

D. SPECIAL EDUCATION FUNDING 101: SAMPLE OUTLINE

Authorizers should use this template to create funding guidance for their state. Appendix E (funding guidance for New Jersey) is an example of how a completed version could look.

I. INTRODUCTION

Educating students with disabilities is shaped by an amalgam of federal, state, and local statutes, regulations, and negotiated agreements. This outlines the similarly complex mechanism for how public schools fund specialized programs to evaluate and support students with a diverse range of learning needs. Understanding how special education and related services are funded is critical to ensuring charter schools are allocating adequate funds to special education and accessing 100 percent of the dollars available to support these programs.

II. FEDERAL SPECIAL EDUCATION FUNDING STATUTES

- The Education of all Handicapped Children Act of 1975, renamed the Individuals with Disabilities Education Act (IDEA) in 1990, established a federal funding stream to help states, via local districts, provide services to students with disabilities. Special education and related services under IDEA are provided to enable children with a wide range of disabilities to access a free and appropriate public education to the same extent as their peers without disabilities. The IDEA establishes specific guidelines regarding educating children with disabilities and provides financial support to states. The law assigns primary responsibility for implementing the law to states, but identifies local education agencies (LEAs), frequently referred to as districts, as the entity responsible for ensuring that students with disabilities (ages 3-21) access essential supports and intervention.
- IDEA outlines state education agencies' (SEA) responsibilities to educate students with disabilities. In turn, SEAs are required to develop statutes and regulations to guide the implementation of IDEA. In some states, special education statutes align closely with IDEA; other states have expanded upon the scope of the federal law to prescribe local practice in detail. Although most state charter laws grant many charter schools waivers of state education statutes, these statutes still influence the contexts in which schools operate (e.g., state teacher training programs are typically developed to comply with state credentialing requirements).
- Allocating adequate funding to provide special education and related services is a nearly universal challenge for all public schools, including charter schools. Providing a full continuum of placements to students with a wide variety of disabilities and managing the administrative tasks associated with relevant federal and state laws can be expensive. Plus, there is no clear definition for "sufficient;" there are always opportunities to provide additional services, supports, and technologies. Students with disabilities, on average, represent 13 percent of the U.S. public school population but the cost of educating students with disabilities generally represents about 21 percent of the overall average school district budget. Moreover, while permitted by statute to support up to 40 percent of the total cost of special education, the federal government, to date, has not met this limit and in practice provides approximately 9 percent of the overall cost. States and local districts are required

to fill the gap between what is required under IDEA and the funds allocated under the statute.

III. SPECIAL EDUCATION REVENUE SOURCES IN [FILL IN APPROPRIATE STATE]

This section to be completed based on state funding sources, including whether the charter schools are their own LEAs (receiving federal and some state funds directly) and how local funds are distributed.

IV. Federal Special Education Funds in [fill in appropriate state]

- A. IDEA Part B
 - a. Use of Funds
 - b. Eligibility
 - c. Determining Funds
 - d. Fund Distribution and Reporting
- B. Medicaid
 - a. Medicaid School Program
 - b. Qualifications
 - c. Seeking Reimbursement

V. STATE SPECIAL EDUCATION FUNDS

Include state-specific governing allocation of state funds designated to support the provision of special education and related services in charter schools.