



**Testimony of the
Pennsylvania State Education Association (PSEA)**

**Presented to the
Special Education Funding Commission
August 22, 2013**

**By
Michael J. Crossey
PSEA President**



Good morning, Chairman Browne, Chairman O’Neill, and members of the Special Education Funding Commission. I am Mike Crossey, a teacher in the Keystone Oaks School District with more than 34 years of classroom experience including educating students with special needs. I am currently on leave from Keystone Oaks while serving as the president of the Pennsylvania State Education Association (PSEA). On behalf of our 183,000 members, thank you for this opportunity to share our perspective regarding how special education is funded in Pennsylvania and how it can be improved.

The promise of a free, quality public education for *all* students – including students with special needs – is not only a law that we support but it is a core principle for PSEA. Consistent with that belief, PSEA supports the full continuum of services for identified students, and our members work to provide the specially designed instruction and services that allow them to reach their full potential.

Quality special education is critical for supporting the well-being of children with special needs and the well-being of their families and their communities. But while the costs and mandates for effectively educating students with special needs have increased over the years, federal and state funding for these services have not.

PSEA and many other advocates for children with special needs have witnessed the federal government for decades walk away from its original commitment under IDEA, and over the past five years watched the state level-fund the special education line-item while deeply cutting the other instructional line-items that support all students – including students who require special education. The result is systemic underfunding to maintain special education programs school districts have been forced to reduce spending in other critical areas that are not mandated,

or to raise local property taxes just to maintain services mandated by the IDEA or state law - or both.

So while the Commission's charge is not to identify a target amount of funding to invest in special education, it is difficult to design an equitable formula for distribution of funds available without taking that funding level into account.

From PSEA's perspective, enacting a sound, rational funding formula for special education – and ideally all public education in PA – is essential. Yet the current system of distributing funds based on average costs rather than actual costs of services provided harms those districts with a higher than average percentage of special education students or a higher than average cost for programs due to the severity of the disabilities of some of their students. This results in a number of districts having insufficient funds to deliver the services they are required to provide.

But what does that service delivery look like? What are the actual costs of providing a quality education to students with specific needs varying across a wide spectrum of disabilities? I know you have already heard from a number of respected stakeholders on the data but I would like to share with you how the needs of special education students are met from the educators' perspective.

A student is identified for special education services after an initial evaluation is agreed to by the student's parents and the LEA. Once the evaluation is completed, the LEA brings a team of experts together to develop a plan that will provide the student with FAPE (Free and Appropriate Education). This plan is placed in writing as a contract between the LEA and the parents for services to be delivered

on an annual basis. When disagreements occur, regulations provide for various ways in which to resolve the situation including facilitation meetings, mediation, and due process hearings.

Not all students and interventions are extensive, but every student identified with a disability needs some special support and these supports come with a cost. The more intensive the need, the more expensive the services are to provide. Generally supporting students with special needs requires:

- additional adequate staffing for a lower case load, class size;
- targeted and appropriate professional development;
- specialized personnel such as speech pathologists, physical therapists, mobility specialists, and behavioral support specialists;
- assistive technology devices and services; and
- student support programs and services.

And in the case of students that need the most intensive services at extraordinary costs, the Commonwealth leaves it to school districts and local taxpayers to pay for everything not covered by the state. Excess costs are not evenly distributed across the Commonwealth, and districts do not have equal access to local revenue to pay them.

Let me offer one example. The Pennsylvania Department of Public Welfare transferred four PA residents of school age from a Texas and Florida placement to a Pennsylvania group home. The students had intellectual disabilities and very complicated mental health needs and had previously been sent out of state because their home districts were unable to provide services necessary to meet their needs.

But upon their transfer back to Pennsylvania, the school district in which the group home is located immediately became responsible for their education. These students each required intensive supports including small group settings for classes, counseling services daily, psychiatric observations and sessions bi-weekly, and staff to work with them that were trained in dealing with challenging behaviors and safety mechanics. Special transportation also had to be arranged to transport the students with staff to escort them.

Eventually, these students were placed with an Intermediate Unit, which had developed a new program for the students that included hiring a teacher, paraprofessional, and collaborating with the county for mental health services. In total, each student's education and services came at a cost of more than \$100,000 a year.

Make no mistake, we believe these students should be in PA and should be educated in the public school system and I'm pleased to report that each student is progressing and improving. But the extraordinary cost of supporting these students has fallen disproportionately on one school district because the state's funding formula does not account for such costs.

This is just one small example, but as you know, the cost of providing special education to students with disabilities varies substantially depending on the number of students with disabilities who happen to live in the district and the nature of the disabilities and the cost of providing the special services they need. State funding should take these costs into account. And it should take into account the district's local wealth or ability to meet these costs.

In addition to developing a formula for distributing funds to school districts based on key factors such as the costs of services, geography, poverty, and the local community's ability to raise revenue, we appreciate the Commission's charge to gather information on charter and cyber charter school funding reimbursements for special education students.

The current funding system in PA creates an unequal funding structure for special education students in traditional public schools and those in charter and cyber charter schools. A report filed in federal court by former Secretary of Education Tomalis in March of last year noted that the funding system for charter schools creates an incentive to diagnose students as special education particularly with low cost borderline speech and language disabilities. And regardless of whether or not there is an incentive for possibly over-identifying students as special needs, school districts must pay charter schools a higher amount than they receive from the state per student. For example, a district in Southeast PA received \$13,458 per special education student in the district from the state but because of the funding formula was required to pay the local charter school \$24,528 for every special education student enrolled in the charter – a difference of over \$11,000 per student.¹

¹ "As a final point relating to CCCS (Chester Community Charter School) and the other charter schools, the Designee notes that the funding mechanism set forth in the Charter School Law – which requires local school districts to reimburse charter schools at a set amount that is not linked in any way to the charter school's actual costs of educating its students – has contributed at least in part to the current financial crisis in Chester Upland School District. So, too, the fact that the charter schools receive an additional stipend of \$14,500 for every student that is classified as special education, without regard to the level of that student's challenge or the additional costs associated with educating such a child, has in all likelihood created a climate for the inefficient use of educational funds. In particular, schools may be incented to diagnose students as having borderline speech or language disabilities, which qualifies the school for an additional \$14,500 in special education funding [per student] but does not increase the cost of educating that student nearly as much." *Report of PDE Secretary, US District Court for the Eastern District of PA, March 2012*

This is likely an unintended consequence of a funding formula that is based on average costs versus actual costs for services provided. Moving to a data-driven funding formula based on specific factors should help remove this inherent discrepancy in funding provided for special education students in traditional public schools and those attending charter and cyber charter schools.

In addition to the funding inequities, some in the education community have raised concerns regarding the quality of services provided to students with special needs attending some charter and cyber charter schools. One possible solution PSEA supports that could address the financial incentive structure and ensure students with special needs receive the services they require, is to assign responsibility for providing special education services for students enrolled in charter schools to the Intermediate Unit of the student's residence. The district of residence would pay for the services rendered and the charter school would receive no payments beyond regular education tuition from the district of residence.

In closing, I feel it is important to note that the provision of services and supports that special education students need has improved significantly since the creation of IDEA. Inclusion has evolved over time, as families, students, educators, and advocates continue to identify the most appropriate setting, the least restrictive environment, for educating special needs students. As more and more students move to an inclusive environment their needs and the needs of those that educate them increase. Whether it relates to professional development, differentiated instruction, alternate standards, behavioral supports, assistive technology or necessary planning time, these improvements have come with a monetary cost. A cost that is warranted and necessary, and one, we believe, should be appropriately funded.

Thank you again for your time and commitment to this important issue. PSEA looks forward to continuing to work with you and other stakeholders to help establish a fair and equitable special education funding structure in Pennsylvania.