

**Briefing Paper #2:
Wyoming Special Education Expenditure Report
& Cost-Based Funding Model Final Report**

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The AIR study team recommends that the 100 percent reimbursement approach to funding special education expenditures be replaced with block grant funding based on the special education resource guidelines included in the report. The purpose of this brief is to review issues concerning the implementation of this cost-based funding model.

- All districts will be held harmless, in that they will receive at least the same special education state funds received in the base year.
- The base year will be the year immediately prior to the implementation of the model.
- The special education resource guidelines are based on the districts' average daily membership (ADM) including a half count of kindergarten.
- Federal funding will increase for districts in alignment with federal appropriations and federal funding guidelines.
- We propose a six-year phase-in, with gaining districts seeing a gradual increase in funds from a combination of state and federal sources. For no district would this approach result in fewer state or federal special education funds than received the prior year (assuming federal revenues continue to rise or at least hold constant).
- We recommend that districts receiving additional state funding be allowed flexibility in the use of these funds in areas of pre-referral and/or remedial intervention.
- Based on the data currently available for the 2002-03 school year, the estimated supplemental revenue associated with the cost-based special education allocations is approximately \$345,000.
- A special education contingency fund for districts facing extraordinary circumstances is critical to the implementation of this approach. We recommend \$2 million for the implementation year. Districts applying for supplemental funding and obtaining approval should receive these funds in as timely a manner as possible to minimize disruption to general education programming.
- Approval for contingency applications might be the purview of the state or of a standing committee of special education directors from across the state.

- Salaries from the MAP model for general education personnel currently being used as placeholders in the AIR special education funding model should be revised. The special education salary data currently available from the WDE lack sufficient information to make these adjustments and should be updated.
- A mechanism for updating the model to reflect annual changes in salaries is needed.
- We recommend that the resource guidelines also be used within the context of state monitoring to assess whether districts are adequately meeting the needs of special education students. In addition, the WDE should explicitly incorporate student outcomes in its assessment of district practices and develop procedures for monitoring student progress over time.
- Added emphasis on regionalized services and state support is needed.
- Accordingly, we recommend at least one supplemental position be added to the Special Education Program of the WDE to allow for bolstered state-level special education support, monitoring, and facilitation of regionalized services.