

Special Education Research Summary

Special Needs funding was a high priority for the SSV. Dr. Speraw has a background in Special Education and other committee members shared their experiences regarding requests to access special education services for their children. The committee was sensitive and diligent in researching the expenses associated with Special Education to ensure expenses were conservatively allocated to that category.

HCDE was cooperative in providing cost estimates for educating special needs children both on and off the mountain through contract services including services provided by Orange Grove, Siskin, and the Dawn School.

HCDE provided costs for busing, bus assistants, additional nurses, summer school programs, psychologists, speech and language pathologists, instructional supplies, and contract services for Occupational and Physical therapy services. Plus, all special education teachers' and assistants' salaries and benefits were included based on school specific information provided in the HCDE budget.

As explained in the final report, the financial feasibility study focused on the General Purpose School Fund Budget as was consistent with the Southern Educational Strategies report. The other funding budgets have a pass through revenue and expense structure since the money that comes in for these programs pays for the expenses generated by these programs and each category has an independent budget framework.

Under the Federal Projects Fund Budget, there is a category for Individuals with Disabilities Education Act (IDEA). According to the US Dept. of Education, IDEA grants are intended to help cover the costs of providing special education and related services to children with disabilities ages 3 through 21. IDEA grants are available to all school districts, whether they are large or small, or whether they are a county or municipal district.

When the committee asked questions regarding the expenses for Special Education Services at the Signal Mountain schools, we did not ask which HCDE budget was used to cover these expenses. Instead, we conservatively assumed that all expenses provided would be covered by the General School Fund budget to ensure there were adequate resources allocated to cover special education expenditures. In reality, some of these expenses probably are and would be covered by Federal Funds Grants such as the IDEA grants for Special Education. In that case, those expenses would be transferred to the Federal Funds budget for a municipal district, freeing up general operating funds in that category for other expenditures, but they were included under the General Operating Fund Budget for our analysis to ensure expenses for Special Education were conservatively estimated.

The TN DOE reviewed the budget and did not flag this section for further study or correction based on their review of the Special Education Expense categories.

While a school board would be responsible for determining the logistics of providing quality services for Exceptional Education students, it was the intention of the SSVc to ensure adequate resources were allocated to provide those services whether they are eventually provided by district staffing or contract services through private agencies.

For example: While HCDE has 2 audiologists assigned to the Dawn school that serve ~43,000 students in Hamilton County, a municipal district would probably use contract services to fill this need rather than having a full time staff member in this position, but the service would still be provided to the students.

There are state laws that mandate quality education and care for special needs students, so reducing services is not an option. It was the intent of this committee to ask as many questions as possible to ensure the costs for special education covered all services currently provided. However, it will be up to a school board to develop specific policies for both regular education and special needs programs.

Result: SSVc Budget is Conservative against all benchmarks considered

HCDE Comparison:

- Hamilton County Schools have 12.6% Students with Disabilities (Ref: TN State Report Card) & allocates 10.5% of the budget to Special Ed Program and Support
- Signal Mountain schools have 8.7% Students with Disabilities & 11.1% of the budget was allocated to Special Ed Program and Support (Nolan: 62; Thrasher: 50; SMMHS: 99 = $211/2430 = 8.7\%$ Ref: TN State Report Card)
- The total amount allocated for Spec. Education Program and Support was higher than the Signal Mountain pro-rata portion of HCDE Spec. Education Program and Support even though Signal Mountain has a lower % of Students with Disabilities.
- The committee's budgeted expense for Contract services for Exceptional Education was 2 times the pro-rata share of the HCDE General Education Fund allocation for this expense based on responses received from HCDE

Therefore, a higher % of the budget was allocated to Special Education compared to HCDE even though Signal Mountain has a lower % of Students with Disabilities.

Comparison to other Districts of Similar Size:

- The committee budgeted nearly \$1,000,000 more for Spec. Ed Program & Support compared to Lenoir City, which has a similar number of total students. Lenoir City has 15% Students with Disabilities (Ref: TN State Report Card) compared to Signal Mountain schools with 8.7% Students with Disabilities, so Lenoir City has ~70% more students with disabilities than Signal Mountain Schools.
- The committee budgeted over \$300,000 more for Spec. Ed Program & Support compared to Elizabethton & Millington, which also have a similar number of total students. However, Elizabethton has 16.4% Students with Disabilities & Millington Municipal Schools has 17.5% Students with Disabilities (Ref: TN State Report Card) compared to Signal Mountain schools with 8.7% Students with Disabilities, so these districts have twice as many students with disabilities than Signal Mountain Schools.

Therefore, the budgeted allocation for Special Education Program and Support provides a conservative estimate for the General Operating Fund expense for Special Education Services for a Signal Mountain School District.

Special Education Cost Comparison for Districts of Similar Size

District	Students	Special Ed Program	Special Ed Program	Special Ed Program	Special Ed Support	Special Ed Support	Special Ed Support	TOTAL Support+ Program
		Salary & Fringes	Services	Total	Salary & Fringes	Services	Total	
Lenoir City	2250	\$ 1,022,355	\$ 85,367	\$ 1,107,722	\$ 268,744	\$ 3,150	\$ 271,894	\$ 1,379,616
Elizabethton	2471	\$ 1,708,120	\$ 67,200	\$ 1,775,320	\$ 135,980	\$ 91,000	\$ 226,980	\$ 2,002,300
Millington	2524	\$ 1,379,797	\$ 170,334	\$ 1,550,131	\$ 329,521	\$ 84,570	\$ 414,091	\$ 1,964,222
SM SSVc Budget	2430	\$ 1,501,369	\$ 248,059	\$ 1,749,428	\$ 430,684	\$ 125,180	\$ 555,864	\$ 2,305,292

HC Contracted Services= \$ 3,086,472 (total HC Special Ed Contracted Services)

SM Pro-rata share of total= \$ 177,472 (5.75% total HC)

Total Budgeted Spec. Ed Contract Services = \$ 373,239 (SM Program Services + Support Services)

Therefore, the SSVc's budgeted expense for contract services for Special Education is 2 times the pro-rata share for the HCDE General Education Fund allocation for this expense, and the total amount budgeted for Special Education Total Program plus Support is higher in comparison to these districts of similar size.

Special Education Cost Comparison to HCDE

District	Students	Special Ed Program	Special Ed Support	TOTAL	SM ProRata Portion @ 5.75%	SM SSVc Budget Support+ Program
		Total	Total	Support+ Program		
Hamilton County	43,064	\$ 35,098,129	\$ 3,015,780	\$ 38,113,909	\$ 2,191,549.77	\$ 2,305,292.00

Therefore, the SSVc's budgeted expense for Special Education Support + Program is higher than the SM pro-rata portion of HC's budget for these categories