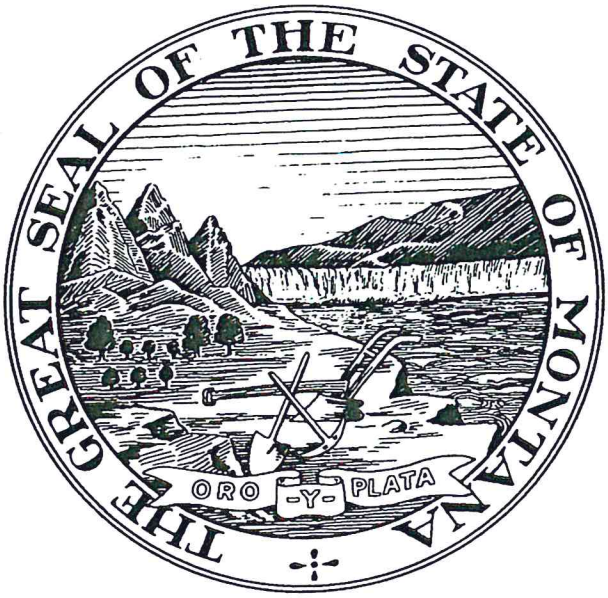
SPECIAL EDUCATION REPORT TO THE BOARD OF PUBLIC EDUCATION

July 2017



OFFICE OF PUBLIC INSTRUCTION

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Special Education Division

The Special Education Division of the Office of Public Instruction (OPI) provides many services to Montana schools to assist them in providing a quality education to all students. The programs managed through this division are all aligned with Superintendent Juneau's Graduation Matters Montana initiative. The special education division is organized into four work units that provide professional development, funding, data collection and analysis, and general supervision to local school districts. These efforts are supported by an excellent group of administrative assistants that keep the division functioning smoothly. Below is a brief description of the major activities of each unit in the Special Education Division.

School Improvement/Compliance Monitoring Unit

Under the requirements of the Individuals with Disabilities Education Act (IDEA) the OPI must provide General Supervision of the special education and related services provided to students with disabilities in Montana. The OPI must ensure that each child with a disability is identified and provided with a Free Appropriate Public Education (FAPE). The OPI's compliance monitoring activities are a major component of the system that is in place to meet the General Supervision requirements. The monitoring staff provides technical assistance to school district staff to support them in maintaining compliance with the requirements of the IDEA regulations and Montana rules. When an instance of noncompliance is identified, the monitoring staff works with the school district to correct the noncompliance and to develop procedures that will lead to continued regulatory compliance. The unit staff also provides on-site and phone consultation to local school staff to assist in developing effective programs for children.

Professional Development Unit

The Professional Development Unit is responsible for implementing a number of major training initiatives for the OPI. This unit operates the State Personnel Development Grant (SPDG) programs, as well as programs funded through the IDEA discretionary grant monies. These programs include:

Comprehensive System of Personnel Development (CSPD) – CSPD is a unified personnel development system that ensures quality educational programs and services for all children and youth. The CSPD uses a process which includes preservice, inservice and technical assistance for parents, general education staff, administrators and other service providers with the end result being better programs and services for all children and youth. This is accomplished by collaborating with all stakeholders, disseminating best practices, and the evaluation of CSPD activities. Montana CSPD is organized through a statewide council and five regional councils.

Montana Behavioral Initiative (MBI) – MBI is a proactive approach to creating behavioral supports and a social culture that establishes social, emotional, and academic success for all students. MBI uses the Response to Intervention model which is a 3-tiered system of support and a problem solving process to assist schools in meeting the needs of and effectively educating all students. The MBI has five key goals: to increase the awareness and understanding of effective schools practices; to increase and improve the use of team processes in educational decision-making and in addressing issues concerning our youth; to support the implementation of best practices procedures in Montana's schools, foster beliefs which hold that all children are valued, and that positive and proactive approaches to problems produce the most satisfying results; to increase awareness regarding the value and use of data-based decision-making in education; and to foster the belief that the education of today's youth is a community responsibility.

Response to Intervention (RTI) – RTI is the practice of providing high-quality instruction to all students based on individual need. The principles that guide RTI implementation in Montana are: effective schools use a team approach to make data-based decisions for individual students to increase student achievement; schools utilize data from universal screenings and ongoing assessment practices to make informed decisions about student needs; strong leadership at the state, district, and school levels is essential to improving teaching and learning; students should be taught all skills necessary for success: academic, social, behavioral, and emotional; schools and communities must work together to meet the diverse needs of students and honor the traditions and contributions of both family and community members; successful schools provide ongoing training for staff; all teachers believe in and are invested in helping all students to be successful; and schools need support and specialized training in order to meet the needs of teachers and students.

Montana Autism Education Project (MAEP) – Helping students with autism learn requires specific skills and knowledge beyond what is acquired through teacher preservice programs or attendance at lectures and workshops. Other agencies in Montana are targeting services specifically to children with autism and are developing or already using training curricula and certification in the area of autism for staff who work with the same children who are being educated in public schools. In the near future, school staff working with children with autism will be expected by parents and non-school professionals to have specific knowledge in autism-specific educational techniques. The goals of MAEP are: to increase district-level knowledge of how to educate students with autism through interactive video training; on-site technical assistance and peer-to-peer collaboration; to develop sustainable groups across Montana of on-site or regional educators who can educate students with autism and provide assistance to other school districts; and to develop inter-agency collaboration between the OPI, school districts, Part C Agency providers, Department of Public Health and Human Services, Parents Let's Unite for Kids (PLUK), and Institutes of Higher Education.

School-Based Mental Health – In collaboration with the Health Enhancement division of the OPI and the Children's Mental Health Bureau at the Department of Public Health and Human Services (DPHHS) the Special Education division works to address the mental health needs of Montana's children. The activities of this project include providing training to school district staff on the recognition of mental health concerns and intervention and prevention strategies; facilitation of several communities of practice regarding the mental health needs of children in schools; and working with local school districts to develop suicide prevention and response protocols.

Montana Higher Education Consortium – With the assistance of the Technical Assistance for Excellence in Special Education (TAESE) center at the University of Utah, the OPI continues to work with representatives of all Montana teacher education programs to improve preservice instruction. The OPI has always been interested in and encouraged the involvement of Institutions of Higher Education (IHE) in state-coordinated activities such as the State Special Education Advisory Panel, Comprehensive System of Personnel Development Council, State Professional Development Plan and State Performance Plan. The consortium is an activity under the Montana State Comprehensive System of Personnel Development (CSPD). The OPI has supported the Higher Education Consortium for the past 12 years. One outcome of the Consortium is to create a mechanism to foster greater involvement of IHEs in important educational initiatives to ensure there is consistency between the message of the OPI and IHEs regarding future teachers on important educational initiatives.

Traineeships – In partnership with the University of Montana and Montana State University-Billings, the OPI provides support for training programs for special education teachers, speech-language pathologists, and school psychologists. These programs help defray the costs of training and provide a structure for supervision of students as they complete their training. In addition, students who participate in these programs agree to work in Montana schools for a minimum of two years after licensure.

Data and Accountability Unit

The Data and Accountability staff oversees the collection, analysis and reporting of all special education data required for federal and state reporting purposes. The staff provides technical assistance and support to local district staff in the management of student data related to special education.

IDEA Part B Program Unit

The IDEA Part B Program manager oversees the distribution of state and federal special education funds and ensures accountability for the use of those funds. Each year the OPI distributes over $78 million dollars in special education funds to Montana school districts. The program manager reviews and approves the applications for the IDEA funds, determines what expenditures are allowable, and works with other OPI staff to set the special education rates for state appropriations. This unit is also responsible for submitting the Annual Application for Funding under the IDEA and all related grant reporting and fiscal requirements.

Students Served

Special Education Child Count and Student Enrollment

Public schools must make available special education and related services to all students with disabilities beginning at age three and continuing until the student is determined to be no longer eligible. Students exit special education by returning to regular education, graduating, or reaching the maximum age of attendance. In most Montana school districts students may attend through age 18. Services to students ages 19, 20, and 21 are permissive. Several Montana school districts do provide services to students beyond age 19. As of the October 2016 child count, there were 14 districts providing services to 31 students ages 19 through 21.

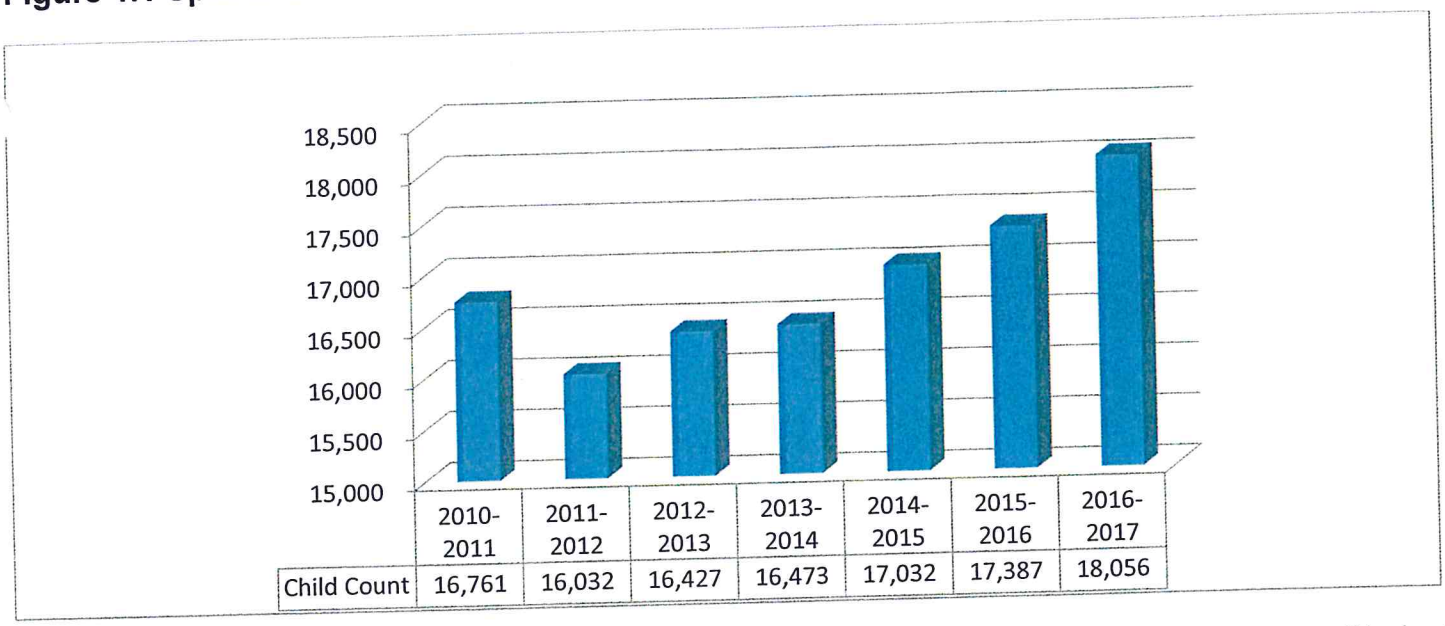
Eligibility as a student with a disability is a two-part test. To be eligible a student must meet the criteria for one of the 13 disability categories and demonstrate a need for special education and related services. Students who are eligible for special education receive a wide range of services, including specially designed instruction, transition services, assistive technology, and related services such as speech-language therapy, interpreting services, occupational therapy, and physical therapy. The student's Individualized Education Program (IEP) team determines the type and amount of services that each student receives.

Students with disabilities that have been parentally placed in a private school, including home-schooled children, are eligible to receive special education and related services, although they are not entitled to a Free Appropriate Public Education (FAPE). The amount and type of services available to private school students are different than for public school students. The determination of the types of services made available to private school students is based on discussions between the local school district and the private school officials. The amount of services available is limited to the funding available under the Individuals with Disabilities Education Act (IDEA) proportionate share calculation.

On the first Monday of October each year the Special Education Child Count is conducted. This is a count of students with disabilities who have a valid IEP and are receiving special education services on that date. The count includes students who are enrolled in public schools, publicly funded schools, residential treatment facilities that contract with the OPI, and students who are in private or home schools and are receiving special education services from a public school under a Services Plan.

Figure 1.1 below shows the Child Count Trend data from the 2010-2011 school year to present.

Figure 1.1 Special Education Child Count Longitudinal Data



The data in Figure 1.1 show an upward trend in the overall Child Count numbers for Montana. Student enrollment for all students shows the same type of increase. Figures 1.2 and 1.3 below show the trend data for student enrollment and for the identification rates for students with disabilities.

Figure 1.2 Student Enrollment Data Grades Pre-Kindergarten through 12

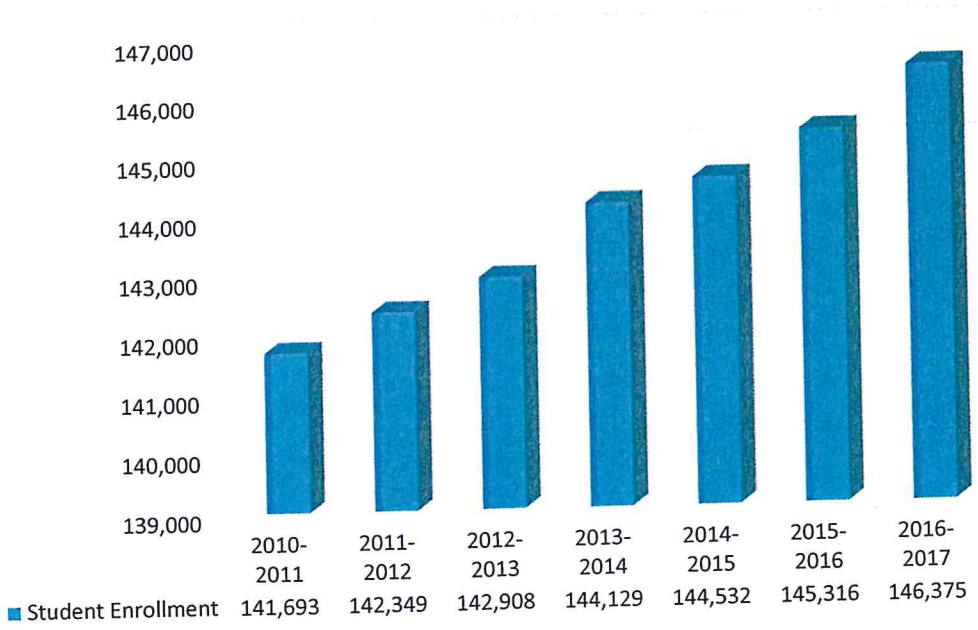
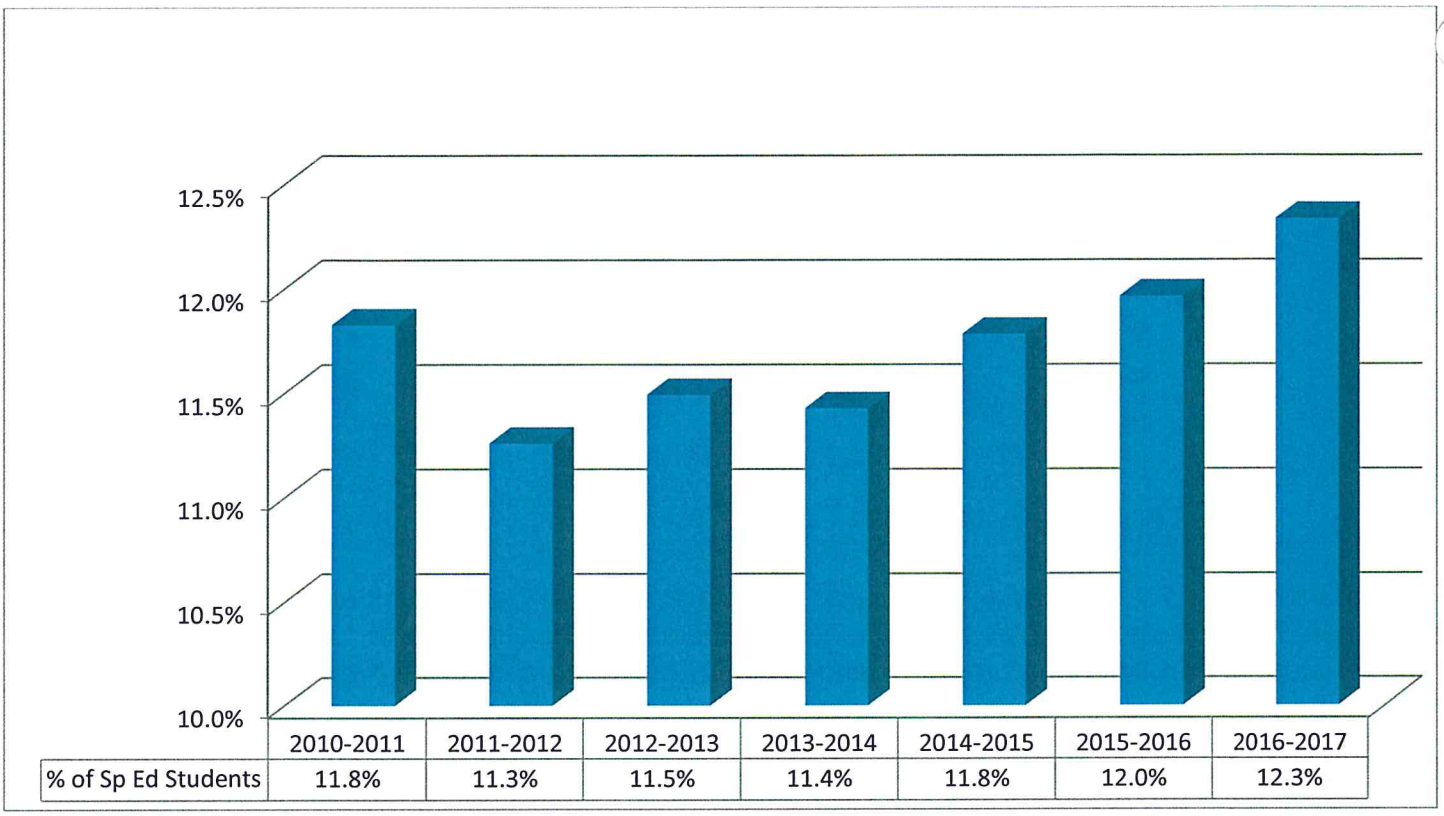


Figure 1.3 Special Education students aged 3-21 as a percentage of student enrollment grade PK through 12.

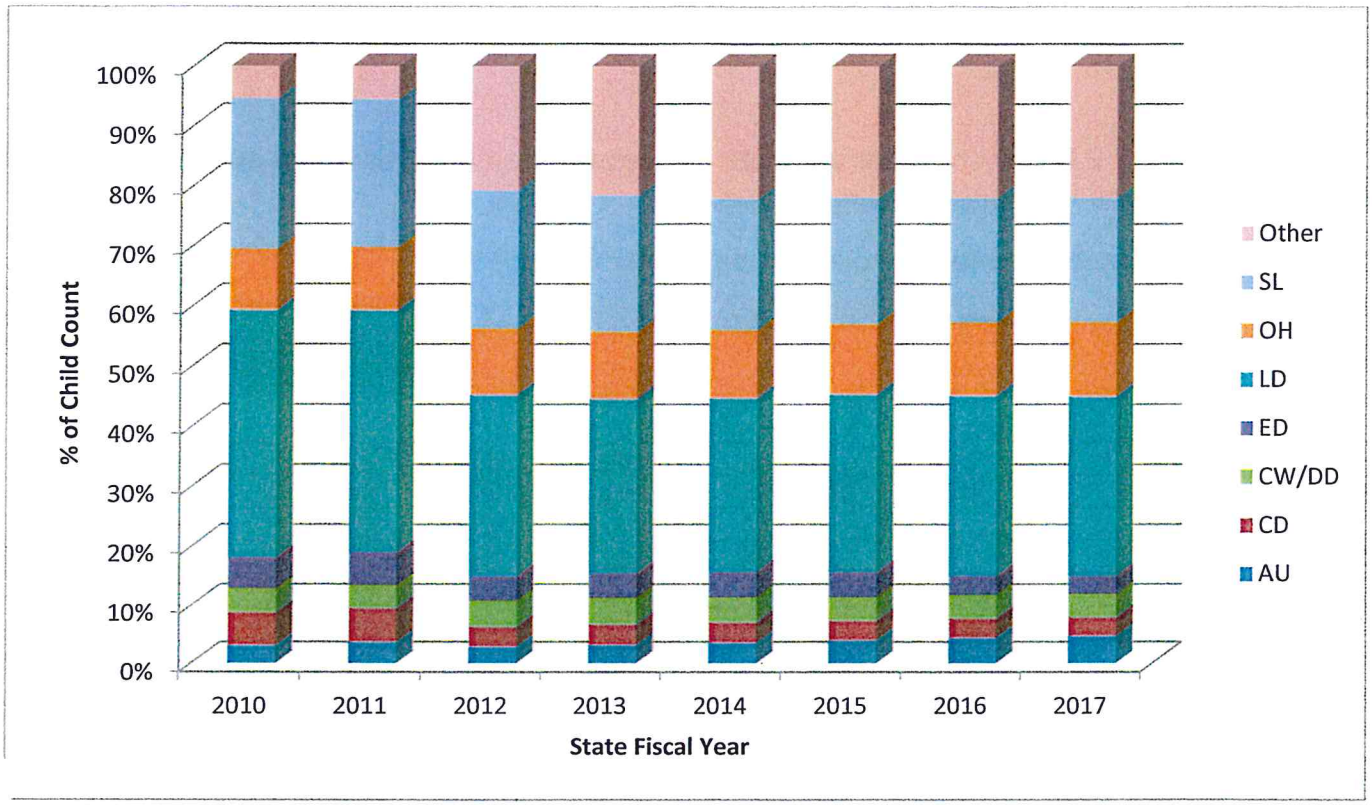


	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
% of Sp Ed Students	11.8%	11.3%	11.5%	11.4%	11.8%	12.0%	12.3%

As the interested reader can see from the figures above, the number of students with disabilities who are eligible for special education and related services in Montana has grown at a faster pace than the total enrollment. This has resulted in an increase in the proportion of students identified as students with disabilities. The data show an increase of 669 students with disabilities for the 2016-2017 school year.

Student Identification by Disability

Figure 1.4 Disabilities by Percentage of Total Child Count



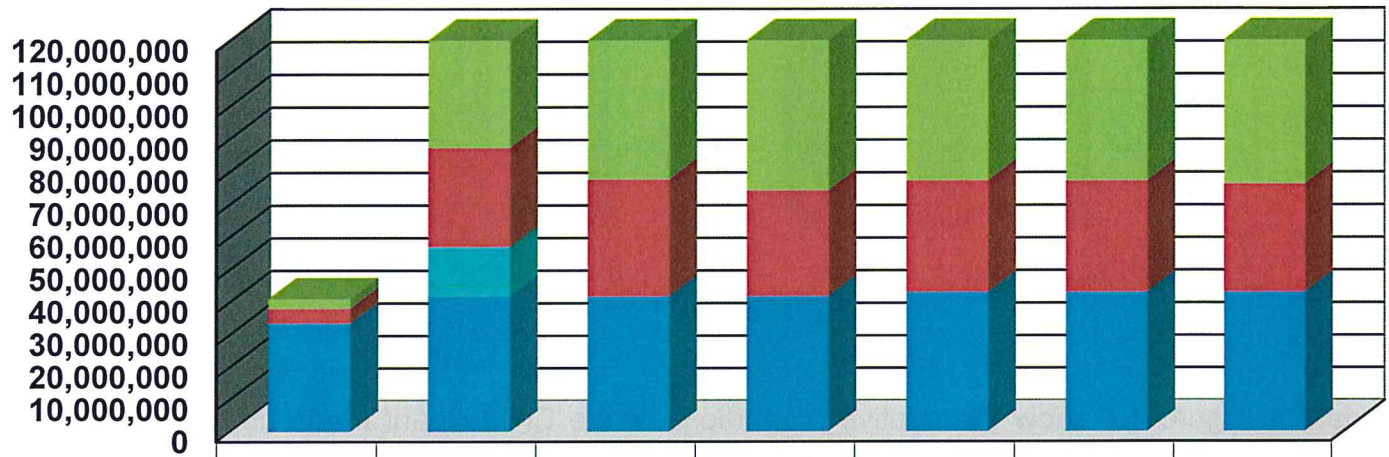
The data in Figure 1.4 show the relative proportions of the Child Count made up by students with various disabilities. The proportions have remained stable over the last several years. The shift in the proportions between 2011 and 2012 is due to a change in the reporting requirements. The Other category includes students with Multiple Disabilities, Hearing Impairment, Orthopedic Impairment, Visual Impairment, Traumatic Brain Injury, Deafness, and Deaf-Blindness.

Funding

There are three main funding streams for school districts to use in meeting the costs of providing special education and related services to students with disabilities in Montana. Local, state and federal funds may be used for this purpose. The expenditure of these funds is reported to the OPI using the Trustees Financial Summary (TFS) report each year in September. The data from those reports are used to provide the summary information below and to ensure compliance with the fiscal regulations of the IDEA.

Figure 2.1 and Figure 2.2 below show the amounts and relative percentages of the special education expenditures which come from each funding source.

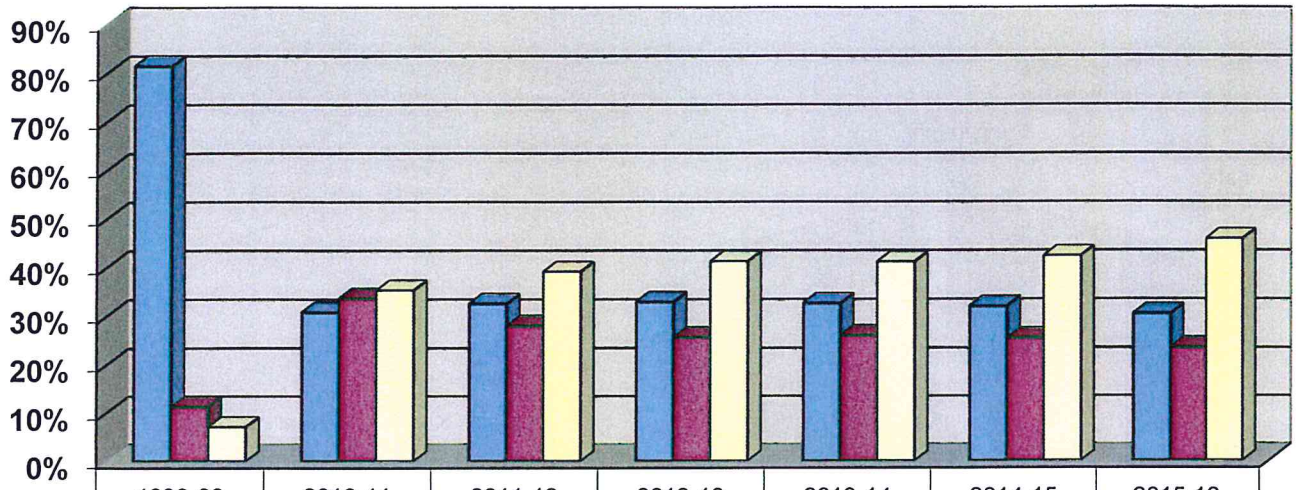
Figure 2.1 Amounts Expended for Special Education by School Year



	1989-90	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Local $$	2,916,889	47,753,173	50,047,503	52,139,370	54,049,472	56,693,388	64,370,858
Federal $$	4,660,917	30,410,904	35,931,349	32,509,787	34,282,910	34,186,088	33,181,846
ARRA $$ Fed		15,133,799					
State $$	33,361,646	41,657,703	41,638,006	41,679,344	42,882,749	42,882,749	42,843,038

Figure 2.1 shows the amounts, in dollars, which were expended in each of the last five years (along with the base year of 1989-1990) to cover the costs of providing special education and related services to Montana students. During the 2010-2011 school years an additional amount of funds was made available to schools under the American Recovery and Reinvestment Act (ARRA). This increased the federal share of the expenditures for those two years. The ARRA funds have all been expended and will not be included in future years' expenditures. As can be seen above, the total expenditures for special education during the 2015-2016 school year (State Fiscal Year 2016) were just above $140 million dollars. This chart shows that there was an increase of over $7.6 million in local expenditures between SFY 2015 and SFY 2016. Expenditures of state funds decreased slightly, and federal expenditures decreased by $1 million during the same period. The amount of local funds used to pay for special education and related services costs has increased steadily over time.

Figure 2.2 Percentages of State, Federal, and Local Funds Used for Special Education



	1989-90	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
State Share	0.814902114	0.308677143	0.326273556	0.329928275	0.32681253	0.320589383	0.305159098
Federal Share	0.113849032	0.337479217	0.281556449	0.257343247	0.261272537	0.255573561	0.236345103
Local Share	0.071248853	0.35384364	0.392169995	0.412728477	0.411914933	0.423837057	0.458495799

Figure 2.2 shows the relative percentages of the total expenditures that come from each source. As was noted above, the availability of the ARRA IDEA funds during the 2010-2011 school year increased the proportion of expenditures attributed to federal sources. Despite that influx of ARRA dollars, the proportion of the expenditures that are from local sources has continued to increase over the years.

Federal Funding Under IDEA

Each year, Montana receives an award of funds from the U.S. Department of Education (ED) under the IDEA Part B (Section 611) and Preschool (Section 619). For the 2015-2016 school year Montana received a total IDEA allocation of $38,049,110. Of this amount, $4,693,273 was set aside for administrative purposes, and $33,355,837 was distributed to local school districts. The IDEA funds are allocated by school district and distributed to the approximately 70 IDEA Part B projects through the electronic grants management system (EGrants). School districts that are members of a cooperative or consortium submit a joint application for funds to the OPI and the funds are then distributed to the cooperative/consortium.

State Special Education Funding

Montana's special education funding structure distributes state appropriations in accordance with 20-9-321, MCA, based on a combination of school enrollment and expenditures. Seventy percent of the appropriation is distributed through the instructional and related services block grants, which are based on enrollment. Twenty-five percent of the funds are distributed through reimbursement for disproportionate costs, which is based on expenditures, and the remaining 5 percent is distributed to special education cooperatives to cover costs related to travel and administration. Figure 2.3 shows the breakout of state funding by percentage.

Figure 2.3 Percentage of State Special Education Funding by Category

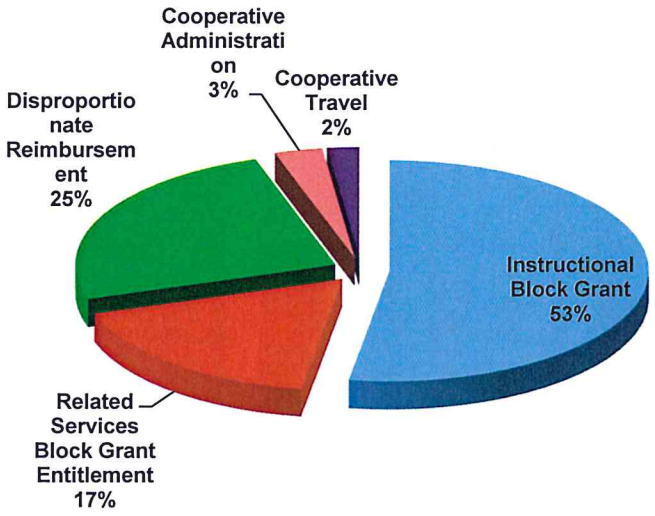


Table 2.1 below shows the projected state entitlements for the 2017-2018 school year in each funding category.

Table 2.1 Preliminary State Entitlement for 2017-2018 School Year

Instructional Block Grant	$22,763,336
Related Services Block Grant Entitlement	$7,586,775
Disproportionate Reimbursement	$10,840,368
Cooperative Administration	$1,300,844
Cooperative Travel	$867,229
Total	$43,358,551

State Funding Trend Data

Figure 2.4 Instructional Block Grant per Student Allocation

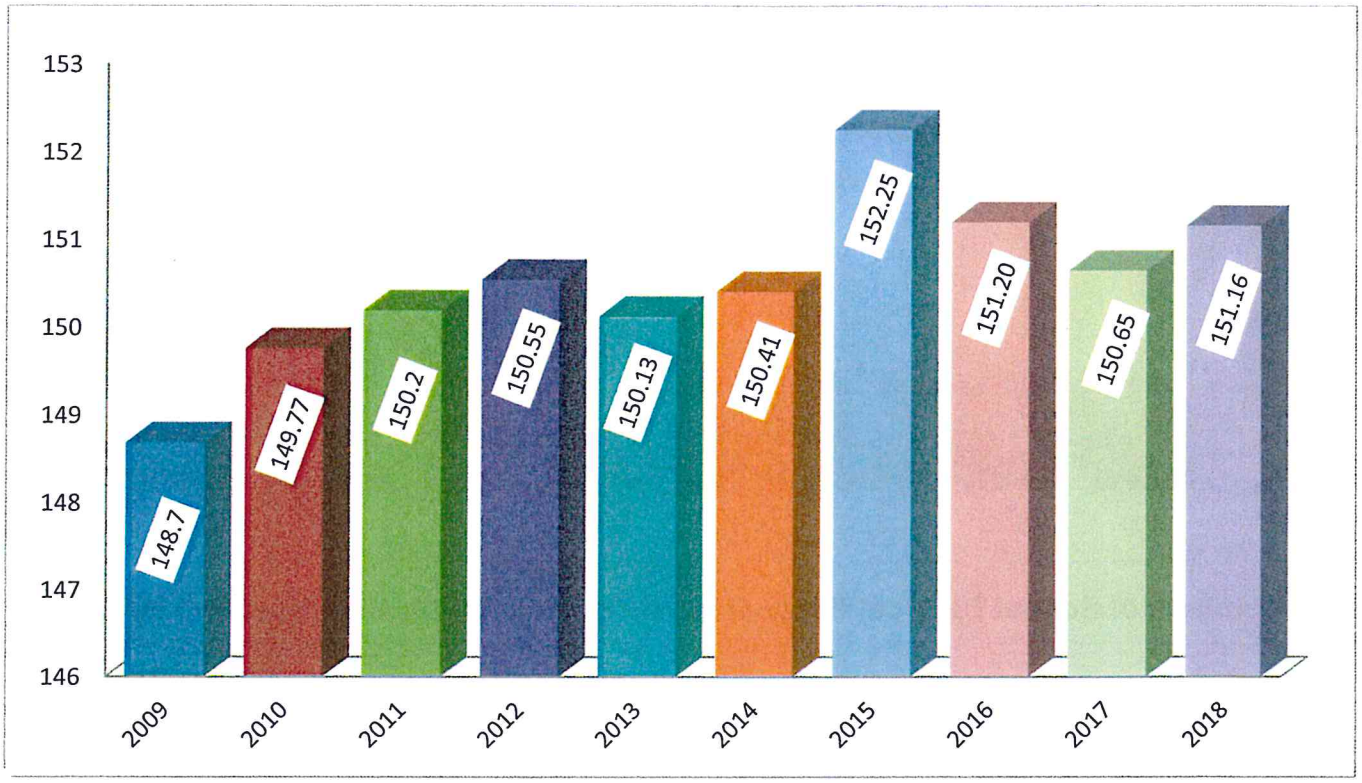


Figure 2.4 shows that the Instructional Block Grant rate increased for fiscal year 2018. This is a result of an inflationary increase in funding for special education, which results in an increased per-pupil amount. This rate is adjusted annually based on the amount of the legislative appropriation and the enrollment figures for the previous year. A small amount of the allocation is set-aside each year to allow for adjustments as enrollments change.

Figure 2.5 Related Services Block Grant per Student Allocation

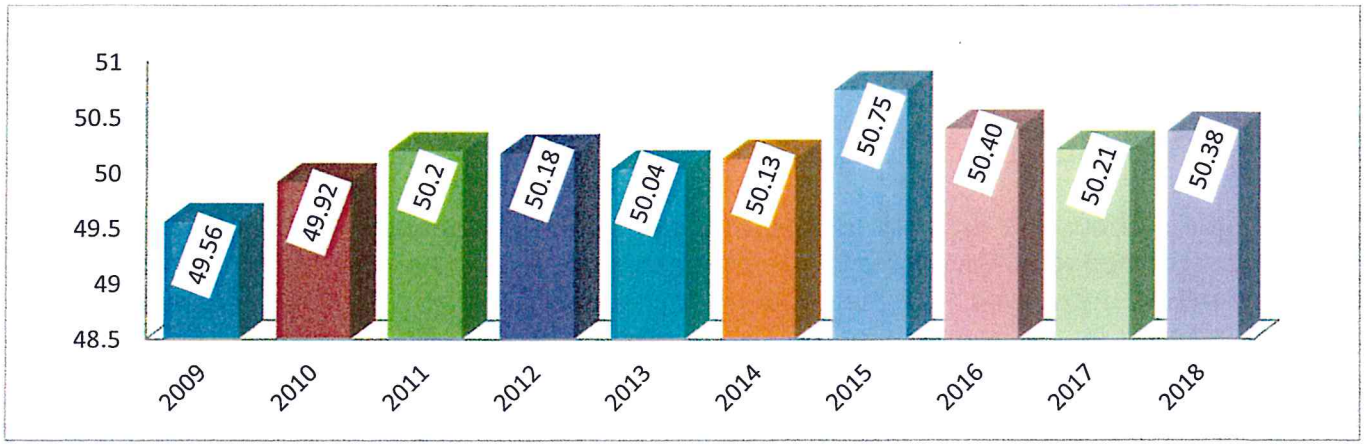


Figure 2.5 shows a corresponding increase in the Related Services Block Grant rate for fiscal year 2018.

Reimbursement of Disproportionate Costs

The proportion of the total state appropriation distributed in the form of reimbursement for disproportionate costs is set at 25 percent of the total appropriation for special education costs. Changes in the amounts distributed are a function of changes in the state appropriation.

Figure 2.6 shows the total dollar amount distributed for disproportionate cost reimbursements by year and Figure 2.7 shows the number of school districts receiving those reimbursements.

Figure 2.6 Total Amounts for Disproportionate Cost Reimbursement by Year

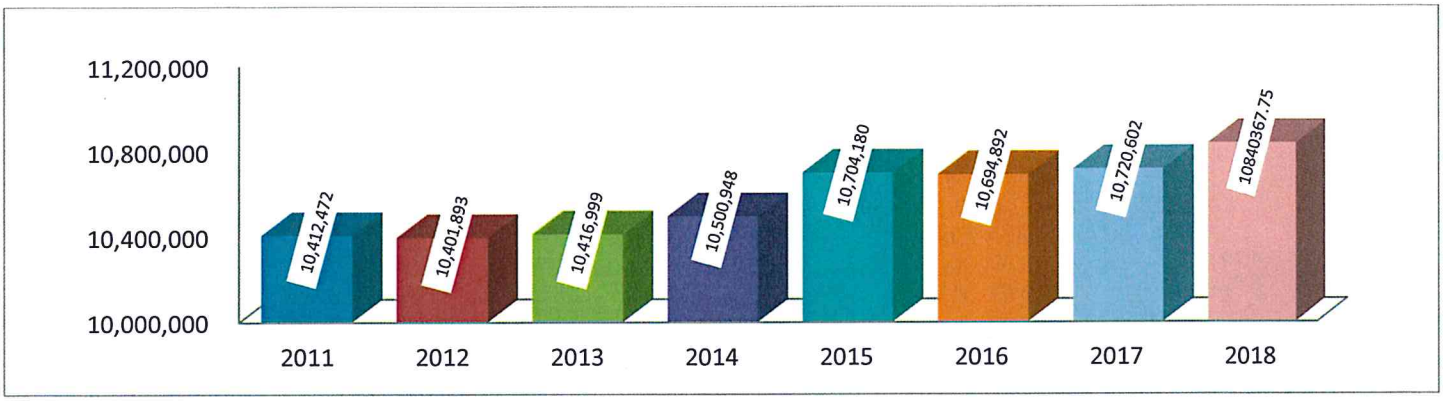
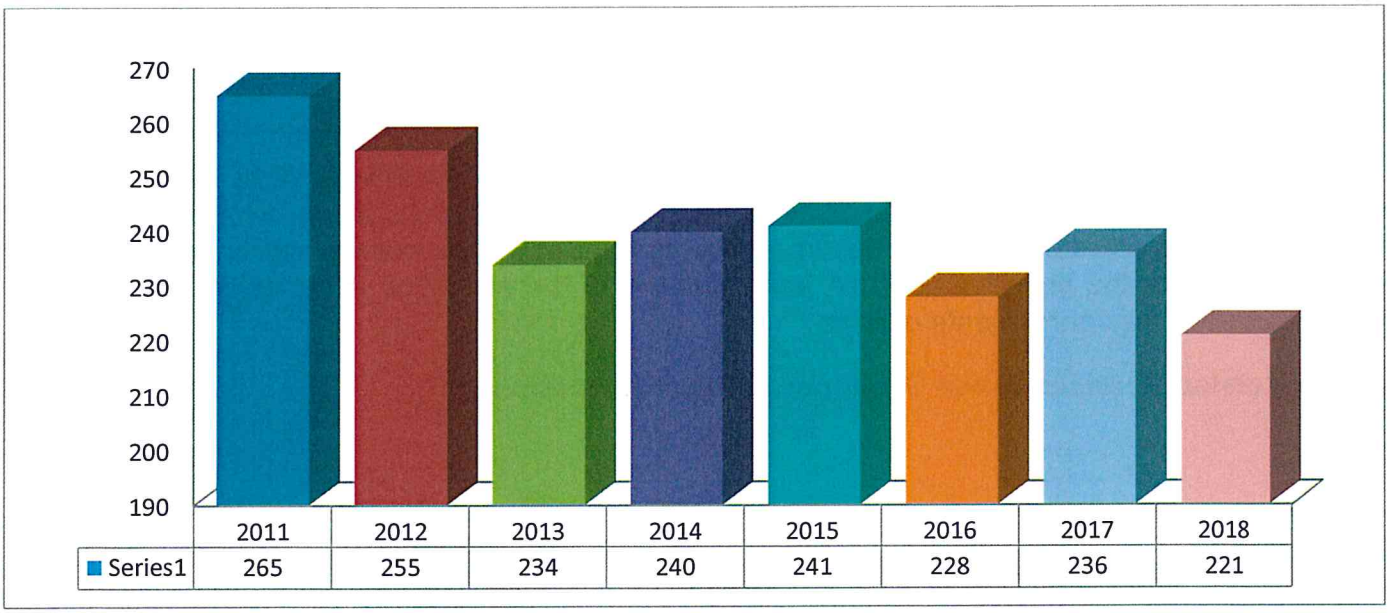


Figure 2.7 Numbers of School Districts Receiving Reimbursement for Disproportionate Costs



	2011	2012	2013	2014	2015	2016	2017	2018
Series1	265	255	234	240	241	228	236	221

As these two figures show, the dollar amount distributed to school districts as disproportionate cost reimbursements remained relatively stable for the last fiscal year, but the number of districts that receive those reimbursements decreased. As the costs of education as a whole increase, the amount that must be spent to meet the requirements for the disproportionate costs also increases.

Local Funding

The greatest share of funding for increased costs of special education has come from the local general fund budgets. Local school districts have absorbed the increases in costs of special education by increasing their contribution to over $64 million dollars in state fiscal year 2016. This amount represented over 45 percent of the total expenditures for special education. The amount of local funds expended has continued to increase. The need for public school districts to expend local funds to cover

the cost of special education presents a significant challenge to districts. However, another dimension of the challenge public schools face when they budget for special education is the relatively unpredictable nature of special education costs, particularly for small districts.

Significant variation in special education expenditures exists between districts of similar size. Furthermore, significant variation in special education expenditures exists from year to year within the same district. The reasons for this variability are many. Differences in salary for personnel, proportion of students identified as eligible for special education, concentrations of group homes in a community, and the costs of serving students with significant educational needs who enroll and later withdrawal are some of the primary factors contributing to the variability.

Medicaid

The Office of Public Instruction (OPI) and the Health Resources Division of the Department of Public Health and Human Services (DPHHS) have collaborated for a number of years on projects that have increased reimbursement to districts for certain special education costs. Currently, Medicaid supports certain medical services provided by schools (e.g., school psychology, transportation, personal care attendants), a program for administrative claiming, and a school-based mental health program known as Comprehensive School and Community Treatment (CSCT).

Under this program, school districts are able to claim Medicaid reimbursements for medical services (Occupational Therapy, Personal Care Services, Physical Therapy, School Psychology Services, and Speech/Language Therapy) provided to Medicaid-eligible students. School districts are also able to claim reimbursement for CSCT services for any Medicaid-eligible student.

Revenue to school districts has increased markedly as a result of the multiagency collaborative. Districts only receive the federal share of the Medicaid payment. A certification of match process is used to pay the state share of the Medicaid payment. Therefore, all increases in revenue to districts have come without any increase in cost to the state's general fund.

There are three programs that provide Medicaid reimbursement to districts: 1) Fee for service provides reimbursement for medical services such as speech therapy, occupational therapy, and physical therapy; 2) Administrative claiming compensates school districts for some of the costs associated with administration of school-based health services such as helping to identify and assist families in accessing Medicaid services and seeking appropriate providers and care; and 3) CSCT services. These three programs generate over $69 million for the districts. Nearly all Medicaid reimbursements to districts for CSCT services are directly paid under contract to Community Mental Health Centers. Districts spend their Medicaid reimbursement from administrative claiming and fee-for-service on a wide variety of educational services. (Source for data on payments: DPHHS, Health Resources Division)

The largest proportion of the Medicaid reimbursements to school districts was for the provision of CSCT services. The CSCT is a comprehensive planned course of treatment provided by Community Mental Health Centers in school and community settings. The CSCT services include: behavioral intervention, crisis intervention, treatment plan coordination, aftercare coordination and individual, group, and family therapy. Individualized treatment plans tailored to the needs of each student are developed by licensed mental health professionals in coordination with school staff.

Serious behavioral problems can significantly interfere with a student's education and the education of others. Community Mental Health Centers working in close cooperation with public school districts increase the likelihood that education and mental health programs are better coordinated. Because mental health professionals are present throughout the school day, they are available to intervene and redirect inappropriate behaviors and to teach appropriate behaviors and social skills at each

opportunity. This "real-time" intervention in the "natural setting" promises to have a major impact on improving the effectiveness of children's mental health services and the quality of the educational environment for all children.

Appendix

A. Special Education Acronym Dictionary

Appendix A: Special Education Acronym Dictionary

ADC	Annual Data Collection
AIM	Achievement In Montana Statewide Student Database
AMO	Annual Measurable Objectives
APR	Annual Performance Report
ARM	Administrative Rule of Montana
AYP	Adequate Yearly Progress
CCD	Common Core of Data
CRT	Criterion-Referenced Test
CSPD	Comprehensive System of Personnel Development
CST	Child Study Team
EAP	Early Assistance Program
ESEA	Elementary and Secondary Education Act
FAPE	Free Appropriate Public Education
FFY	Federal Fiscal Year
GED	General Education Development Test
GSEG	General Supervision Enhancement Grant
IDEA	Individuals with Disabilities Education Act
IEP	Individualized Education Plan
IHE	Institutions of Higher Education
IHO	Independent Hearing Officer
LEA	Local Education Agency
LRE	Least Restrictive Environment
MAIDPG	Montana American Indian Dropout Prevention Grant
MBI	Montana Behavioral Initiative
MCA	Montana Code Annotated
MPRRC	Mountain Plains Regional Resource Center
NCCRES	National Center for Culturally Responsive Educational Systems

NCES	National Center for Education Statistics
NCLB	No Child Left Behind
NCSEAM	National Center Special Education Accountability Monitoring
NECTAC	National Early Childhood Technical Assistance Center
NGA	National Governors' Association
OPI	Office of Public Instruction
OSEP	Office of Special Education Programs
PLUK	Parents, Let's Unite for Kids
PTI	Parent Training Information
RFP	Request for Proposals
RTI	Response to Intervention
SERIMS	Special Education Records and Information Management System
SIS	Student Information System
SPP	State Performance Plan
SWD	Students with Disabilities
TA	Technical Assistance
USC	United States Code