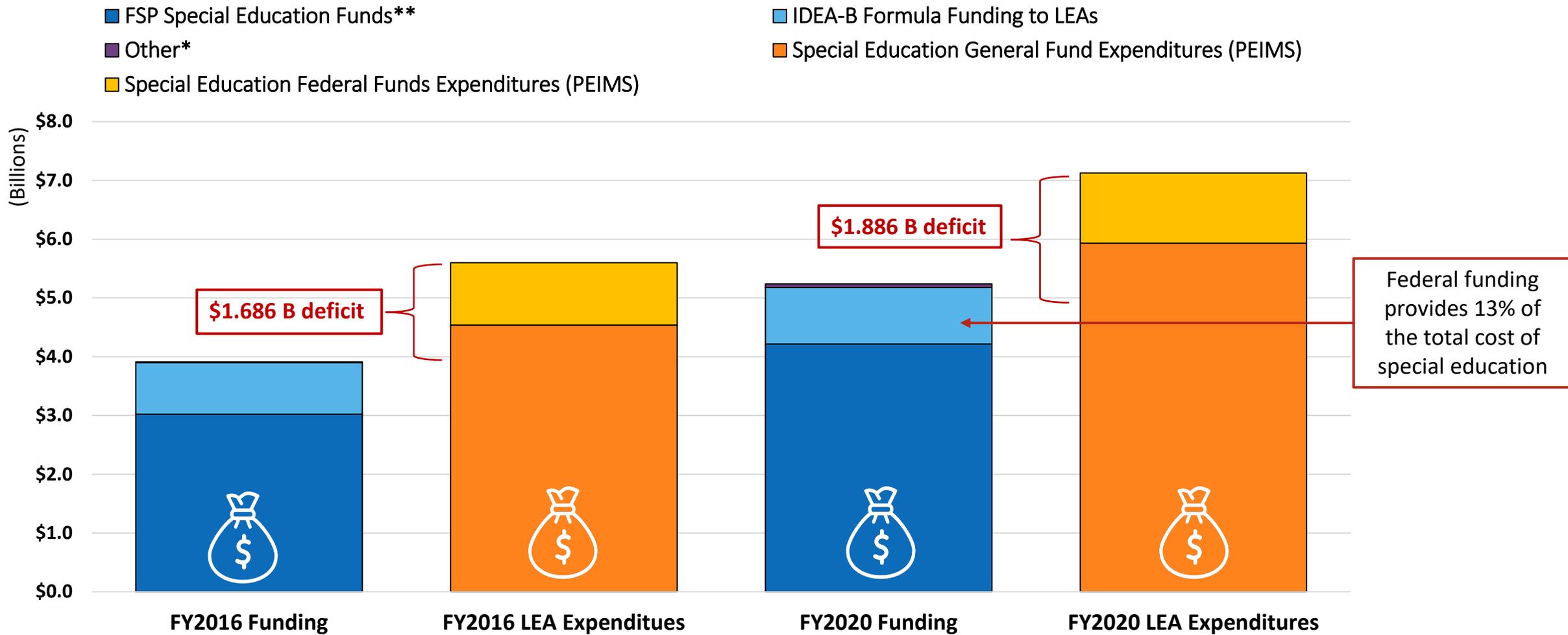
\$1.35 B increase

*Other funding includes: Regional Day School for the Deaf, Statewide Services for Students with Visual Impairments, Rider 76 Autism Grants, non-educational community-based support services, SB500 grants, funding for other state agencies (e.g. TJJ) for special education



**FSP Special Education Funds includes the Special Education Allotment, the Transportation – Special Education Allotment, and for the 2019-2020 school year, the component of the CCMR Outcomes Bonus tied to outcomes for students with disabilities, and the portion of the dyslexia allotment apportioned to students with disabilities.

Special Education funding to LEAs has significantly increased. But LEA expenditures have grown faster.

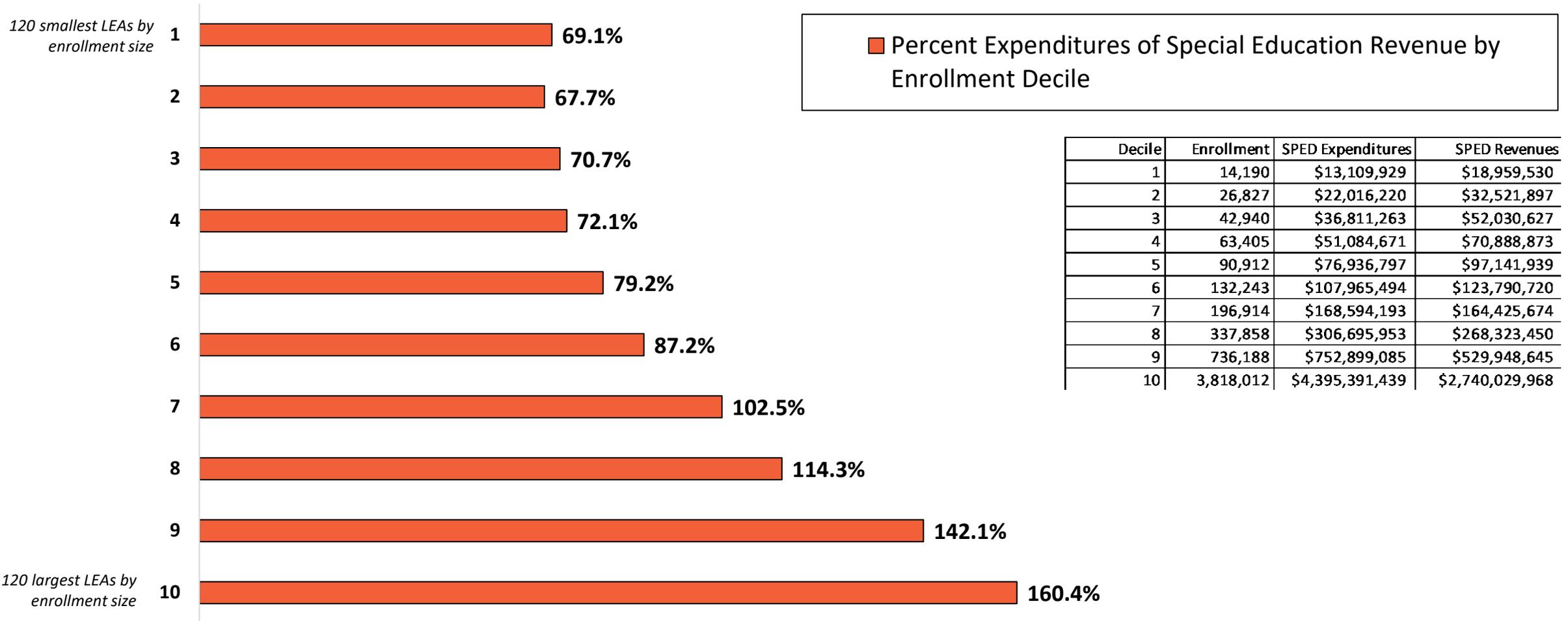


*Other funding includes: Hi Cost Funds and Non Public Residential Programs, Autism Grants, and SB500 Grants



**FSP Special Education Funds includes the Special Education Allotment, the Transportation – Special Education Allotment, and for the 2019-2020 school year, the component of the CCMR Outcomes Bonus tied to outcomes for students with disabilities, and the portion of the dyslexia allotment apportioned to students with disabilities.

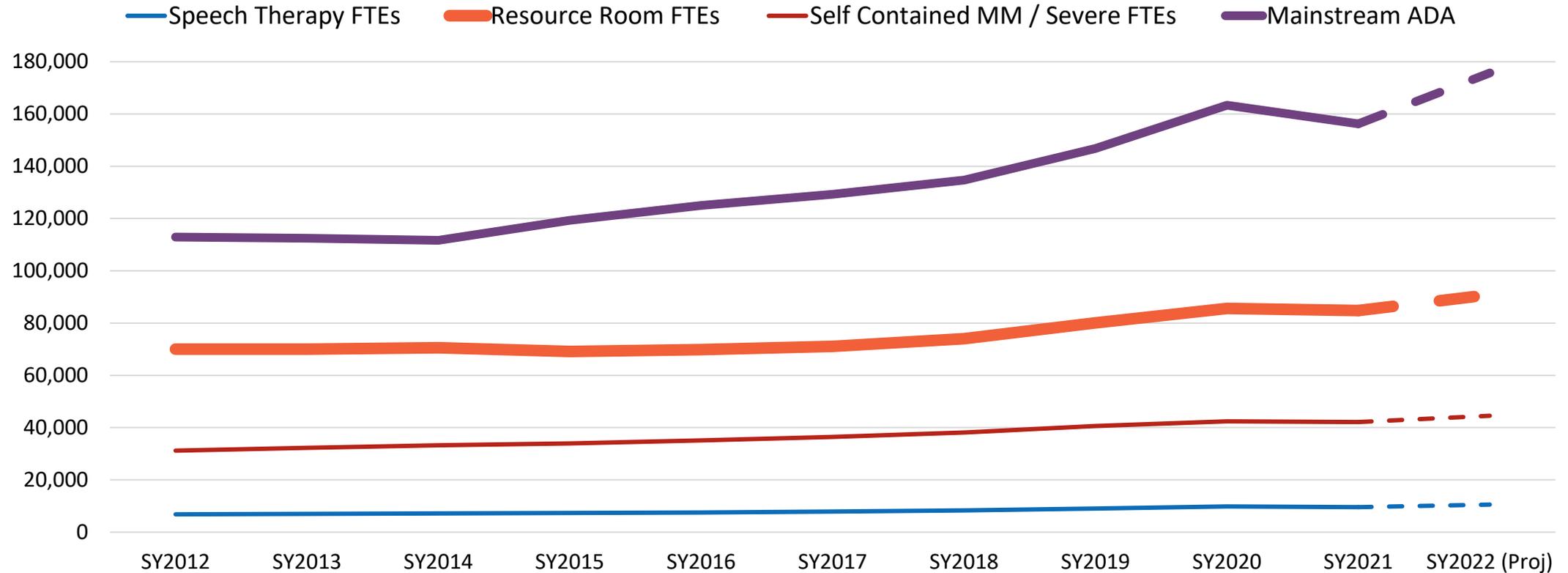
There appears to be a relationship between LEA enrollment size and local special education spending relative to special education FSP revenues.



*LEAs were sorted by enrollment size, smallest to largest, and set in groups of 120.



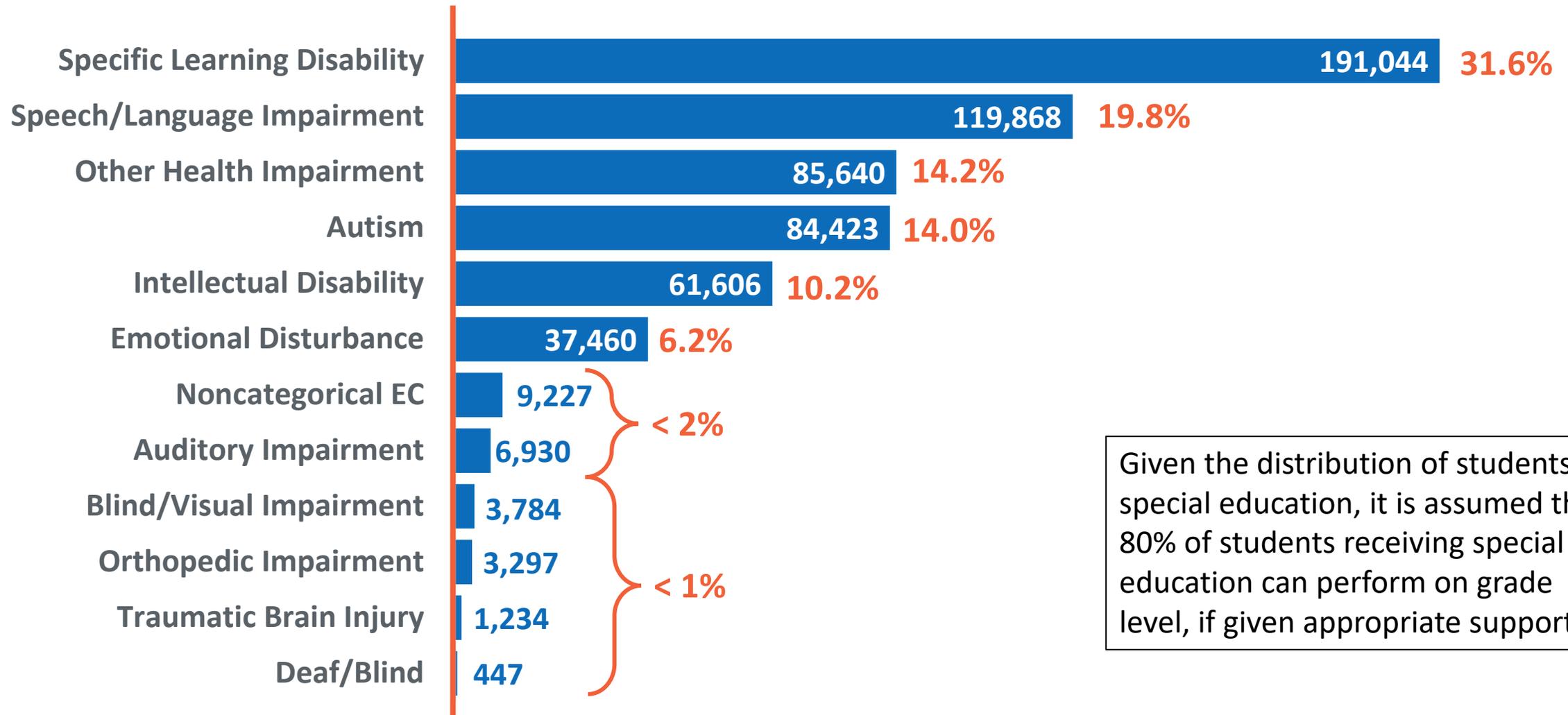
Special Education FSP Formula Revenue to School Systems is Driven by Special Education Instructional Settings



But the FSP formulas may not be aligned with the nature of school system expenditures



Almost one-third of students with disabilities are students with a specific learning disability.

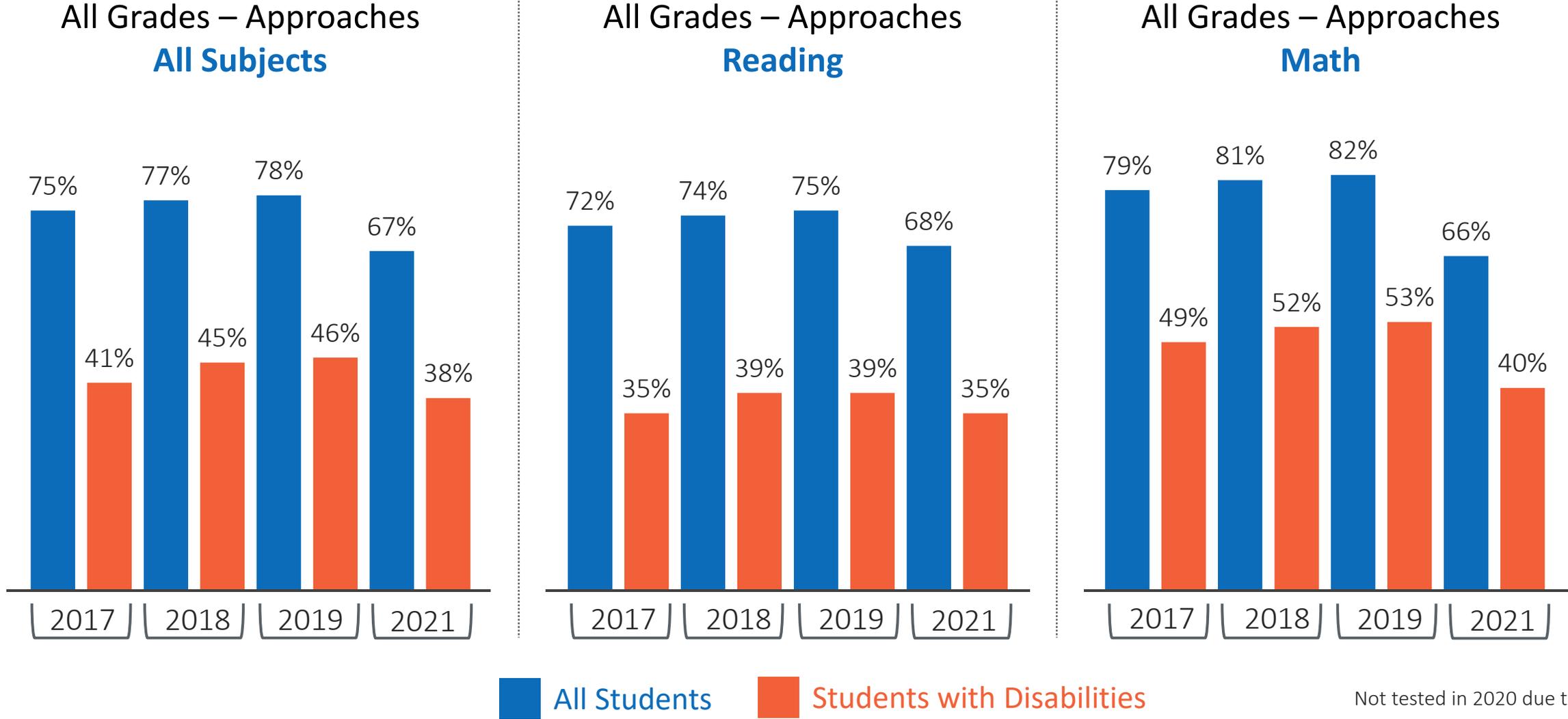


Given the distribution of students in special education, it is assumed that 80% of students receiving special education can perform on grade level, if given appropriate support.

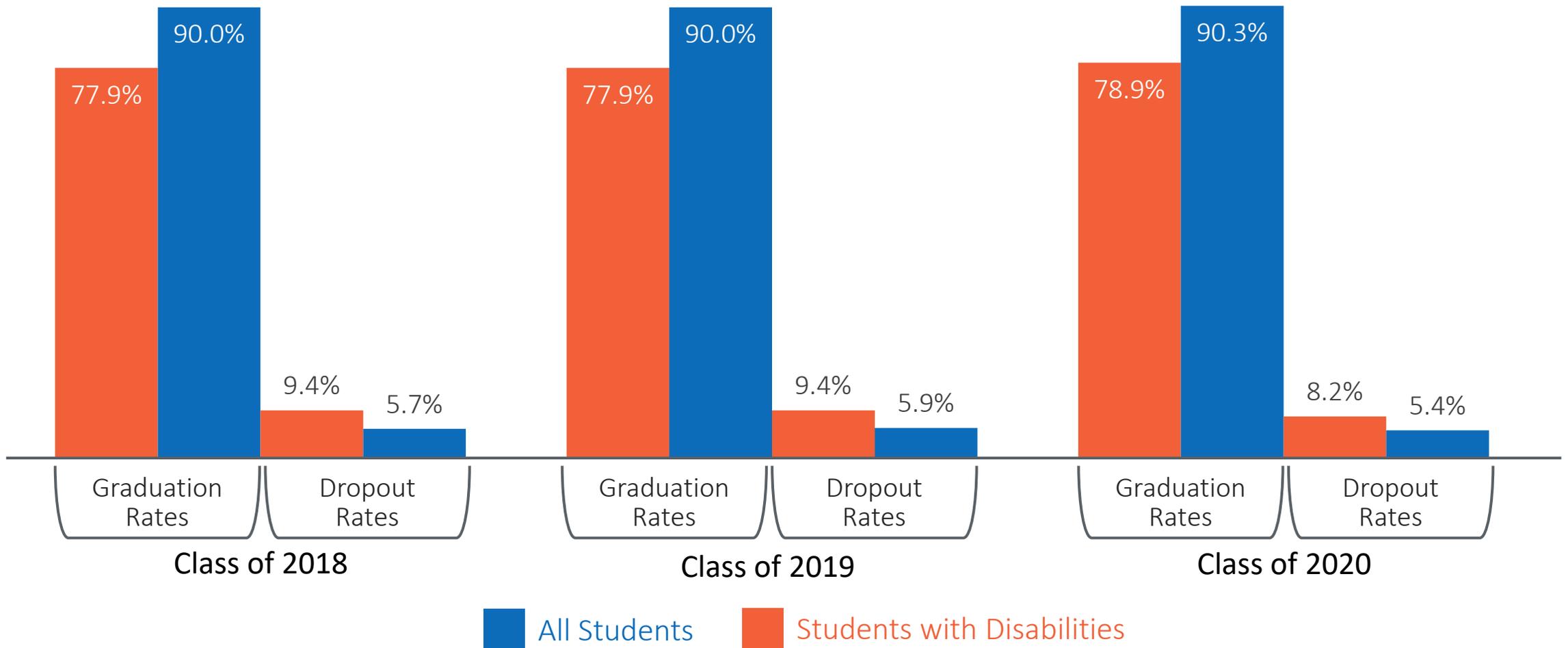
SY 2020-2021



Students served through special education have lower grade-level proficiency than their same age peers.



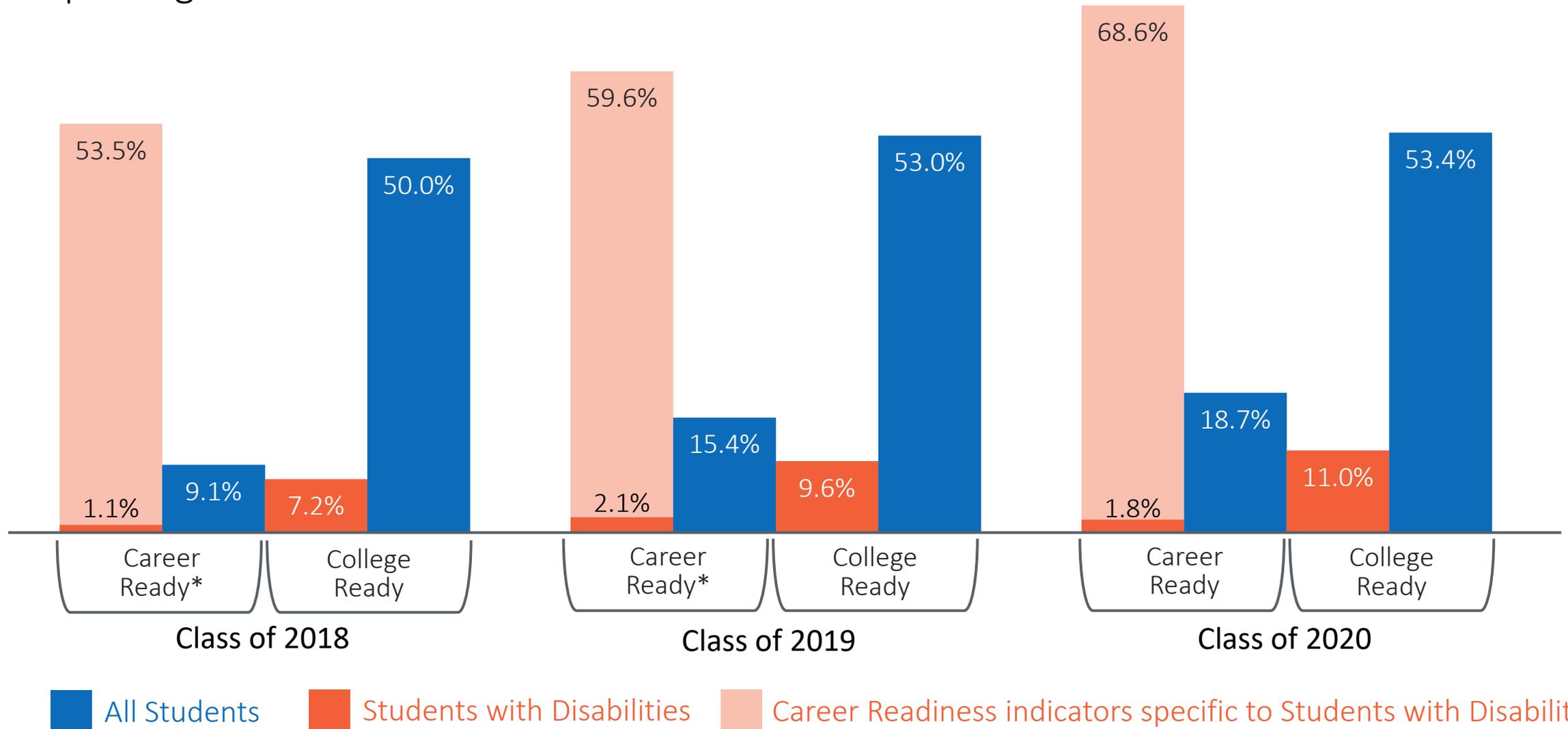
Students with disabilities graduate high school at lower rates than their peers.



Based on 4-year longitudinal rates.



Students with disabilities continue to be less college ready than their peers, but readiness is improving.



* The definition of Career Ready has been adjusted over time in the A-F system. For comparison, these data feature the same indicators from 2018/2019 as were adopted for 2020.

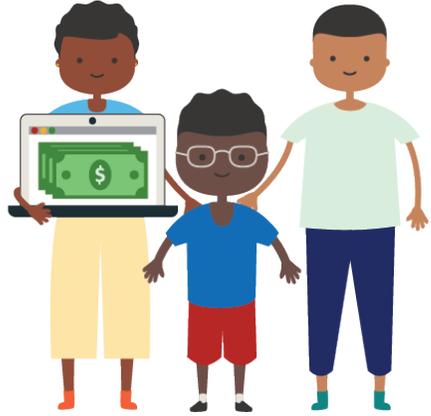


Supplemental Special Education Services (SSES) – Overview

What is SSES?

The SSES Program began in January of 2021 and gives a \$1,500 one-time grant to families of students served by special education who are enrolled in a Texas public school.

As a result of SB 1716 this program has been extended and expanded.



What families can purchase:

With SSES accounts, families can purchase educational goods and services from the SSES marketplace – an online shopping platform.

All items are reviewed and approved or denied by the SSES Program Team.

Who's Eligible?

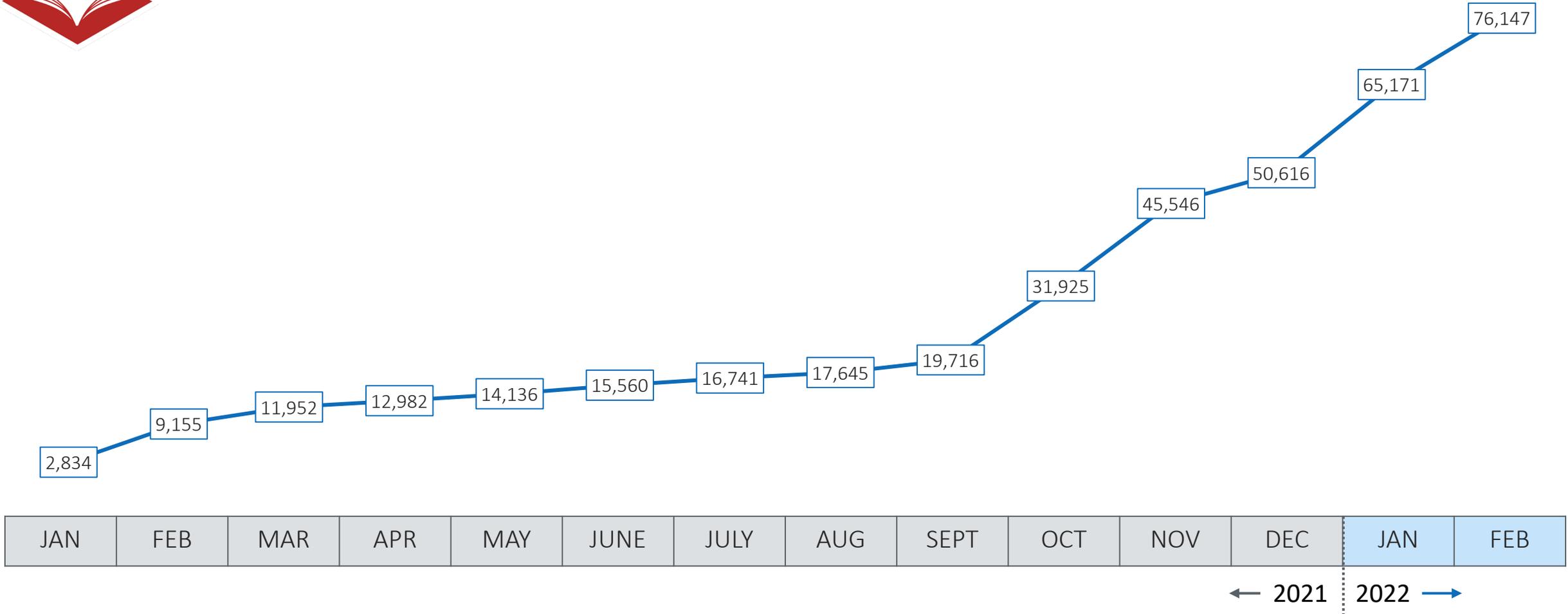
In January 2021 through September 30, 2021, the SSES Program was only available to students in **Kinder – 12th grades** with **significant and complex disabilities** – to qualify, these students had to be eligible to take STAAR ALT 2 or for grades K-2, have a primary disability and an educational setting likely to be eligible for STAAR ALT 2.

Beginning on October 1, 2021, the program expanded to be open to **all students served through special education** in **grades PreK – 12th**.

With this expansion it moved from roughly 93,000 eligible students to over 600,000 eligible students.

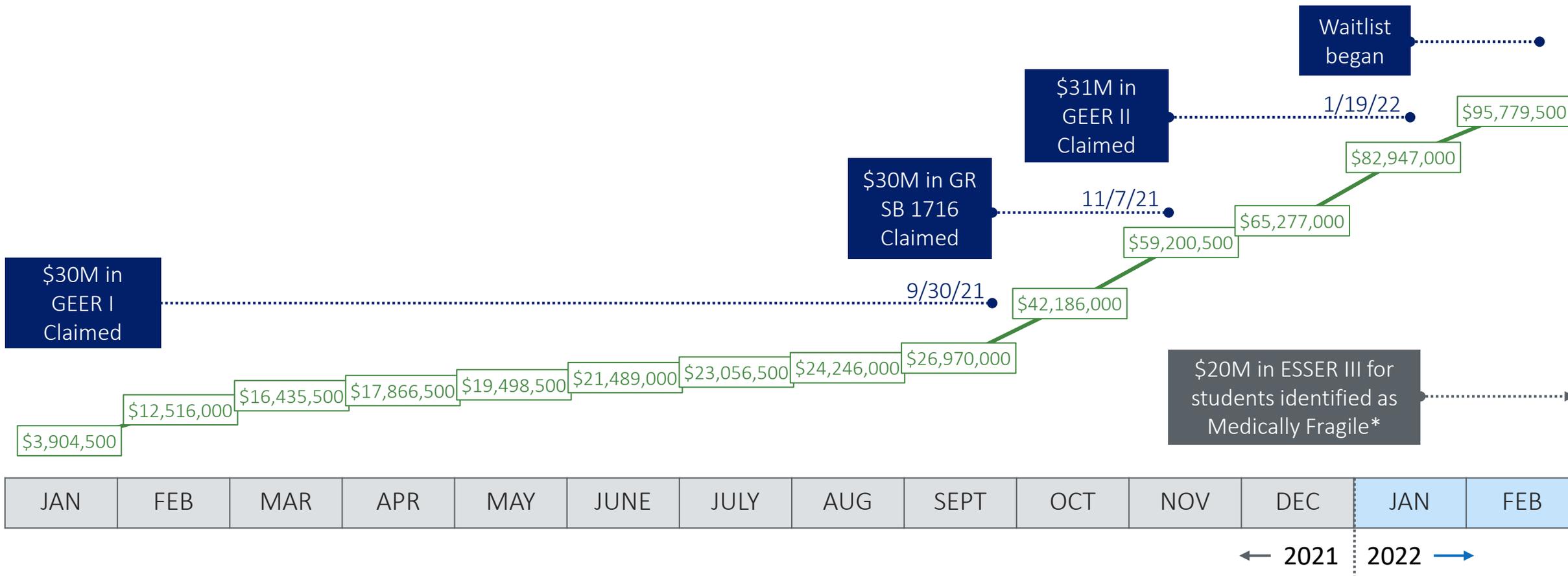


The number of SSES applications continues to grow.





SSES was allocated \$91M for 2020-21 & 2021-22. As of January 19, 2022, all \$91M has been claimed by eligible students. Another \$30M becomes available for 2022-23.



* An additional \$20M in ESSER III has been secured for students identified as medically fragile – there are still medically fragile accounts available.



Parent Survey Quotes from 2021 Grants



My child is low functioning autism and I really didn't think he would have any kind of future other than being placed in a supported living situation... **His behavior in school has significantly improved and his attention and focus to his seated work activity it's now up to 45 minutes compared to 5 to 10 minutes per previous levels! His reading skills have improved from a second grade level to a fourth grade level!**



This program has allowed me to purchase many supplies and workbooks that will allow me and my son to work toward his educational goals at home. **We are able to work together at a great pace and ensure that he will understand each lesson fully.**



We are so incredibly grateful that we were allowed to be part of this program. I now have **wonderful tools that are fun and educational** for my son... The selection was vast and I was easily able to **pick out items that interest my son**. My deepest thanks!



The goods I purchased allowed my non-verbal autistic daughter an opportunity to **keep pace with her IEP goals at home** and she won't need ESY services this year.



The SSES program was extremely beneficial. It made it possible to get my child the **learning materials needed to bridge the gap between school and at home learning**.

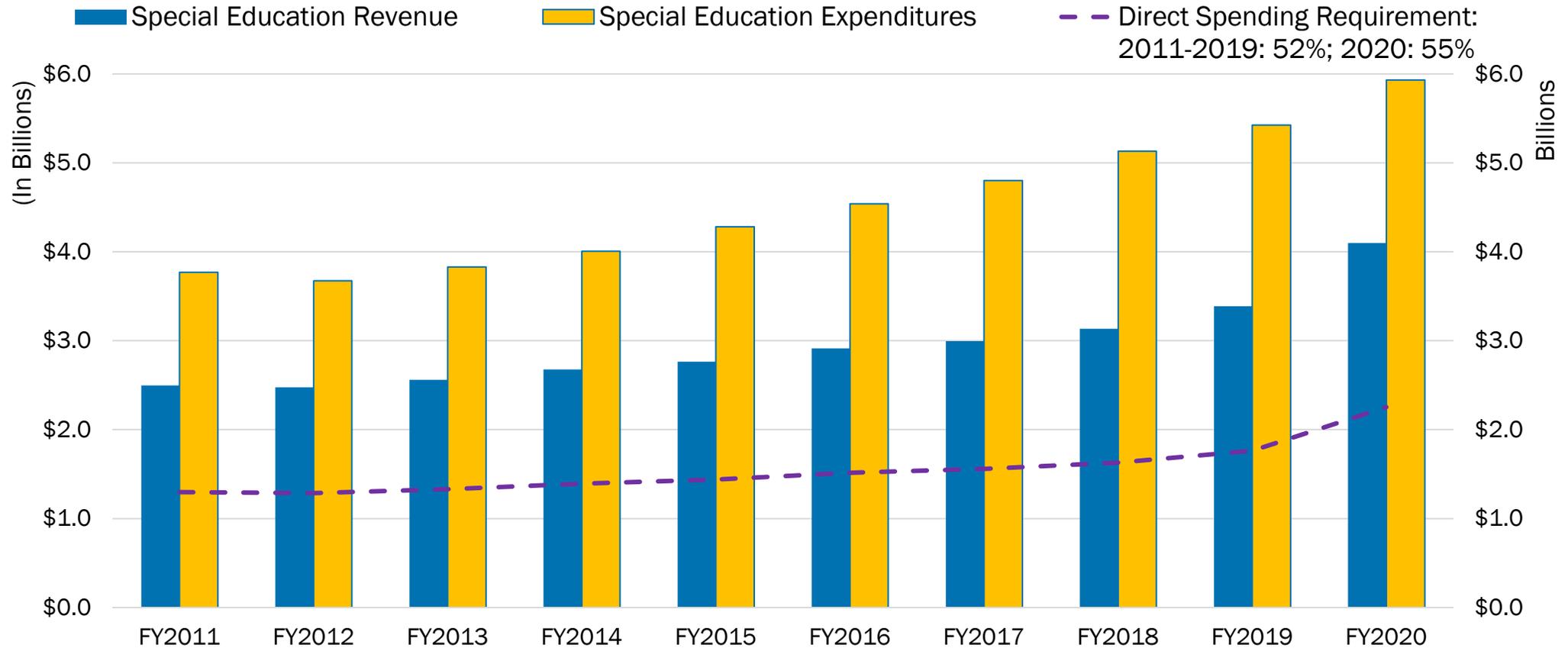
Special Education School Finance Overview

State Funding



Special Education Allotment (TEC §48.102) - FSP

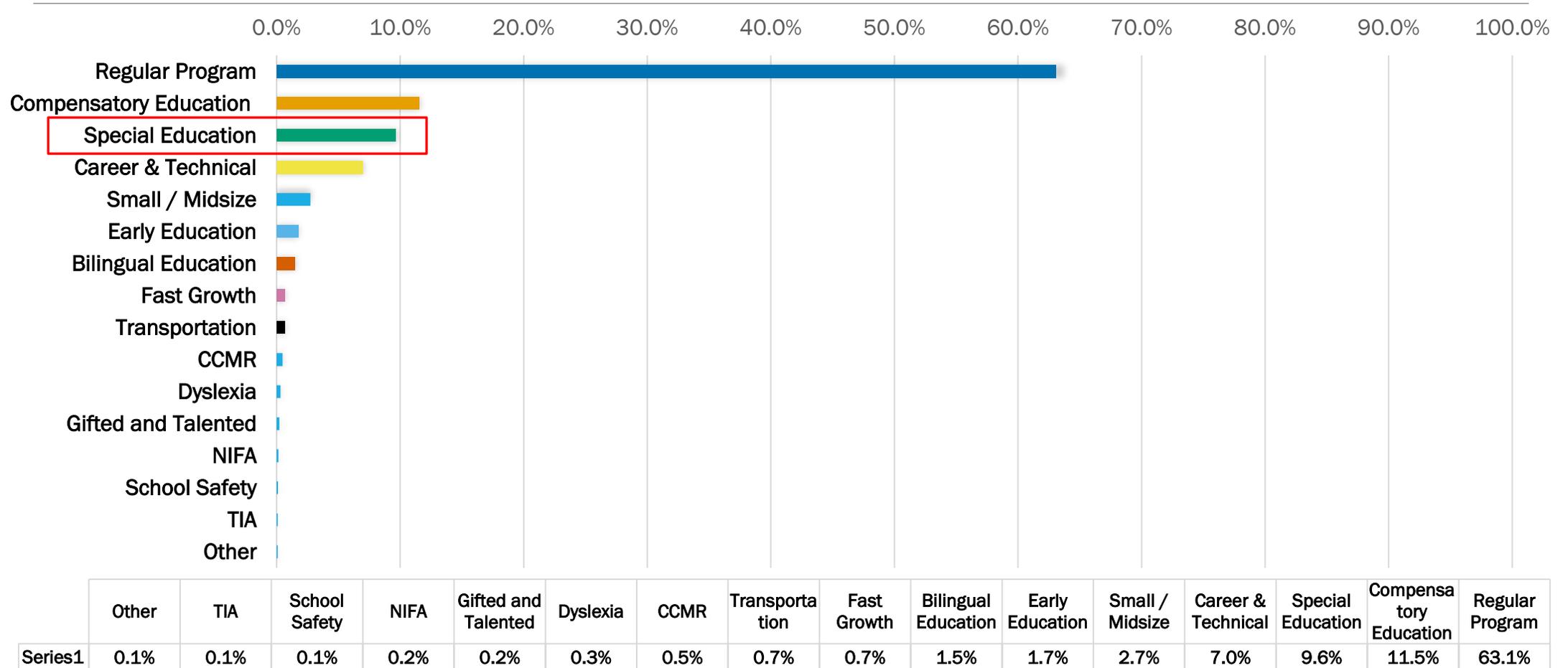
Revenues vs. General Fund Expenditures since FY2011



Local Expenditures Aren't Closely Related to Special Education Funding

- In FY2020, 677 LEAs spent \$162.8 million, or 28.4% less than their special education allotment.
- In contrast, 521 LEAs spent \$1.996 billion, or 56.6% more than their special education allotment.
- We think one of the major reasons for this wide range of expenditure behavior is because revenue is not tied to severity of services, but rather instructional setting placement.

In 2021-2022, the Special Education Allotment is estimated at \$4.34 billion, or 9.6% of Tier One Funding



How is Tier One funding determined?

The Basic Allotment (BA) is \$6,160 per student for the 2022-2023 biennium and is set in statute, or at a greater amount by the General Appropriations Act (GAA).

For Special Education and Career & Technology Education (CTE) purposes, the \$6,160 BA per student is increased for school characteristics if the school district qualifies as small district or mid-size district.

Once the BA has been increased for school characteristics, it is used in a series of formulas that consider student characteristics.

Dyslexia Allotment

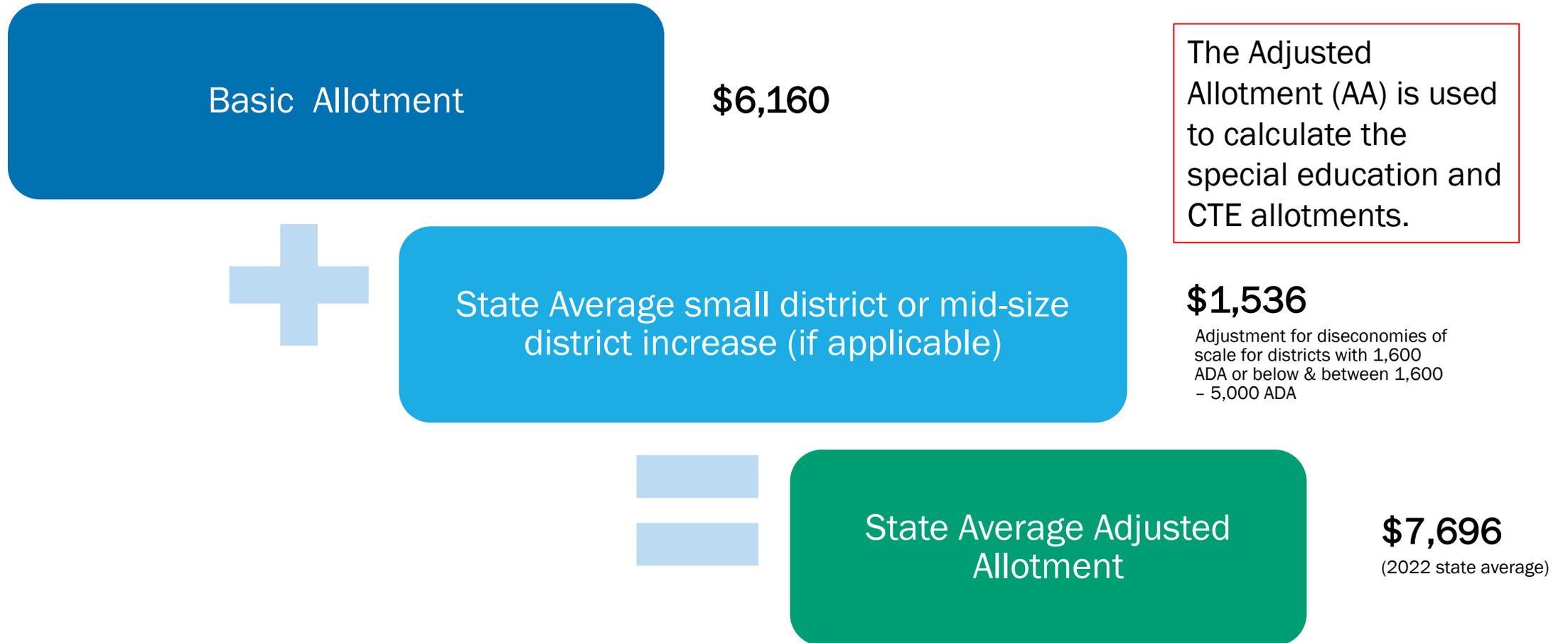
For each enrolled student that has been identified as having dyslexia or a related disorder, and has been provided services, a school district is entitled to an allotment equal to the BA \times 0.10.

$$\text{\$6,160} \times 0.10 \times 100 \text{ dyslexia students} = \text{\$61,600}$$

The statewide allotment grew from \$144 million in 2019 – 2020 to \$172 million in 2020 – 2021, and it is expected to continue to increase.

The dyslexia allotment is separate and apart from the special education allotment.

An example: How the Basic Allotment (BA) becomes the Adjusted Allotment (AA)



Special Education (SPED)

Students who have a disability as defined by federal law are eligible to receive SPED services. A student receiving SPED services is assigned to one or more instructional arrangements or settings depending on the type of services required.

Special Education (SPED) Funding

Funding is based on the amount of time that students with disabilities are served in their instructional arrangements. Students with disabilities assigned to the mainstream instructional arrangement generate funding based on average daily attendance (ADA).

A district's special education student population's average daily attendance (ADA), contact hours and full-time equivalents (FTEs) are used along with the district's adjusted allotment (AA) (and a multiplier range depending on the instructional arrangement) to calculate the district's SPED allotment.

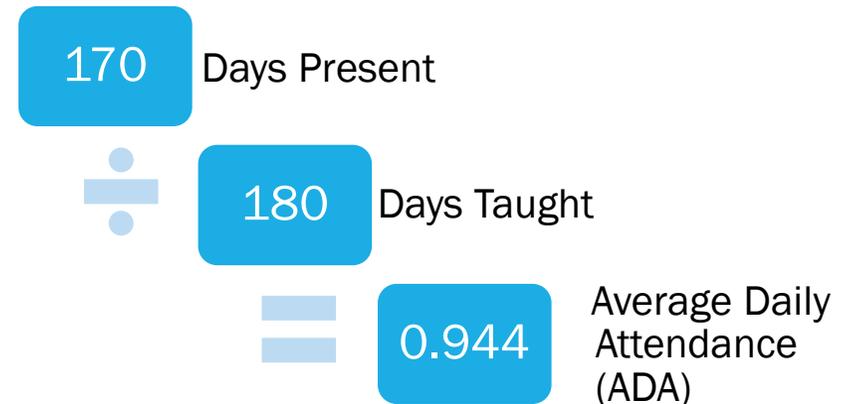
Step 1: SPED Enrollment to Average Daily Attendance (ADA)

The Average Daily Attendance is the average attendance of students for the school year.

Simply put, ADA = Days Present ÷ Days Taught (days open for instruction)

Example: Johnny was present for 170 of the 180 days a campus was open for instruction.

Johnny's ADA = 0.944 (This will be used to calculate the regular program allotment).



Step 2: SPED Days Present to Contact Hours

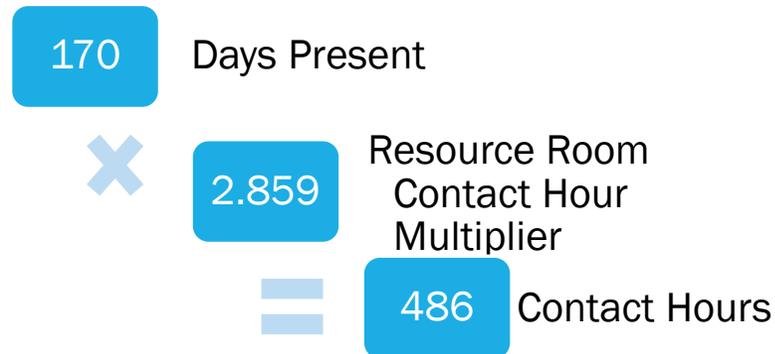
The SPED Days Present must be converted to contact hours. The amount of assigned contact hours varies by instructional arrangement. Contact hours are the total eligible days present for that instructional setting multiplied by the corresponding contact-hour multiplier.

*Contact hours for any one student receiving SPED services may not exceed six hours per day or 30 hours per week for funding purposes.

Contact Hours = Days Present X Contact Hour Multiplier

Johnny had an IEP which indicated a Special Education setting of "Resource Room" and was present for 170 days in the school year.

Johnny's Total Contact Hours = 486.



Instructional Arrangement	Contact Hour Multiplier
Homebound	1.000
Hospital Class	4.500
Speech Therapy	0.250
Resource Room	2.859
Self-contained mild/moderate	2.859
Self-contained / severe	2.859
Off-home Campus	4.250
Vocational Adjustment Class	5.500
State Schools	5.500
Nonpublic Contracts	n/a
Residential Care & Treatment	5.500
Mainstream	n/a

*Career & Technology (CTE) contact hours are also included when calculating the Contact Hour cap.

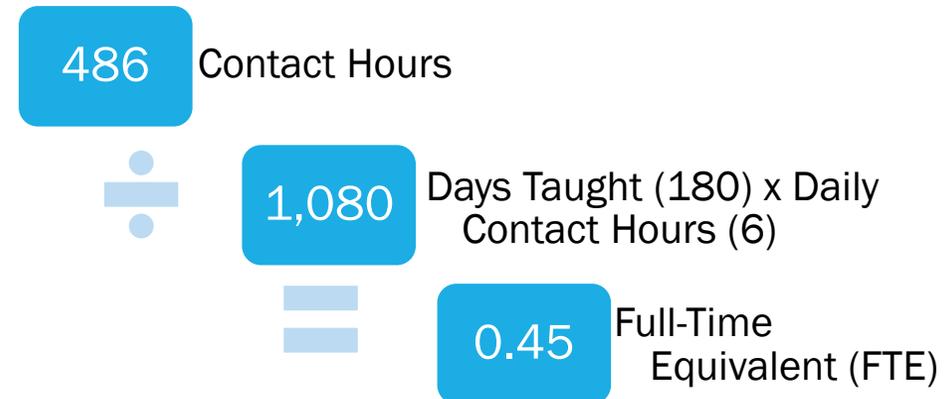
Step 3: SPED Contact Hours to Student Full-Time Equivalents (FTEs)

A Full-Time Equivalent is based on 30 Contact Hours per week between a student participating in an eligible program and applicable program personnel. [See TEC Sec. 48.102(f)].

$$\text{FTE} = \text{Contact Hours} \div (\text{Days Taught} \times \text{Daily Contact Hours (6)})$$

Johnny had an IEP which indicated a Special Education setting of "Resource Room" and was present for 170 days in the school year.

Johnny's Resource Room FTE = 0.45.



Step 4: SPED FTEs to Weighted FTEs

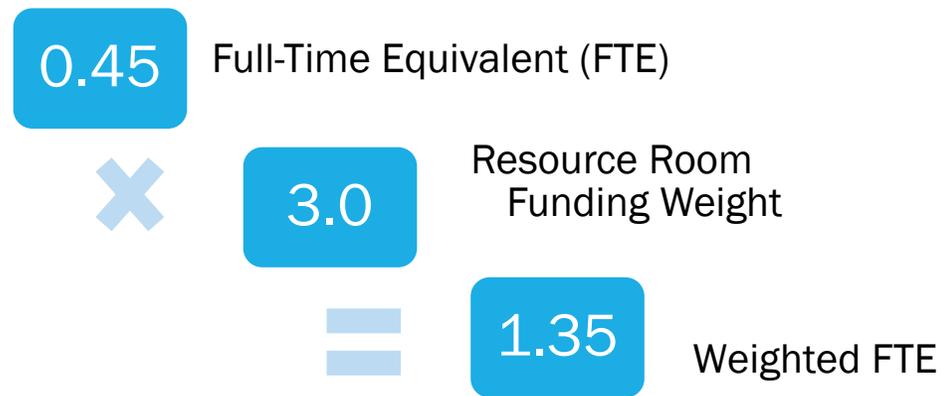
A student with a disability is assigned one of 12 SPED instructional arrangements, each with a varying weight (from 1.15 to 5.0), that is based on the duration of the daily service provided and the location of the instruction.

Instructional Arrangement	Weight
Homebound	5.0
Hospital Class	3.0
Speech Therapy	5.0
Resource Room	3.0
Self-contained / mild & moderate	3.0
Self-contained / Severe	3.0
Off-home Campus	2.7
Vocational Adjustment Class	2.3
State Schools	2.8
Nonpublic Contracts	1.7
Residential Care & Treatment	4.0
Mainstream*	1.15

Weighted FTE = FTE x Instructional Arrangement Weight

Resource Room has an Instructional Arrangement Funding Weight of 3.0.

Johnny's Weighted FTE = 1.35.



Step 5: Special Education Allotment

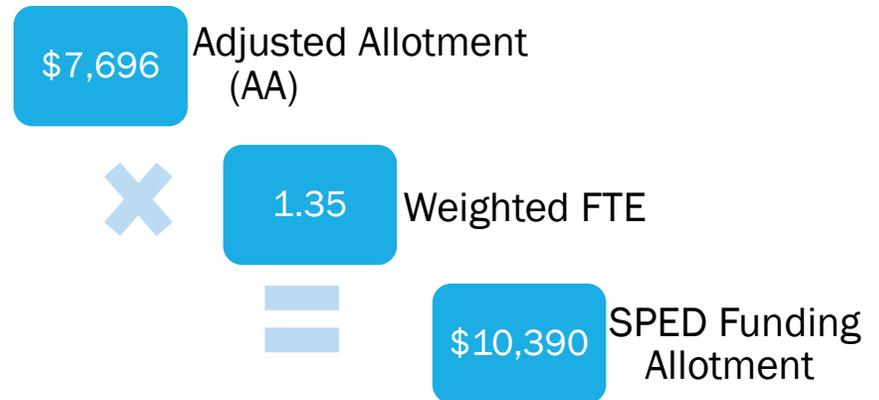
As previously mentioned, funding is based on the amount of time that students with disabilities are served in their instructional arrangements.

To calculate a district's SPED allotment, the district's Adjusted Allotment (AA) is multiplied by the weighted FTEs in each instructional arrangement.

SPED Funding = Adjusted Allotment (AA) x Weighted FTE (Resource Room in this example)

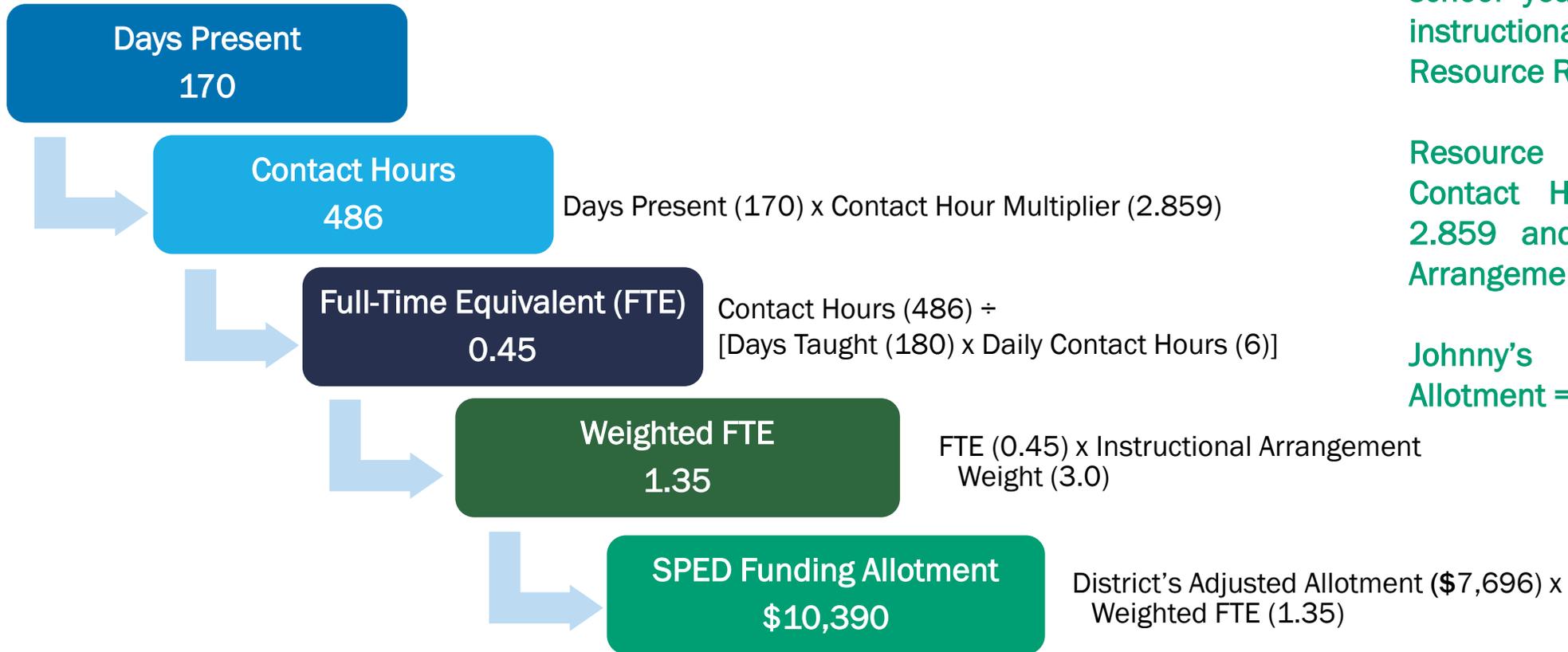
\$7,696 = 2022 Average Adjusted Allotment.

Johnny's SPED Funding = \$10,390.



SPED Allotment Funding Summary

(Steps 1 through 5)

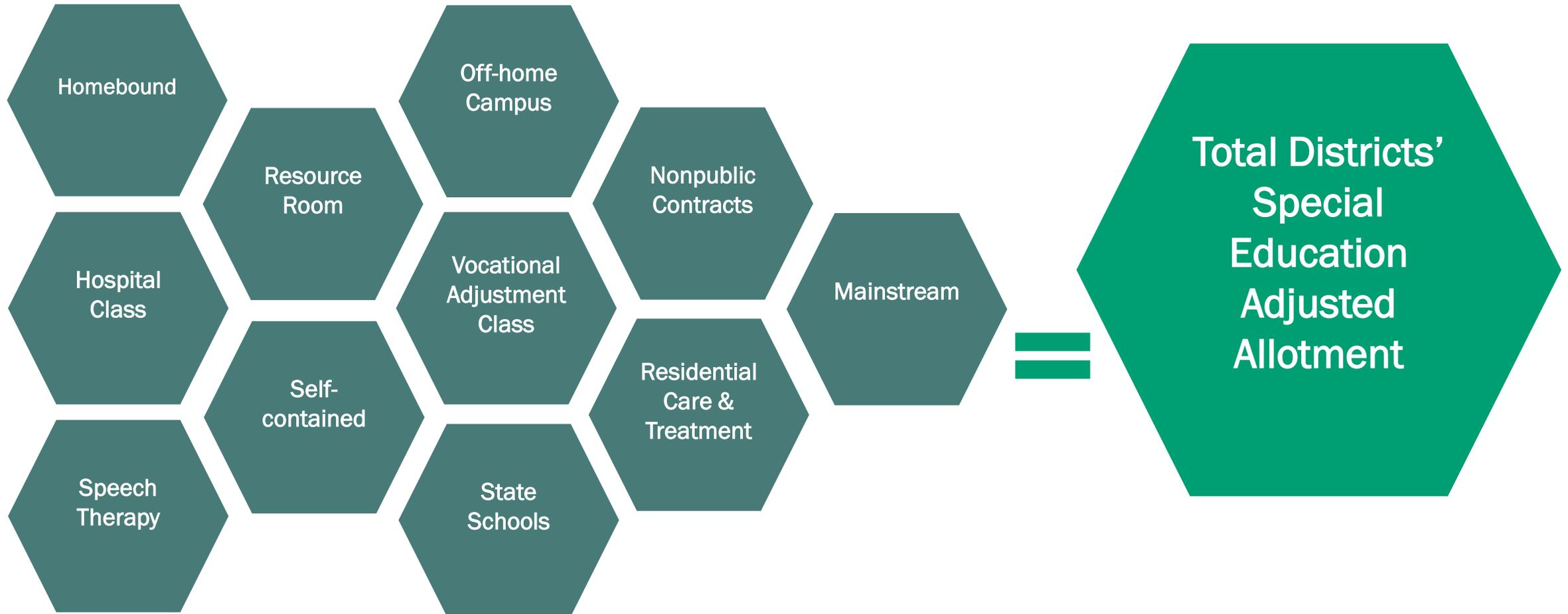


Johnny was present for 170 of the 180 days taught this school year and was in an instructional setting of Resource Room.

Resource Room has a Contact Hour Multiplier of 2.859 and an Instructional Arrangement Weight of 3.0.

Johnny's SPED Funding Allotment = \$10,390.

The Total Districts' SPED Adjusted Allotment is the sum of all SPED allotments.



Step 6: Regular Program Allotment (adjusted for Special Education and Career and Technology)

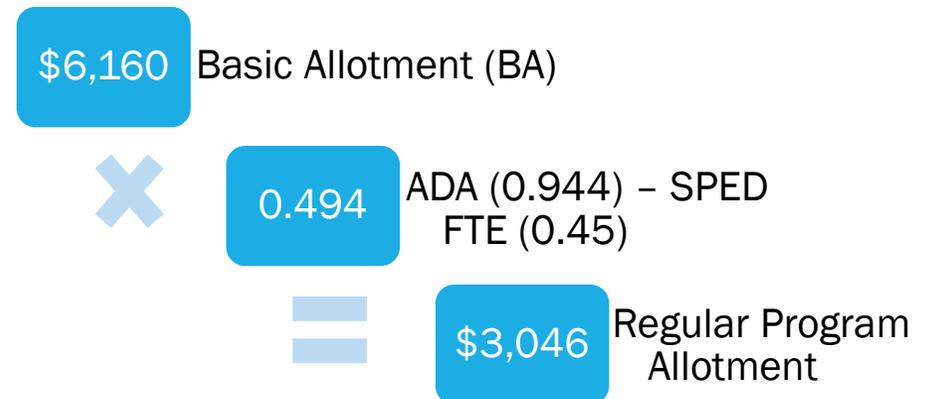
To calculate a district's regular education program allotment, the district's BA is multiplied by the district's number of students in ADA who are not receiving special education services or career and technical education (CTE).

$$\text{Regular Program Funding} = \text{BA} \times (\text{ADA} - \text{FTE [minus SPED and CTE FTES]})$$

\$6,160 = 2022 Basic Allotment.

Johnny did not take any Career and Technical courses and had ADA = 0.944.

Johnny's Regular Program Funding = \$3,046.

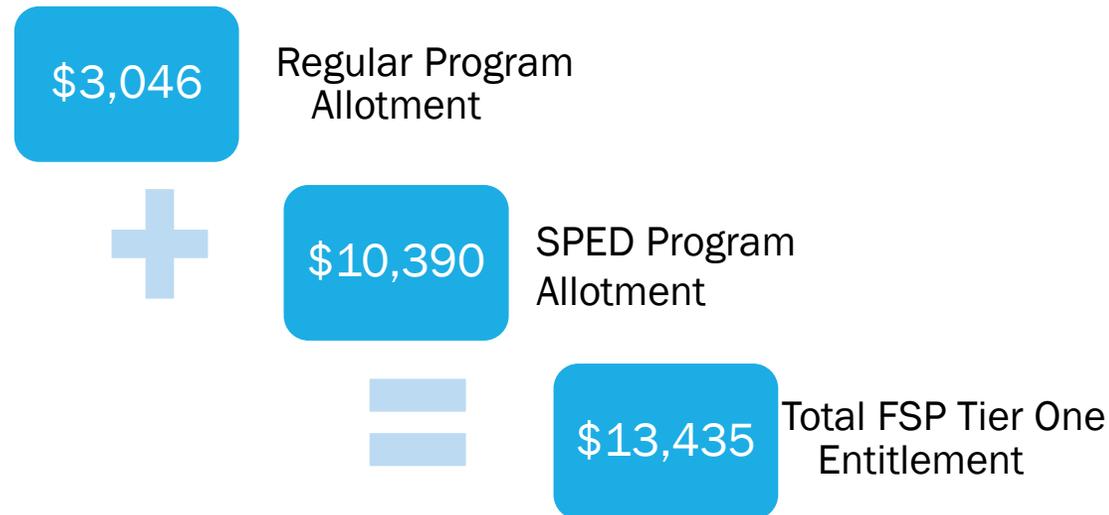


Step 7: Calculate Total Tier One Funding

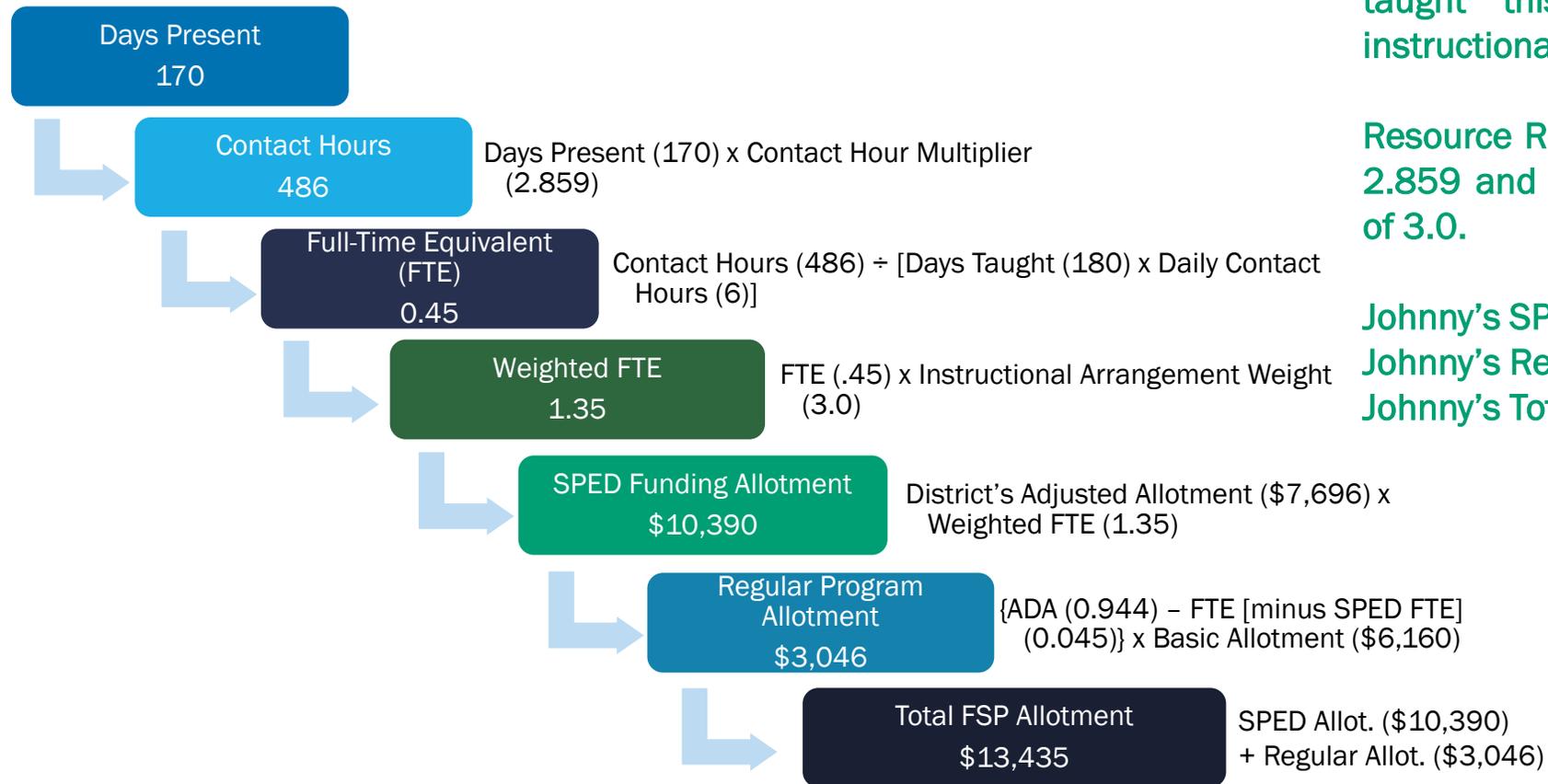
[Regular Program Allotment + SPED Allotment]

The sum of the Tier One amounts (regular program allotment, all other special program allotments, NIFA, transportation and school safety allotments) represents a district's Tier One entitlement.

Johnny did not participate in any other Tier One programs on campus. Therefore, Johnny's Regular Program Allotment plus his SPED Program Allotment (based on an instructional arrangement of Resource Room) will represent his Total FSP Entitlement.



Resource Room Funding Example

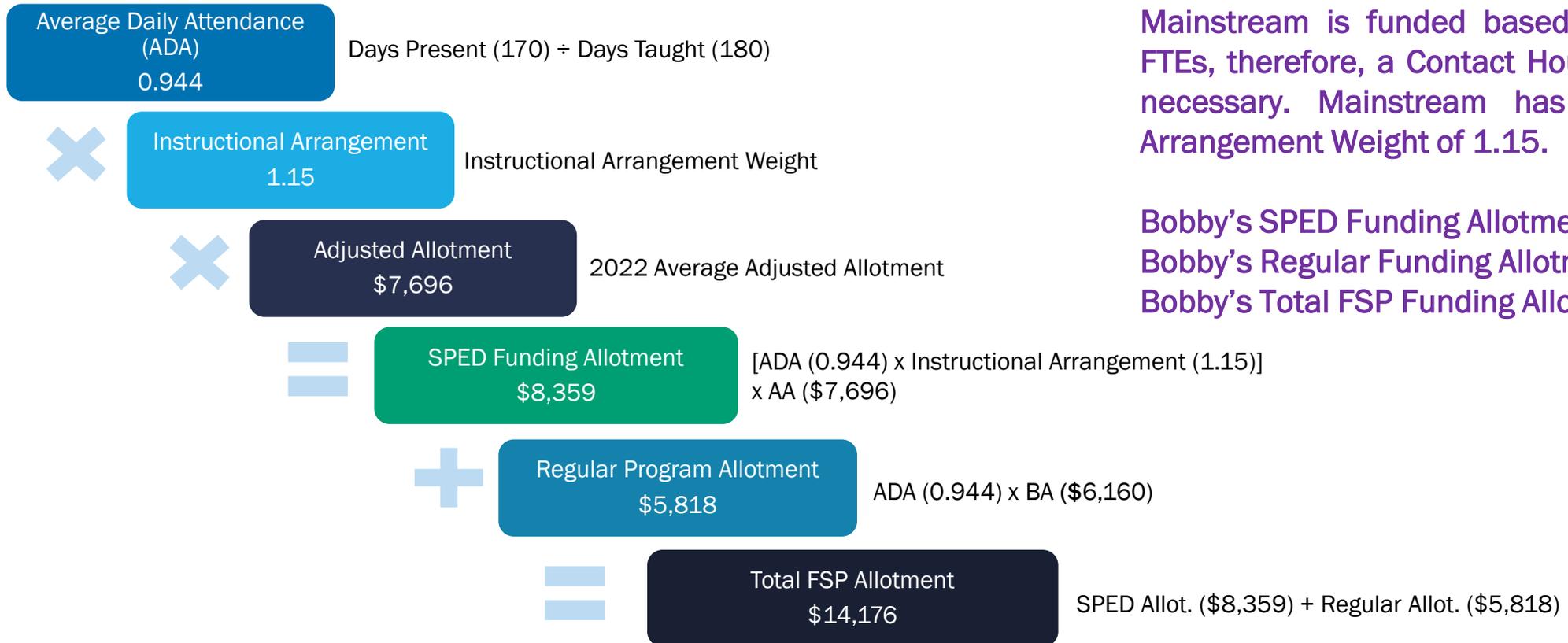


Johnny was present for 170 of the 180 days taught this school year and was in an instructional setting of Resource Room.

Resource Room has a Contact Hour Multiplier of 2.859 and an Instructional Arrangement Weight of 3.0.

Johnny's SPED Funding Allotment = \$10,390.
 Johnny's Regular Funding Allotment = \$3,046.
 Johnny's Total FSP Funding Allotment = \$13,435.

Mainstream Funding Example

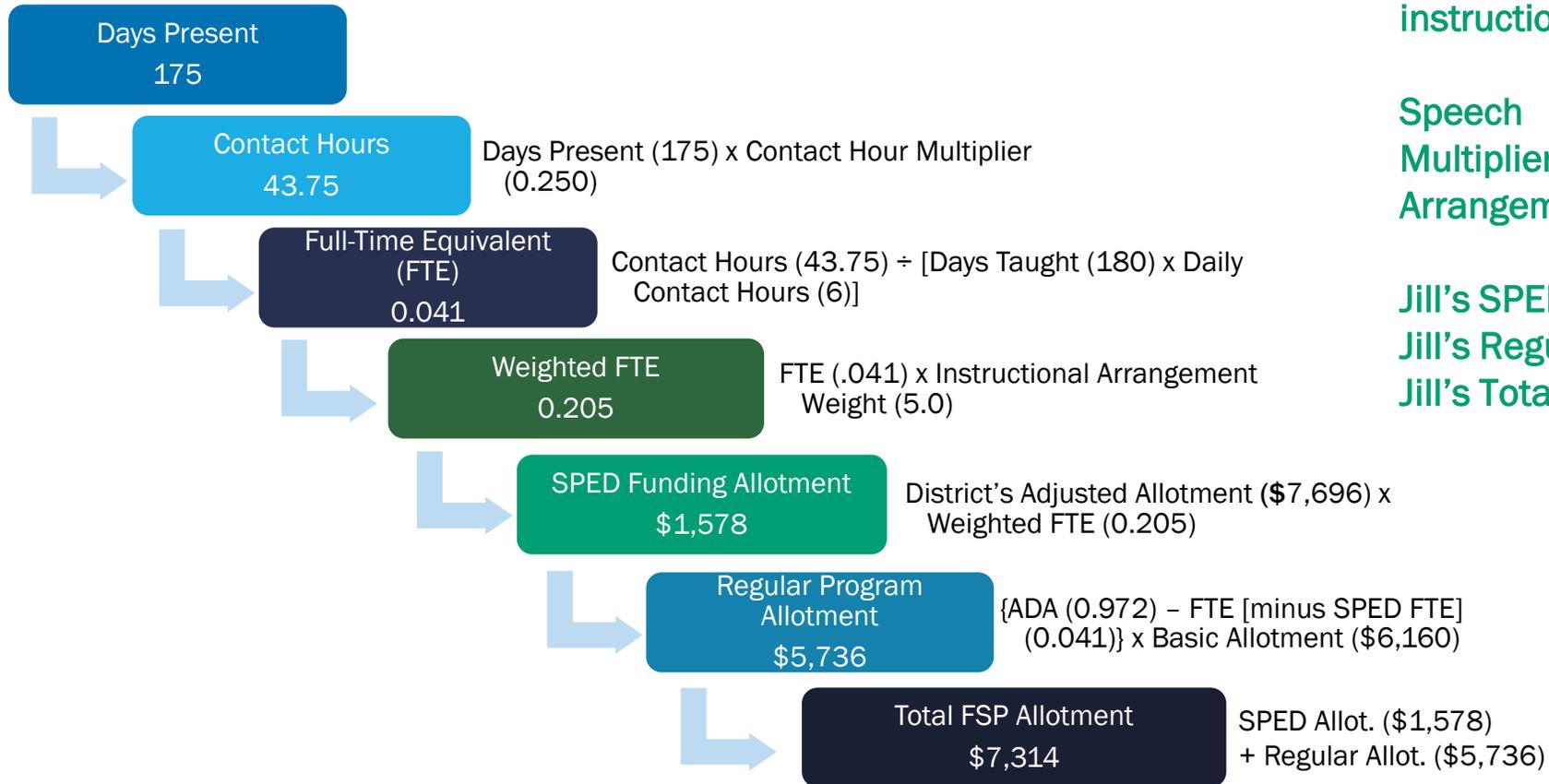


Bobby was present for 170 of the 180 days taught this school year and was in a Mainstream instructional setting.

Mainstream is funded based on ADA and not FTEs, therefore, a Contact Hour Multiplier is not necessary. Mainstream has an Instructional Arrangement Weight of 1.15.

Bobby's SPED Funding Allotment = \$8,359.
Bobby's Regular Funding Allotment = \$5,818.
Bobby's Total FSP Funding Allotment = \$14,176.

Speech Therapy Funding Example



Jill was present for 175 of the 180 days taught this school year and was in an instructional setting of Speech Therapy

Speech Therapy has a Contact Hour Multiplier of 0.250 and an Instructional Arrangement Weight of 5.0.

Jill's SPED Funding Allotment = \$1,578.
 Jill's Regular Funding Allotment = \$5,736.
 Jill's Total FSP Funding Allotment = \$7,314.



IDEA-B Funding

Federal Fiscal Compliance and Reporting Division

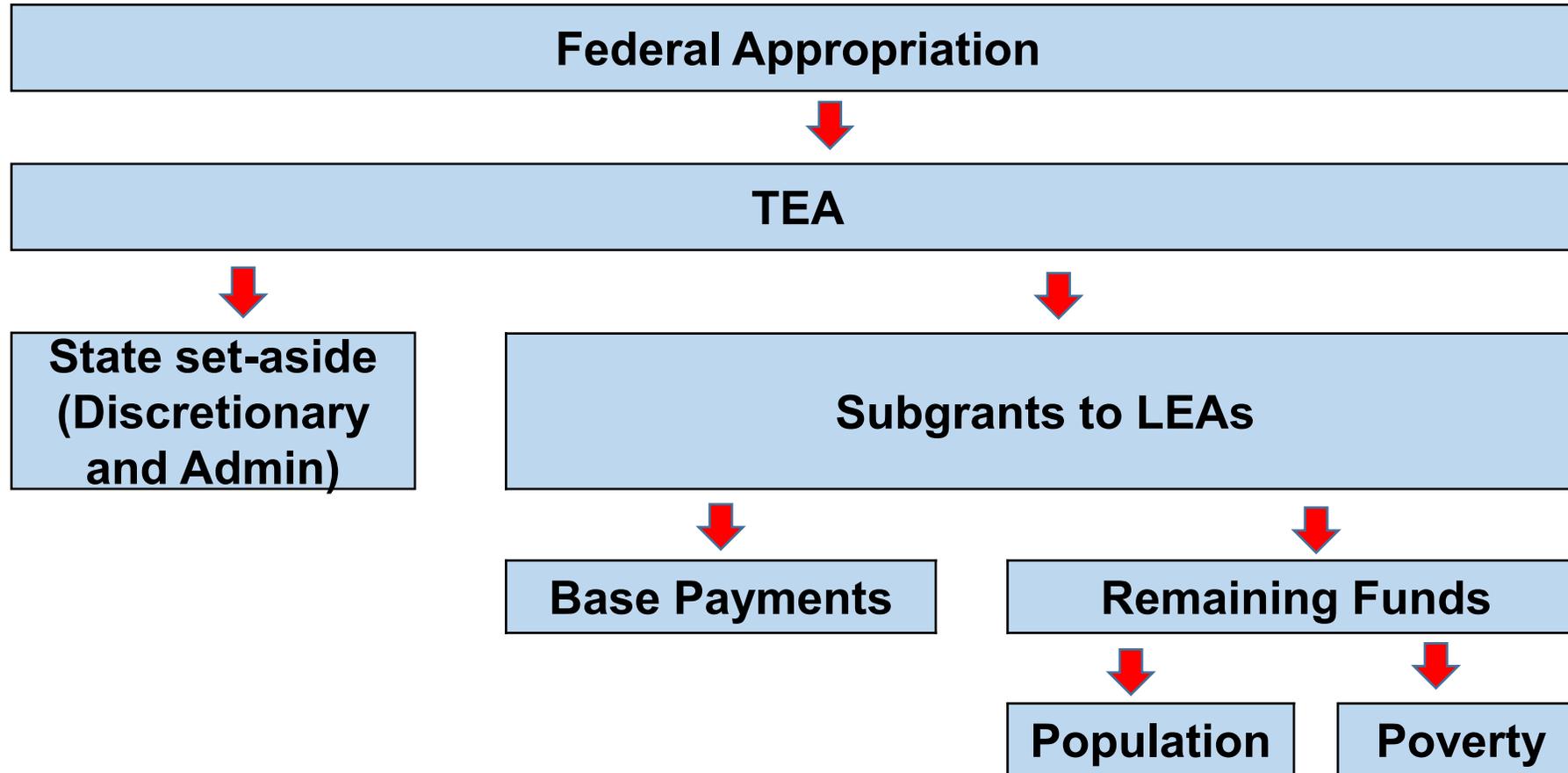
*IDEA-C Funding will be covered in later presentations

1. IDEA-B Grant Funding
2. IDEA-B MFS

IDEA-B Grant Funding

- TEA receives funding authorized through the Individuals with Disabilities Education Act, Part B (IDEA-B) for two programs:
 - IDEA-B Formula (section 611) - approximately \$1.14 billion each year.
 - IDEA-B Preschool (section 619) - approximately \$24.8 million each year.
- IDEA-B is specific to PK-12 special education (students aged 3-21)

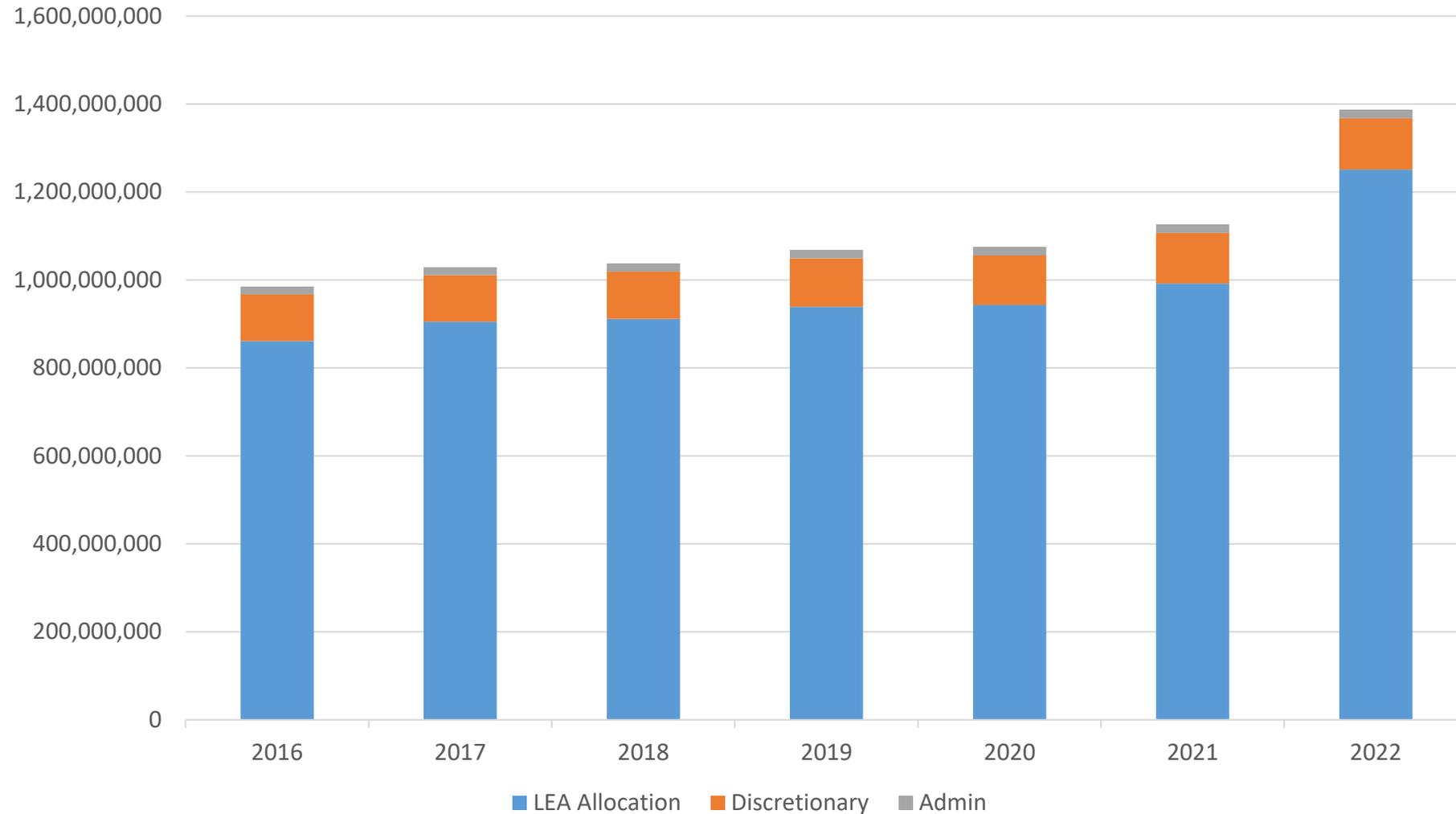
Components of IDEA-B Grant Funding



IDEA-B Subgrants to LEAs

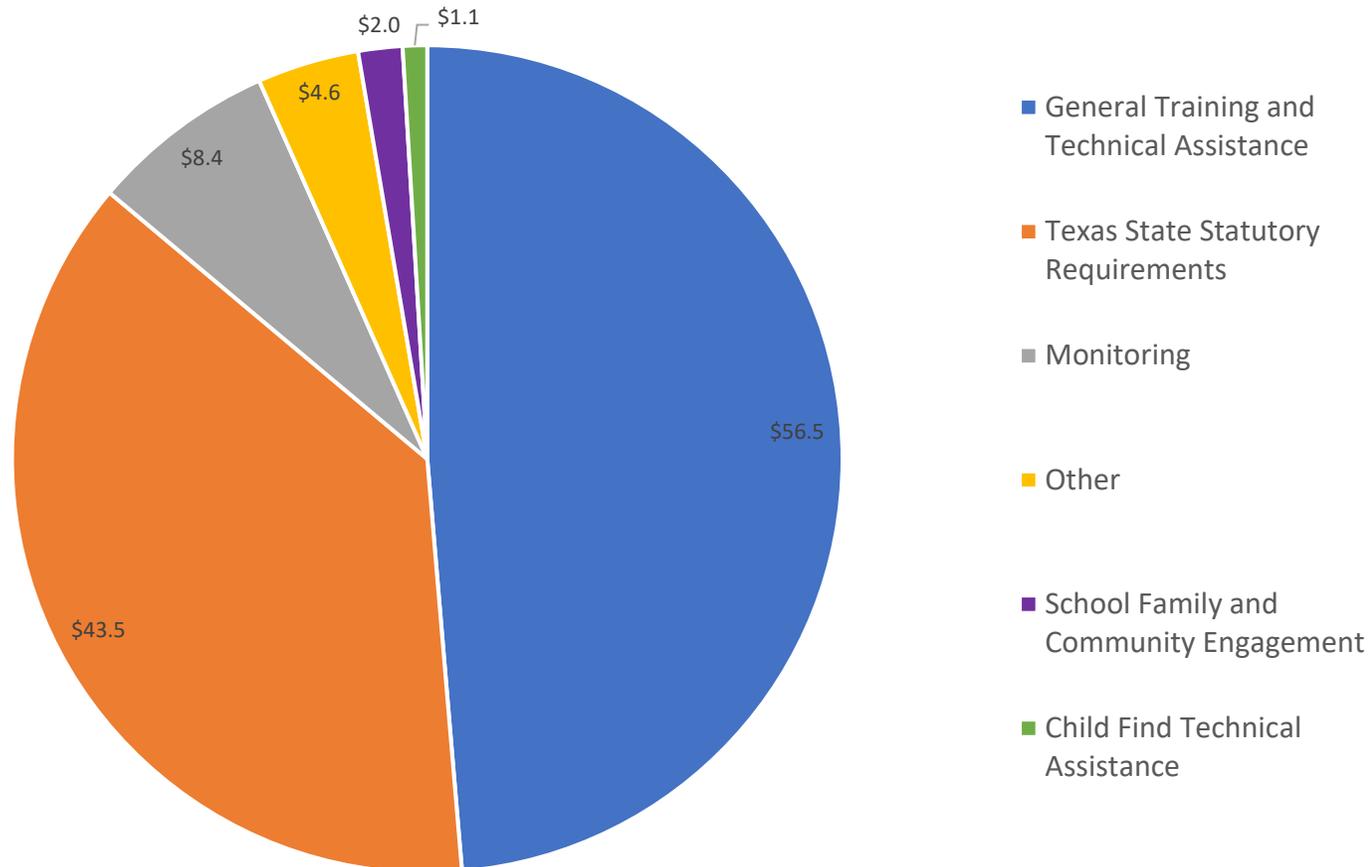
- Federal statutes and regulations stipulate the formula allocation methodology to eligible LEAs.
- LEA subgrants consist of two funding components:
 - **Base Payment (25%)** – established for the LEA during the funding year the LEA first reports serving special education students. Remains static for each successive funding year.
 - **Remaining Funding Amounts (75%)** – funds remaining after distributing all base payment amounts are allocated to eligible LEAs according to **population** (enrollment) and **poverty** (low-income) counts.

IDEA-B Formula Funding since 2016



IDEA-B Discretionary Spending

FY2022 Allocation of Discretionary IDEA Funds



in millions

IDEA-B Preschool Funding since 2016

Fiscal Year	Total State Allocation	LEA Allocation	State Set-aside/ Discretionary	Admin
2016	\$20,822,030	\$15,026,332	\$5,735,698	\$60,000
2017	\$22,018,553	\$16,212,969	\$4,644,468	\$1,161,116
2018	\$22,018,553	\$16,212,969	\$4,644,468	\$1,161,116
2019	\$23,119,102	\$17,195,018	\$4,739,268	\$1,184,816
2020	\$24,072,498	\$18,148,414	\$5,674,084	\$250,000
2021	\$24,388,815	\$18,372,784	\$5,766,031	\$250,000
2022*	\$37,461,539*	\$31,190,989*	\$6,020,550	\$250,000

***FY 2022 includes \$12,600,438 of supplemental ARP IDEA-B Preschool funding**

IDEA-B Maintenance of State Financial Support (MFS)

34 CFR 300.163 Maintenance of State Financial Support:

- a) A State must not reduce the amount of State financial support for special education below the amount of the preceding fiscal year.
- b) USDE will reduce a State's allocation in the following year by amount of noncompliance.

- OSEP approved the current Texas MFS methodology in 2016 to include the following funding sources:
 - Tier One FSP Special Education Entitlement
 - Tier One FSP Transportation Entitlement for Students with Disabilities
 - Direct Appropriations to TEA (Riders), including:
 - Regional Day Schools for the Deaf, Statewide Services for Students with Visual Impairments, and Non-educational Community Based Support Services.
 - Appropriations to Other State Agencies
 - Supplemental Appropriations
- This total amount is adjusted by “state share” for federal methodology purposes

Special Education State Fiscal Support

Fiscal Year	OSEP-Approved Methodology for FSP and TEA Appropriations	Appropriations to Other State Agencies	Total OSEP-Method State Financial Support for Special Education	Total SpEd FSP & Appropriations
2016	\$1,552,301,896	\$27,174,151	\$1,579,476,047	\$3,089,022,882
2017	\$1,512,153,820	\$25,727,901	\$1,537,881,721	\$3,169,034,168
2018	\$1,516,917,174	\$29,526,648	\$1,546,443,822	\$3,312,096,795
2019	\$1,773,903,862	\$30,270,900	\$1,804,174,562	\$3,791,299,095
2020	\$1,790,775,695	\$32,219,624	\$1,822,995,319	\$4,248,355,279
2021	\$1,839,821,920	\$32,820,890	\$1,872,642,810	\$4,319,859,469