

Special Education Finance Reform: You Can't Fit a Square Peg Into a Round Hole —An Editorial

In November 2016, the Public Policy Institute of California (PPIC) released a report entitled *Special Education Finance in California*, which examines the current special education funding model and its alignment with the principles of the Local Control Funding Formula (LCFF).

The report makes a series of recommendations that would significantly revise how services to California's 718,000 students with disabilities would be administered and funded. Among other things, the PPIC report recommends rolling existing special education funding into each school agency's LCFF base "with no firm restrictions on use," requiring that special education expenditure plans be included in each school agency's Local Control and Accountability Plan (LCAP), and revising the existing regional Special Education Local Plan Area (SELPA) governance structure by allocating funds directly to each school agency. These recommendations stem from their conclusion that the current special education funding model is not compatible with LCFF's principles of transparency, local control, and accountability.

This is a flawed conclusion. The current funding model fully conforms to the principles of transparency, local control, and accountability.

Under the current system, special education funding is allocated to SELPAs. The manner in which each SELPA allocates funds to its member districts is determined by the SELPA's governance council, which is comprised of representatives from each member school district. Collectively, members of the SELPA determine how best to meet the needs of all of the students with disabilities within the SELPA's region, regardless of where the student resides, the size of the district in which the student is enrolled, or the amount of funding the district receives.

Moreover, SELPAs must develop an annual budget plan by June 30. These plans are submitted to the California Department of Education (CDE) and most plans are posted online. SELPAs also maintain community advisory committees, which provide a means to gather parent and community input. While these structures function differently than those included in the creation of the district budget and LCAP, they are no less important for transparently shaping services for students with disabilities.

Simply allocating special education funding to school agencies rather than to SELPAs does not address the many issues facing the program. It is important to remember that special education operates in conformity with numerous federal laws, state mandates and regulations, and court decisions that will remain in effect, notwithstanding any change to the funding system, thereby preventing the funding from ever becoming flexible. Suggesting that special education can fit within the LCFF model is simply trying to fit a square peg into a round hole.

The existing regionalized governance system—based upon school districts partnering with one another—also promotes the effective delivery of special education services. This structure was enacted to allow school agencies to capture economies of scale, offer programs efficiently and in compliance with laws and regulations, and most importantly, assure that every local student with a disability has access to and receives the services to which he or she is entitled under state and federal law.

We also note that the current system operates in conjunction with the existing 20 plus special education state and federal student performance indicators and the Smarter Balanced assessments that apply to nearly all of California's students with disabilities. These indicators and the Smarter Balanced assessments establish measures to hold SELPAs and school agencies accountable. The current requirement for an Individualized Education Plan (IEP), which calls for a legally binding contract with a student's parents to provide individualized educational services to students in the least restrictive setting, also provides for local accountability. There is no greater level of accountability than when a parent sits down with the IEP team to evaluate his/her child's progress, assess current needs, discuss goals, create an IEP, and together make program placement decisions.

While the PPIC report acknowledges that state and federal special education funding has not kept pace with the increasing cost of special education, changing the system to allocate state funds from SELPAs to school agencies will not remedy this deficiency.

A more comprehensive review of the challenges facing special education and, in our view, more grounded recommendations for change, can be found in the 2015 year-long study conducted by the California Statewide Special Education Task Force. The Task Force received input from hundreds of special education stakeholders, including parents, teachers, administrators, and community members. The Task Force report included no criticism of the current funding model.

In our view, the PPIC's recommendations on the funding model, if adopted, would dismantle the current special education governance system and disrupt services provided to children with disabilities. We believe the PPIC rightly recommends that the state should (1) equalize special education funding across school districts at the 90th percentile, and (2) provide better support and funding of local infant and preschool special education programs to ensure that the needs of young children with disabilities are addressed at the earliest stage of their lives.

The recommendations to radically alter the special education funding model, however, should be rejected.

—*SSC Staff*

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