



Lexington Public Schools

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“Our Schools”

The Impact of Special Education on School Budgets

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In the 1970s, the Massachusetts legislature and Congress passed laws mandating that students with special needs receive an adequate and appropriate education in the least restrictive environment, regardless of the cost. These mandated services to children have substantially improved the quality of education for our most needy students, while at the same time, placing an enormous financial burden on all public school systems in the country.

When Congress passed the Individuals with Disabilities Education Act in 1975, the federal government said it would pay 40% of all special education costs, but Congress never fully funded the law. Currently, the federal government provides less than 20% of the costs that cities and towns incur.

Although there have been increases in funding from the state legislature and Congress, the level of funding has been inadequate to cover the cost of providing these services. The lack of sufficient state and federal funding for special education has been a significant factor that has forced school districts to reduce their level of funding for regular education as a percentage of the total budget. From 1990 to 2005, the statewide change in district spending for regular education has increased 70.8%, as compared with a 156% increase for special education. During the same period, special education costs have increased from 17% to 21% as a percentage of total statewide education spending. In fact, for 29% of all Massachusetts school districts, including Lexington, the increase in local special education spending has exceeded 100% of all new state aid.

During the past ten years, the cost of Lexington's special education program has increased and decreased, as a percentage of the total school budget. In 1997, the total cost of special education was 17.4% of the total school budget. The cost of special education increased to 19.5% in 2000, decreased to 17.5% in 2003, and increased to 21.4% in 2006.

The special education budget is highly volatile. Large changes can occur from week to week with just a few changes in student placements. For example, this year, some students with serious psychiatric problems have had to be sent to therapeutic settings with little or no warning and at considerable expense. During the six-month period from April 2006 to October 2006, the mandated cost of out-of-district placements, aides, and transportation increased by \$1 million dollars.

One of the most common questions asked about the proposed fiscal 2008 school budget is, “What can be done to control special education costs?” On November 28, 2006, my staff and I presented a comprehensive report to the School Committee on the status of special education services in Lexington. The report presented a summary of current services and a three-year plan that will improve services and reduce the size of future budget increases. A copy of the full report to the School Committee is located on our Web site (<http://lps.lexingtonma.org/SPED.html>).

Specifically, in the November 28 report, we recommended the expansion of three in-district programs at the secondary level that will mean that more students will be able to remain in their Lexington schools and save the district expensive tuition and transportation costs to out-of-district schools. Two new programs, one for the middle schools and one for the high school, are planned for students with autism. The third new program, for the high school, is designed for students with emotional disabilities, who account for a majority of our out-of-district costs. These three programs are concrete examples of the innovative ways we are providing services while reducing costs. I am pleased to report that the School Committee voted to fund the first phase of the three-year program. Already, we are beginning to see evidence that these expanded programs will reduce costs next year.

In addition, we continue to take aggressive steps to control and monitor costs. Starting in March 2006, new accounting procedures were implemented to ensure that we are only paying for legally required services, that we are better able to forecast costs, and to apply for all applicable state reimbursements. We instituted new procedures for tracking the cost of services on a daily basis. Increased staffing and staff training have also improved the district’s capacity to find less expensive alternatives to expensive outside placements.

The report also described the range of in-district and out-of-district services Lexington provides for its 1200 special education students who range in age from 2 years and 9 months to 22. Children covered by this department have a wide range of needs, including Autism Spectrum Disorder, common learning disabilities such as dyslexia, a wide range of emotional and mental disorders, and temporary or permanent impairments caused by an illness or an accident. Approximately, 130 students require educational services in collaborative schools, private special day schools, or residential placements.

Besides building better programs in-house, we need to continue our lobbying efforts. For instance, special education transportation, alone, is more than \$850,000 of Lexington’s 2006-2007 school budget, and it is expected to top \$1 million in 2007-2008. This is a mandatory expense for which school districts receive no compensation at all. Local legislators have indicated support for reimbursement of special education transportation, and they should be encouraged to follow through. Obviously even a partial reimbursement would be a huge relief.

Although we will continue to advocate as strongly as possible for additional reimbursement from the state and federal governments for the cost of educating our most vulnerable students, we are as committed as ever to providing them with the services they deserve in the most efficient way possible.