

Advocating for an Equitable State Special Education Funding Formula

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State Spec. Ed. Funding

Prior to FY 2015 - One Initial Aid Funding Formula for all Districts

Initial Aid = 68% of eligible salaries*

52% of the difference between contracted service costs and applicable gen ed. revenue

47% of spec. ed. supplies & equipment

**Does not include fringe benefits for special education staff*

Excess Cost Aid = 75% of difference between the unreimbursed portion minus 4.36% of the general ed. revenue & tuition

History

2012 Education Finance Group convened by Commissioner Cassellius

- Charged with developing a comprehensive set of school finance reforms, including special education finance.

Recommendations: 2012 Finance Working Group

Increase special ed. aid to reduce cross subsidies

New formula that includes:

- Making funding more predictable using prior year data
- All expenditures (fringe benefits) eligible for state aid
- Aligning special ed. to gen. ed. funding through an equitable student funding formula
- Requiring the serving district to cover 10% of unfunded costs for open-enrolled students

2013 Legislative Session

Governor Dayton adopted the working group's recommendations with appropriation increases of \$125.8 million for FY15, \$158.9 million for FY16, and \$167.2 million for FY17

- The House and Senate did not include the Governor's recommendations in their E-12 Ed. bill
- Budget increases were only 25% of the Governor's recommendation which resulted in the current formula

Finding Your Data

The screenshot shows the homepage of the Minnesota Department of Education (MDE) at education.state.mn.us/MDE/index.html. The navigation bar includes links for Home, About, Students and Families, Licensing, Districts, Schools and Educators, and Data Center. The Data Center dropdown menu is open, showing options: Data Reports and Analytics, Early Childhood Longitudinal Data System (ECLDS), Maps, Minnesota Report Card, Schools, Districts and Teachers at a Glance, Schools and Organizations (MDE-ORG), Secure Reports, Statewide Longitudinal Data System (SLEDS), and Statewide Longitudinal Data System (SLEDS) Secure Reports. A search bar is visible on the right side of the page. The main content area features an article titled "Minneapolis Schools' food truck visits M..." with a photo of a chef. A navigation bar at the bottom shows a sequence of steps: 1, 2, 3, 4, with step 2 highlighted.

1. Go to MDE Home page

1. Click on Data Center

1. Click on Data Reports and Analytics

Data Center:

Data Reports and Analytics

Maps

Minnesota Report Card

Schools, Districts and Teachers at a Glance

School and Organization (MDE-ORG)

Secure Reports

Statewide Longitudinal Data System (SLEDS)

Statewide Longitudinal Data System (SLEDS)

Secure Reports

Data Center

Contact:

mde.analytics@state.mn.us

What data do you need?

Accountability and Assessment

- Assessment and Growth Files
- Subscore Report
- World's Best Workforce (WBWF) District Data Profiles

Archived Accountability and Assessment

- Adequate Yearly Progress (AYP)
- Annual Measurable Achievement Objectives Files (AMAO)
- Annual Measurable Achievement Objectives Report (AMAO)
- Multiple Measurement District Download
- Multiple Measurement Files

District Information

- Schools And Districts

Early Learning

- Early Childhood Screening
- Early Learning Services (ELS)

Food and Nutrition Programs

- Child & Adult Care Food Program (CACFP) Participation Report
- Commercial Product Year End Report
- Food Service Financial Report
- Provision 2, 3 & CEP Sponsors and Sites
- School Nutrition Program Application Data Report
- Summer Food Service Program Participation
- USDA Foods Received Report for the Auditor
- Vendor Number-SERVS for FNS Commodity Value

Minnesota Common Course Catalogue (MCCC) Reports

- Minnesota Common Course Catalogue (MCCC)
- STEM Course Availability
- STEM Course Enrollment

SERVS Financial Public Reports

- ARRA
- Allocations and Funding
- Applications
- Budget Information
- Grant Management
- Payments
- SERVS Setup
- UFARS/SERVS Comparison

School Finance Reports

- Adult Basic Education Entitlement Report
- Consolidated Financial Report
- Expenditures - District/Site Level Report
- Financial Profile Reports 2011 - Present
- Minnesota Funding Reports (MFR)
- Revenues - District/Site Level Report
- Minnesota Funding Reports (MFR) for County Auditors

Scroll down to
Minnesota Funding Report
(MFR)



Minnesota Funding Reports (MFR)

The Minnesota Department of Education (MDE) Program Finance area created the Minnesota Funding Reports (MFR) to provide state, district, school and information. An interactive search for MFR reports is available by school district, category, year and report. [Read the help document.](#)

Use the Drop Downs to identify the report of interest

Sort District list by: Name Number
List District Types: All Standard Co-Ops

District View reports added in the last: Category Year Report

WEST ST. PAUL-MENDOTA HTS.-EAGAN (0197-01) or enter up to 5 districts: (9999-99)

All Reports

Special Education

16-17

ALL

List Reports Reset

1. Pick your District
2. View All Reports
3. Select Special Education
4. Year: 16-17
5. All Reports
6. Click List Reports
7. Special Education Comprehensive Aid Report

District	Fiscal Year	Report Name	Category	Run Date
0197-01	FY 16-17	Special Ed. Unduplicated Child Count Report #4	Special Education	02/07/2017 11:17AM
0197-01	FY 16-17	Special Ed. Unduplicated Child Count by Setting Report #13	Special Education	01/10/2017 11:02AM
0197-01	FY 16-17	Special Education / UFARS Comparison	Special Education	01/02/2018 2:18PM
0197-01	FY 16-17	Special Education Comprehensive Aid Report	Special Education	01/10/2018 7:21AM
0197-01	FY 16-17	Special Education Current Year Adjustments	Special Education	10/24/2017 8:33AM
0197-01	FY 16-17	Special Education Federal Basic Allocation - Determine Effective Year	Special Education	03/14/2017 10:48AM
0197-01	FY 16-17	Special Education Federal Basic Allocation Calculation	Special Education	03/14/2017 11:23AM
0197-01	FY 16-17	Special Education Medical Assistance Report on Salaries, Contracted Services and FTE	Special Education	01/10/2018 6:46AM
0197-01	FY 16-17	Special Education Program Aid Extended School Year Breakdown by District	Special Education	09/22/2017 8:44AM
0197-01	FY 16-17	Special Education Program Aid Regular Year Breakdown by District	Special Education	09/22/2017 8:36AM
0197-01	FY 16-17	Special Education Regular School Year - Initial Expenditures	Special Education	05/02/2016 7:10AM
0197-01	FY 16-17	Special Education Summer School - Initial Expenditures	Special Education	05/02/2016 7:31AM

Current Special Ed. Funding Formula

Initial Aid calculation (3 options)

- Cost-driven formula based on the old formula
- Cost-driven formula based on total of non-federal expenditures
- Student -driven formula



The Initial Aid is the LEAST of the three calculations

RUN DATE 04/23/18
RUN TIME 11:34:25

MINNESOTA DEPARTMENT OF EDUCATION
STATE SPECIAL EDUCATION COMPREHENSIVE AID REPORT
DATA YEAR:16-17 USES PRIOR YEAR DATA

PAGE 241
SPEDCM019701

15-16

DISTRICT 0197 01 WEST ST. PAUL-MENDOTA HTS.-EAGAN

LINE	CALCULATION	UFARS	FUNDING		ELIGIBLE
NBR	FORMULA	FINANCE	SOURCE	DESCRIPTION	EXPENDITURE

SPECIAL EDUCATION INITIAL AID SECTION					
OPTION 1 OLD FORMULA EXPENDITURES					
1		740/317	A	MINNESOTA STATE SP ED AID	7,856,304.93
2		740/317	E	EXTENDED SCHOOL YR	77,145.55
3		740/317	C	ALTERNATIVE PREVENTION PROGRAM	358,414.33
4		740/317	N	ALTERNATIVE PREVENTION PROG ES	0.00
5		372	i	THIRD PARTY EXPENDITURES ESY	0.00
6		372	j	THIRD PARTY EXPEDITURES RSY	0.00
7		799	R	LOCAL COLLABORATIVE TIME STUDY	0.00
8		835	Trand	TRANSITION DISABLED	0.00
9	SUM 1 THRU 8			TOTAL ELICIBLE EXPENDITURES	8,291,864.81
10	9 * .62			OPTION 1 SPECIAL EDUCATION AID	5,140,956.18
OPTION 2 NON-FEDERAL EXPENDITURES					
11		740/317	a	UNREIMBURSABLE NONFEDERAL SP E	2,333,062.39
12		740/317	b	UNREIMBURSABLE NONFEDERAL ADSI	97,025.44
13		835	Trand	TRANSITION DISABLED	0.00
14		372/799	m	NON-FEDERAL EXPENDITURES - FIN	300,000.00
15	11+12+13+14			TOTAL UNREIMBURSABLE NONFEDERA	2,730,087.83
16	9 + 15			TOTAL SPECIAL EDUCATION EXPEND	11,021,952.64
17	16 * .50			OPTION 2 SPECIAL EDUCATION AID	5,510,976.32

RUN DATE 04/23/18
RUN TIME 11:34:25

MINNESOTA DEPARTMENT OF EDUC
STATE SPECIAL EDUCATION COMPREHEN
DATA YEAR:16-17 USES PRIOR YEA

DISTRICT 0197 01 WEST ST. PAUL-MENDOTA HTS.-EAGAN

LINE CALCULATION
NBR FORMULA DESCRIPTION ELIGIBLE
EXPENDITURE

SPECIAL EDUCATION CENSUS BASED AID SECTION

18		BASIC ALLOWANCE - LEVEL 1	450.00
19		ADMS SERVED (K-12)	4,791.20
20	19 X 6	SIZE ALLOWANCE - LEVEL 1	38.33
21		FREE LUNCH (K-12)	1,582.00
22		REDUCED LUNCH (K-12)	456.00
22A	22 * 50%	REDUCED LUNCH (K-12) * .5	228.00
23	21 + 22	TOT FREE & 1/2 REDUCED	1,810.00
24		TOT 10/1 ENROLL (K-12)	4,852.00
25	23 / 24	RATIO FREE-RED/ENROLL	0.37
26	25 X \$400	POVERTY ALLOWANCE - LEVEL 1	149.21
27	(18+20+26) * 19	CENSUS BASED REVENUE	3,054,629.56

	LEVEL CATEGORY	COUNT	* LEV AMT	
28	LVL 2 ASD	117	10,400.00	1,216,800.00
29	LVL 2 DEV DELAY	158	10,400.00	1,643,200.00
30	LVL 2 SMI	2	10,400.00	20,800.00
31	LVL 3 D/HH	19	18,000.00	342,000.00
32	LVL 3 EBD	53	18,000.00	954,000.00
33	LVL 4 DCM	45	27,000.00	1,215,000.00
34	LVL 4 DCS	7	27,000.00	189,000.00
35	LVL 4 PI	10	27,000.00	270,000.00
36	LVL 4 VI	3	27,000.00	81,000.00
37	LVL 4 D/B	1	27,000.00	27,000.00

38	SUM 28 THRU 37	INITIAL LEVEL 2-4 AID	5,958,800.00
39	27 + 38	INITIAL LEVEL 1-4 AID	9,013,429.56
40	39 * .56	OPTION 3 SPED INITIAL AID	5,047,520.55
41		GROWTH FACTOR	1.0460000000
42	40 * 41	CENSUS BASED INI AID-OPT 3	5,279,706.50
		OPTION 1 INITIAL AID	5,140,956.18
		OPTION 2 INITIAL AID	5,510,976.32
43	LESSER OF 1,2,3	STATE SPED INITIAL AID	5,140,956.18

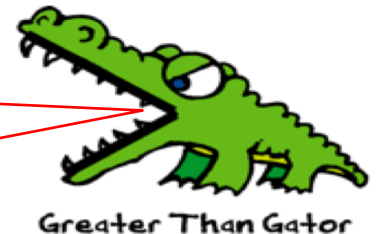
Special Ed. Funding Formula

Excess Cost Aid (2 options)

Based on prior year data:

- 62% of the difference between the unreimbursed portion of the old formula and 2.5% of the product of the district's general education revenue and the ratio of \$5,831 to the prior year formula allowance; or
- 56% of the difference between the unreimbursed portion of the total non-federal cost and 7% of the product of the district's general education revenue and the ratio of \$5.831 to the prior year formula allowance.

The Excess Cost is the **GREATER** of the two calculations



SPECIAL EDUCATION EXCESS COST AID SECTION

INPUT DATA		
44		OLD FORMULA REIMBURSABLE (LINE 9) 8,291,864.81
45		NONFEDERAL EXPENDITURES (LINE 16) 11,021,952.64
46		SPECIAL EDUCATION INITIAL AID (LINE 43) 5,140,956.18
47		DISTRICT'S GENERAL EDUCATION REVENUE (PRIOR YEAR) 36,150,481.30
47A		GENED REV ALLOWANCE - PRIOR YEAR 5,948.00
47B		GENED REV ALLOWANCE - SFY 2015 5,831.00
47C		RATIO OF GENED ALLOWANCE 0.98
47D	47 * 47C	ADJUSTED GENED REV FOR EXCESS COST 35,439,383.98
48		GENED REVENUE ATTRIBUTED TO STUDENTS IN FED INS >2 735,036.46

CALCULATION A


49	44 - 46	UNREIMBURSED OLD FORMULA COSTS	3,150,908.63
50	47D * .025	2.5% OF GENERAL EDUCATION REVENUE	885,984.60
51	49 - (48 + 50)	NET UNREIMBUR OLD FORMULA COSTS, NOT < 0	1,529,887.57
52	51 * .62	EXCESS COST AID (CALCULATION A)	948,530.29

CALCULATION B

53	45 - 46	UNREIMBURSED NEW FORMULA COSTS (NONFED)	5,880,996.46
54	47D * .07	7 PERCENT OF GENERAL EDUCATION REVENUE	2,480,756.88
55	53 - (48 + 54)	NET UNREIMBURSED NEW FORMULA COSTS (NONFED) NOT < 0	2,665,203.12
56	55 * .56	EXCESS COST AID (CALCULATION B)	1,492,513.75

EXCESS COST AID

57	> OF 52 OR 56	STATE EXCESS COST AID IS GREATER OF CALC A OR B	1,492,513.75
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Special Transportation

100% of the transportation expenditures (prior year) are included in the formula:

- Special Education Transportation (FIN 723)
- Homeless/Care and Treatment/ Section 504 (FIN 728)
- Depreciation of Vehicles



TRANSPORTATION

58	723	SPECIAL ED TRANSPORTATION	1,686,066.89
58A		BUS INVENTORY TYPE 1	0.00
58B		BUS DEPRECIATION TYPE 1 (.125%)	0.00
58C		BUS INVENTORY TYPE 3	0.00
58D		BUS DEPRECIATION TYPE 3 (.200%)	0.00
59	728	CARE & TREATMENT/504/HOMELESS TRANSPORT	78,092.22
60	SUM 58 THRU 59	TOTAL TRANSPORTATION EXPENDITURES	1,764,159.11




State Special Ed. Aid

The LEAST of the three Initial Aid Calculations
+
The GREATER of the two Excess Cost Aid Calculations
+
The TOTAL Transportation Costs
=
GROSS STATE SPECIAL EDUCATION AID
THEN..

Factor in Tuition Adjustment and you have the Net Special Education Aid subject to Hold Harmless (minimum calculation) and Growth Limit (maximum calculation)

DISTRICT 0197 01 WEST ST. PAUL-MENDOTA HTS.-EAGAN

LINE CALCULATION NBR FORMULA	DESCRIPTION	ELIGIBLE EXPENDITURE	
SPECIAL EDUCATION AID			
66A	CY REG SPED EXPENDITURES	8,538,157.29	
66B	CY TRANSPORTATION EXPENDITURES	1,903,885.75	
66C	CY TOT NONFED EXPENDITURES	2,489,667.71	
67	CY TOTAL ALL EXPENDITURES	12,931,710.75	
67A	REG SPED AID FOR SFY 2016, LAWS 2012	6,988,048.22	
68	EXCESS COST SPED AID SFY 2016, LAWS 2012	938,193.10	
69	TUITION ADJUST FOR SFY 2016, LAWS 2012	1,381,690.52-	
70	TOTAL OLD LAW SPED AID FOR SFY 2016	6,544,550.80	
70A	CURRENT YEAR ADM SERVED	4,924.43	
71	SFY 2016 ADJUSTED ADM	4,913.45	
71A	CURRENT YEAR ADJUSTED ADM	4,991.71	
71B	RATIO 71A/71	1.01	
71C	GROWTH LIMIT 4.6%	0.046000000	
71D	FORMULA FOR MINIMUM (70*71B)+(70*71C)	6,949,658.49	
72	CURRENT YEAR AID INCREASE LIMIT	100.00	
73	70A * 72	492,443.00	
74	71D + 73	7,442,101.49	
75	(SEE NOTES BELOW)	NET AID FOR DISTRICTS	7,376,466.53
76	78 - 77	GROSS SPECIAL EDUCATION AID	8,397,629.04
77	TUITION ADJUSTMENT	1,021,162.51-	
78	NET STATE SPECIAL EDUCATION AID	7,376,466.53	



Trivia Question:



How many Districts are at the CAP?

Trivia Question:



If you are at the CAP and this year you had more students

- open enrolling and in need of special ed. transportation
- experiencing homelessness and in need of transportation
- in care and treatment and in need of transportation....

Will you receive more aid to support the increase in transportation expenditures?

Trivia Question:

When did District's receive the Final SFY 2016-2017 Special Education Aid Report? If they were at the CAP, did they have time to adjust?



PAST DUE

Tuition Billing

What is it?

- Billing of unreimbursed costs for serving non-resident or open-enrolled students.
- The serving district pays 10% of unreimbursed costs and resident district pays 90% of unreimbursed costs.
- Cooperatives, Intermediates no longer get 100% reimbursement (subject to proration)
- Three charter schools get 100% of unreimbursed cost plus lease costs.

Trivia Question:

If the serving district is at the CAP, can they get tuition billing aid for serving nonresident students?

Where does the tuition billing aid go?





How does Minnesota's special education funding formula compare to other states?

State Special Education Models

Emily Parker

*Education
Commission
of the States*

1. Multiple Student Weights (16 states)
2. Single Student Weight (11 states)
3. Census-Based (5 states)
4. Resource-Allocation Model (8 states)
5. Reimbursement (5 states)
6. Categorical Grant (2 states)
7. High-Cost Students Only (2 states)

Cross-subsidy



What is it?

- Cross-subsidy of Special Education is the amount from the general fund to pay for the unreimbursed special education costs.

How do I find my District's Cross-subsidy?

- On the Aid Report - subtract Line 78 from Line 67

District #	District	Expenditures Line 67	Revenues Line 78	% Reimbursement
0013-01	Columbia Heights Public Schools	\$8,186,664	\$2,934,569	36%
0286-01	Brooklyn Center Community Schools	\$4,416,951	\$1,596,464	36%
0281-01	Robbinsdale Area Schools	\$29,960,982	\$11,763,580	39%
0016-01	Spring Lake Park Schools	\$9,137,796	\$4,044,565	44%
0282-01	St. Anthony-New Brighton Independent School District	\$2,842,503	\$1,275,579	45%
0284-01	Wayzata Public Schools	\$19,080,253	\$8,599,158	45%
0279-01	Osseo Area Schools	\$49,583,854	\$22,375,790	45%
0192-01	Farmington Area Public Schools	\$13,068,064	\$5,905,325	45%
0832-01	Mahtomedi Public Schools	\$6,621,953	\$3,047,212	46%
0623-01	Roseville Area Schools	\$20,469,353	\$9,732,947	48%
0834-01	Stillwater Area Public Schools	\$19,320,763	\$9,226,961	48%
0001-03	Minneapolis Public Schools	\$132,472,895	\$64,002,957	48%
0277-01	Westonka Public Schools	\$5,028,340	\$2,435,084	48%
0280-01	Richfield Public Schools	\$12,097,085	\$5,877,092	49%
0624-01	White Bear Lake Area Schools	\$22,864,379	\$11,157,709	49%
0720-01	Shakopee Public Schools	\$18,394,345	\$9,028,661	49%
0199-01	Inver Grove Heights Schools	\$7,594,544	\$3,733,792	49%
0194-01	Lakeville Area Public Schools	\$26,161,293	\$13,071,941	50%
0283-01	St. Louis Park Public Schools	\$9,778,992	\$4,910,332	50%
0742-01	St. Cloud Area School District 742	\$31,922,886	\$16,138,584	51%
0006-03	South St. Paul Public Schools	\$8,037,843	\$4,104,518	51%
0270-01	Hopkins Public Schools	\$15,248,194	\$7,797,862	51%
0719-01	Prior Lake-Savage Area Schools	\$15,756,448	\$8,124,851	52%
0622-01	North St. Paul-Maplewood-Oakdale School District	\$29,281,893	\$15,305,861	52%
0112-01	Eastern Carver County Schools	\$18,112,491	\$9,635,861	53%
0625-01	St. Paul Public Schools	\$108,084,740	\$58,073,858	54%
0272-01	Eden Prairie Schools	\$19,121,376	\$10,308,522	54%
0833-01	South Washington County Schools	\$40,454,449	\$21,981,689	54%
0635-01	Rochester Public Schools	\$44,820,728	\$24,664,727	55%
0191-01	Burnsville-Eagan-Savage School District 191	\$25,688,418	\$14,156,853	55%
0011-01	Anoka-Hennepin School District	\$94,567,244	\$53,061,769	56%
0273-01	Edina Public Schools	\$18,047,025	\$10,229,505	57%
0197-01	West St. Paul-Mendota Heights-Eagan School District	\$12,931,711	\$7,376,467	57%
0728-01	Elk River School District ISD #728	\$28,906,364	\$16,563,030	57%
0883-01	Rockford Area Schools	\$2,577,974	\$1,499,716	58%
0271-01	Bloomington Public Schools	\$29,600,892	\$17,590,118	59%
0278-01	Orono Schools	\$4,516,951	\$2,689,550	60%
0196-01	Rosemount-Apple Valley-Eagan Public Schools	\$70,763,678	\$42,613,592	60%
0276-01	Minnetonka Public Schools	\$16,912,855	\$10,730,430	63%
0014-01	Fridley Public Schools	\$9,052,538	\$5,768,638	64%
0621-01	Mounds View Public Schools	\$29,662,764	\$21,306,092	72%

What Do We Need To Do Now?

Have Clean Data!!!!!!

- All students in special education are correct in MARSS
- Disburse special ed. staff expenditures by the disability areas they serve
- Correctly code transportation expenditures
- UFARS and SEDRA match



What Is MASE Doing?



Training Directors of Special Education

May 9, 2018	Finance Boot Camp (Pilot)
Nov. 14, 2018	Finance Boot Camp - Bemidji
Jan. 16, 2019	Finance Boot Camp - Metro
Feb. 13, 2019	Finance Boot Camp - Staples
April 10, 2019	Finance Boot Camp - Mankato
May 15, 2019	Finance Boot Camp - Madden's

- MASA Conference
- AMSD Conference
- MASBO Conference

Legislation

Part of a Special Education Funding Work Group with MASA, MASBO, MSBA, & MREA

Meeting with Senator Pratt

Testified at the Senate Policy Committee

What Can We Do Together?

It's a balancing act between meeting student needs, legal requirements, unfunded mandates, and managing the new funding formula.

Unify our voices and collaborate/lobby with your
Special Education Director and Business
Manager!



Talking Points for Change

Funding Formula:

- Develop one predictable and equitable statewide special ed. funding formula
- Remove individual CAPs and have an equal proration factor for all districts
- Eliminate the use of a base year
- Use current year expenditure data, not prior year data
- Return special transportation to a dedicated funding source and fully fund (like the past)

Talking Points for Change

- Increase funding - funding is not sufficient to stop the growth of the cross-subsidy
- Look at MN Statutes that exceeds Federal Regulations causing increased costs
 - ◆ Example: FAPE in nonpublic school
- Apply the same standard for transporting open enrolled special education students as we have for general education students
- Apply the same standard for the closing of a grade due to capacity to ECSE and Transition programs

THANK YOU!

