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|  | Annual Report on Students with Disabilities 2016-2017 |
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| Pursuant to Section 432 Chapter 159 Acts of2000  Massachusetts Department of Elementary and Secondary Education  75 Pleasant Street, Malden, MA 02148-4906  Phone 781-338-3000 TTY: N.E.T. Relay 800-439-2370  www.doe.mass.edu | |

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# Introduction

The Department of Elementary and Secondary Education (“the Department” or “ESE”) respectfully submits this Report to the Legislature for fiscal year 2017 pursuant to Chapter 159 of the Acts of 2000, Section 432, which reads in relevant part:

*Section 432. The department of education shall annually, on or before November 1, report to the General Court on the implementation of the provisions of this act. Such report shall include a description on the progress made by school districts in implementing the federal standard, cost increases or savings in cities and towns, the degree of success in providing students with special services within the district or the commonwealth, the extent of the development of education collaboratives to provide necessary services, the increase or decrease of the number of students served, federal non-compliance issues and other matters as said department deems appropriate. Such report shall be filed with the Clerks of the House and Senate who shall forward the same to the joint committee on education, arts and humanities and the house and senate committees on ways and means. The joint committee on education, arts and humanities shall hold an oversight hearing to review implementation of the provisions of this act, including but not limited to the issues raised in the department’s report.*

The Department also makes publicly available on its website extensive information relating to special education services, including but not limited to much of the data relied upon for this report. For more information, please visit: <https://www.doe/mass.edu/sped/> and <https://profiles.doe.mass.edu>.

# Reported Progress and Degree of Success

Under the Individuals with Disabilities Education Act (IDEA), each state is required to submit a state performance plan/annual performance report (SPP/APR) to the federal government.

This SPP/APR explains how the state is working to meet IDEA's requirements. SPP/APRs include:

* Indicators that measure child and family outcomes. These are called "Performance Indicators." There are eight Performance Indicators.
* Indicators that measure compliance with IDEA. These are called "Compliance Indicators." There are nine Compliance Indicators.

The state systemic improvement plan (SSIP) is part of the SPP/APR but required a separate report until FFY2020. (FFY refers to Federal Fiscal Year.) These reports are submitted and approved by the Office of Special Education Programs (OSEP) each year.

**Massachusetts's SPP/APR Submissions:**

Below you will find the most recent State Performance Plan/Annual Performance Report (SPP/APR) and the Office of Special Education Programs' (OSEP) response, including any required actions.

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| **SPP/APR Results** | **SSIP** |
| * + [Massachusetts SPP APR for FFY2016](https://osep.communities.ed.gov/#communities/pdc/documents/19432)   (state fiscal year 2017) | * [MA SSIP FFY2016](https://view.officeapps.live.com/op/view.aspx?src=https%3A%2F%2Fwww.doe.mass.edu%2Fsped%2Fspp%2Fssip-phaseiii-2016.docx&wdOrigin=BROWSELINK)   (state fiscal year 2017) |

# U.S. Department of Education Feedback and Engagement

On June 28, 2016, U.S. Department of Education, determined that Massachusetts meets the requirements and purposes of Part B of the IDEA. This determination was based on the totality Massachusetts’ submitted data and information, including the Federal fiscal year (FFY) 2014 State Performance Plan/Annual Performance Report (SPP/APR), other State-reported data, and other publicly available information.

# Financial Summary

## FY10-FY17

Public school districts report special education expenditures to the Department at the end of each year. Table 1 below shows the most recent available data and indicates that both total school operating budgets and combined special education expenditures have increased over the past eight years. Columns A–D include general fund expenditures, including school committee and city or town appropriations, and expenditures from the [Special Education Reimbursement (Circuit Breaker) Program](http://www.doe.mass.edu/finance/circuitbreaker). Column E includes special education related spending from grants, such as the Individuals with Disabilities Education Act (IDEA) grant program, and other revolving accounts. The operating budget includes municipal indirect spending for schools but excludes capital expenditures and transportation.

* *Direct special education expenditures* include only those that can be related specifically to pupils receiving special education services.
* *Other instructional* includes supervisory, textbooks and instructional equipment, guidance, and psychological services.
* *MA Public Schools and Collaboratives* includes other public school districts, educational collaboratives, and charter schools.
* *Grants and Revolving Funds* includes special education related spending from grants and other revolving funds.

**Table 1: Direct Special Education Expenditures, FY10–FY17**

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | In-District Instruction | | Out-of-District Tuition | |  |  |  |  |  |  |
|  | A | B | C | D | E | F |  | G |  | H |
| Fiscal Year | Teaching | Other Instructional | MA Public Schools and Collaboratives | Private and Out-of-State Schools | Grants and Revolving Funds | Combined Special Education Expenditures (A+B+C+D+E) | Combined Special Education % Change | Total District Operating Budget | Total District Operating % Change | Special Education % of Budget (F/G) |
| 2010 | $1,221,013,990 | $218,427,989 | $227,788,246 | $422,154,925 | $306,252,151 | $2,395,637,300 | 4.4% | $12,878,631,945 | 0.5% | 19.0% |
| 2011 | $1,214,460,177 | $228,099,615 | $247,705,077 | $435,878,518 | $326,070,447 | $2,452,213,835 | 2.4% | $13,159,512,711 | 2.2% | 19.0% |
| 2012 | $1,290,077,736 | $239,348,839 | $258,638,457 | $475,131,655 | $265,035,320 | $2,528,232,008 | 3.1% | $13,368,454,030 | 1.6% | 19.0% |
| 2013 | $1,391,965,489 | $248,371,565 | $257,399,529 | $507,772,957 | $261,401,934 | $2,666,911,473 | 5.5% | $13,781,893,000 | 3.1% | 19.0% |
| 2014 | $1,459,052,497 | $257,503,366 | $260,473,181 | $511,950,369 | $251,854,882 | $2,740,834,295 | 2.8% | $14,280,267,791 | 3.6% | 19.0% |
| 2015 | $1,538,264,046 | $274,350,220 | $277,668,145 | $515,440,784 | $259,489,205 | $2,865,212,400 | 4.5% | $14,687,931,063 | 2.9% | 20.0% |
| 2016 | $1,606,671,742 | $290,935,527 | $294,603,572 | $537,325,210 | $259,710,031 | $2,989,246,081 | 4.3% | $15,225,058,386 | 3.7% | 20.0% |
| 2017 | $1,691,764,688 | $304,185,064 | $313,607,976 | $566,149,194 | $256,952,238 | $3,132,659,160 | 4.8% | $15,730,321,535 | 3.3% | 20.0% |

*Source: End of Year Pupil and Financial Report, Schedule 4 – Special Education Expenditures*

From FY10 to FY17, statewide growth in direct special education expenditures outpaced growth in the total school operating budget. Average annual growth over this period for special education expenditures was 4.0 percent and for total district operating expenditures it was 2.6 percent. Since this is a statewide average, individual districts do not necessarily follow this pattern, though the trend in the Commonwealth’s 29 urban districts was similar, with special education expenditures growing by 4.1 percent compared to 2.6 percent for total operating expenditures. On average, growth in special education spending has put some pressure on the rest of the operating budget for many districts.

## Circuit Breaker

The state Special Education Reimbursement (“Circuit Breaker”) Program, enacted by the Legislature in 2000 under c. 159, § 171, was first implemented in FY04. The Circuit Breaker program is designed to provide additional state financial assistance to school districts that have incurred exceptionally high costs in educating individual students with disabilities. The law supports shared costs between the Department and the school district when costs rise above a certain level, at which point the state will share up to 75 percent of the costs. Massachusetts state funds are available to reimburse a school district for students with disabilities whose special education costs exceed four times the state average foundation budget per pupil.

Annual reports for reimbursement rates can be found at <https://www.doe.mass.edu/finance/circuitbreaker/rates.html>, while payments by district can be found at <https://www.doe.mass.edu/finance/circuitbreaker/payments/>

# Development of Education Collaboratives

Formed through an agreement among two or more local school committees and/or charter school boards under the provisions of [Chapter 40, Section 4E](https://malegislature.gov/Laws/GeneralLaws/PartI/TitleVII/Chapter40/Section4E), [education collaboratives](https://moecnet.org/) provide programming that supplements and strengthens the programs and services offered by local school committees and charter school boards. Education collaboratives enhance regional educational capacity while providing cost-effective services and resources to member and non-member districts.

In FY2017, 4,112 students with a full range of special needs were provided high-quality and tailored education. Responsible for educating many of the most vulnerable students, collaboratives have played a leadership role in developing a broad range of innovative programming to meet a variety of needs by providing training and sharing educational practices.

Additional information on collaboratives, including the authorizing law and companion regulations [(603 CMR 50.00)](https://www.doe.mass.edu/lawsregs/603cmr50.html?section=all#:~:text=authority%20of%20M.G.L.-,c.,and%20operation%20of%20educational%20collaboratives.) may be accessed on DESE’s [website](https://www.doe.mass.edu/edcollaboratives/).

# Enrollment

Massachusetts’ total student enrollment increased slightly from school year 2015-2016 (FY16) to 2016-2017 (FY17), while the number of students receiving special education services increased as well. The percentage of students with Individualized Education Programs (IEPs) enrolled in Massachusetts public schools increased by 0.2 percentage points in FY17 (Table 2). It should be noted that Massachusetts uses the total number of publicly enrolled students as the denominator when calculating the percentage enrollment of students with disabilities in special education.

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| **Table 2: Number and Percentage of Students with Disabilities, FY07–FY17** | | | |
| School  Year | Total Special Education Enrollment | Total  Enrollment | Percentage of Students with Disabilities |
| 2006-07 | 163,396 | 979,851 | 16.7% |
| 2007-08 | 164,298 | 972,178 | 16.9% |
| 2008-09 | 166,037 | 970,059 | 17.1% |
| 2009-10 | 164,847 | 967,951 | 17.0% |
| 2010-11 | 164,711 | 966,395 | 17.0% |
| 2011-12 | 163,679 | 964,198 | 17.0% |
| 2012-13 | 163,921 | 965,602 | 17.0% |
| 2013-14 | 164,336 | 966,360 | 17.0% |
| 2014-15 | 165,060 | 966,391 | 17.1% |
| 2015-16 | 165,560 | 953,429 | 17.2% |
| 2016-17 | 167,530 | 953,748 | 17.4% |
| *Source: Massachusetts Student Information Management System* | | | |

# For More Information

The information in this report is a compilation of data and narrative contributions from several units within the Department. If you have any questions, please contact Russell Johnston, PhD, State Director of Special Education, by email at [russell.johnston@mass.gov](mailto:russell.johnston@mass.gov) or by phone at

781-338-3564.