

# Special Education Funding Subcommittee Report

Submitted to Lt. Governor Brian Calley

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## Introduction

In the spring of 2017, Lt. Governor Calley called for a subcommittee of the Lt. Governor's Special Education Reform Task Force to focus on special education finance in Michigan's schools, particularly with regard to student outcomes.

The Lt. Governor charged the subcommittee with creating recommendations to support a financial system that meets the unique needs of each child. Quite simply, students who need more resources should get more resources.

The subcommittee met multiple times between April and September and reviewed data and programs from other states and heard from local, regional, and national policy experts on special education funding, research, and evidenced-based special education programs and student outcomes. It is clear that Michigan must do better and should strive to improve special education funding systems and programs to increase outcomes for students with disabilities and their families in every corner of our state.

## Scope of the Problem

### Poor Outcomes

Michigan has been identified by the federal government as a state that “[needs assistance](#)” for two or more consecutive years concerning meeting requirements outlined under federal special education law, the Individuals with Disabilities Education Act (IDEA),<sup>1</sup> for students ages 3 through 21.<sup>1, 2</sup>

Educational outcomes for Michigan children with disabilities are lagging behind those of other states. Not only are students with disabilities behind, they are not catching up; students with disabilities are more than 20 percent more likely to have below average academic growth in English Language Arts<sup>3</sup> and math<sup>4</sup>. Further, M-STEP scores show that 62 percent of students with Individualized Education Programs (IEPs) were not proficient in reading at the 8th grade level<sup>5</sup> and 82 percent were not proficient in math<sup>6</sup>.

Students with disabilities are less likely to graduate on time from Michigan schools, where only 55 percent graduate within four years, compared to 80 percent of all students.<sup>7</sup> When it comes to options after high school, Michigan students in special education score over 200 points lower on the SAT than students without disabilities,<sup>8</sup> significantly reducing their chances of getting into college.

### An Underfunded System

According to the Michigan Center for Educational Performance and Information, Michigan's special education population has decreased over the last five years from 214,615 in 2011-12<sup>9</sup> to 197,788 in 2016-17,<sup>10</sup> which is a 7.8 percent reduction.<sup>11</sup> While the student population decreased 7.8 percent, special education funding experienced a 15.6 percent reduction from \$238 million in 2011-12 to \$201 million in 2015-16.<sup>12</sup> It can be expected that a student in special education will have greater need, and therefore require additional services at a greater cost than a student not in special education. However, state and federal funding do not cover most of those additional costs.<sup>13</sup>

The Special Education Funding Subcommittee analyzed the shortfall in revenue within the current state special education funding system. Michigan receives and spends special education dollars in three pots: (1) intermediate

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<sup>1</sup> The 2004 [Individuals with Disabilities Education Act](#) (IDEA) is a federal four-part law (A, B, C, and D) that outlines states' obligations and responsibilities in providing a free and appropriate education to students with disabilities from ages 3-21. Michigan has expanded special education services to include birth to age 26.

school district millage revenue and expenditures, (2) state revenues and expenditures, and (3) federal revenues and expenditures.

The first pot of monies, intermediate school district millages, are comprised of local revenues and expenditures. The revenues and corresponding expenditures vary widely depending the number of mills levied and the taxable values of the ISD. The subcommittee identified the range in millage dollars generated per pupil were between \$162 and \$1,725, depending on the zip code of the student (Appendix A). This large variation creates tremendous inequities in programming opportunities for students with an effect on performance outcomes. Further, the associated local millage rates are capped by a factor of 1.75 times the authorized rate in 1993, which limits flexibility to react to declining taxable property values within each ISD.

The second pot of monies are state revenues and expenditures (allocated through categoricals<sup>2</sup> in the state School Aid Budget). The largest categorical reimburses districts for 28.61<sup>3</sup> percent of the expense associated with a student with a disability (including 70.4 percent of special education transportation costs) or the foundation allowance, whichever amount is greater. If 28.61 percent of the special education expenses are greater than the foundation allowance, the district does not receive the foundation allowance that it normally receives for a child without a disability. Other additional dollars flow through a series of further categoricals.

The final pot of monies are federal revenues and expenditures which are IDEA and Medicaid dollars. The IDEA dollars are allocated to the state and are subsequently passed through to ISDs/school districts based on a formula. This funding comes with restrictions and was originally intended to cover 40 percent of special education costs, but presently amounts to less than 15 percent. These funds come to the state and are distributed to ISDs/school districts who spend them much like a grant in that the dollars that flow in must equal the dollars that flow out. Medicaid funding is primarily reimbursement-based and helps support additional health-based services for special education students. There is little to no control over the Medicaid aspect of funding.

Appendix B provides an overall analysis of the shortfall in the state special education system. Compiling 2015-2016 data in both the revenue and expenditure columns and comparing them shows a shortfall of approximately \$692,269,291. This equates to a shortfall of \$11,498 per special education FTE (full-time equivalent). Because special education services must be funded regardless of whether there is sufficient state or federal funding to cover the costs in their entirety, the dollars needed to cover the shortfall actually come from the general operating budgets of schools, thus leaving a shortfall of \$459 per every pupil in the state. In short, school districts must reduce the amount they spend on all students by \$459 per pupil to cover the shortfall in special education funding.

The Special Education Funding Subcommittee has determined that Michigan has an existing system that is both underfunded and underperforming and offers real solutions to this current dilemma in the report sections to follow.

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<sup>2</sup> A categorical is money dedicated to a particular use through the state budget process.

<sup>3</sup> The funding level of 28.61 percent was determined through a lawsuit, the [Durant Case](#). The Michigan Supreme Court issued an opinion in 1997.

## Solutions with a Return on Investment

### Additional Areas of Investment

Comprehensive statewide strategies modeled after successful programs are needed to help improve educational outcomes for students with disabilities. Given the realities of public funding, these strategies include both short-term approaches using limited, targeted resources, and long-term approaches requiring more, sustained public investment over time. Like the state's third grade reading initiative, one way the legislature and governor can encourage the implementation of necessary reform in Michigan is to incentivize a comprehensive set of strategies using targeted funding and requiring districts to implement them to access funds.

## Short-term Recommendations for Additional Areas of Investment to Improve Educational Outcomes for Students with Disabilities

### 1. Provide funding for 0-3 Early On Michigan

In order to establish financial stability for Michigan's special education system, we must first begin with adequately funding our state's early intervention system, known as *Early On*® Michigan. Established under the federal Part C of the IDEA, Michigan is unique in its lack of state appropriation for age birth to three. Peer states provide examples of what a state appropriation for birth to three early intervention could look like: in state funds, Illinois provides \$72.9 million; Pennsylvania provides \$126 million; Minnesota provides \$58 million, and Ohio provides \$8 million, which is supplemented by \$108 million in county taxes.<sup>14</sup>

We know that intervening as early as possible in the life of a child is the most efficient and effective strategy for supporting maximum developmental outcomes for young children with delays and disabilities. Research indicates that the first 1,000 days of a child's life are crucial and that this is the time to make a lasting impact on the brain's architecture.<sup>15</sup> Services to infants and toddlers who have or are at risk for developmental delays have been shown to positively impact outcomes across developmental domains, including language and communication,<sup>16, 17, 18</sup> cognitive development,<sup>19</sup> social/emotional development,<sup>20, 21</sup> and health<sup>22</sup>. Specifically, at kindergarten entry, 56 percent of children who had a developmental delay and received early intervention services in the first three years of life functioned in the average range or above for academic skills.<sup>23</sup> Furthermore, early literacy research supports the use of birth-to-three parent-child programs and services, with moderate to large effect sizes<sup>4</sup> on later literacy performance, specifically in the areas of oral language and general cognitive abilities,<sup>24</sup> which are foundational for Michigan to become a top 10 education state in 10 years.

In 2016, 78 percent of infants and toddlers in *Early On* Michigan substantially increased their rate of growth in key developmental areas by the time they exited the program, typically at age three; of families who participated, 84 percent indicated that *Early On* helped their children develop and learn.<sup>25</sup> In Michigan, less than 3 percent of all infants and toddlers receive early intervention services through *Early On*, while 13 percent of school-age students receive special education services.<sup>26</sup> In 2012, the Citizens Research Council of Michigan found that 225,000 students statewide were eligible for special education at a cost of \$14,397 each, or \$3.2 billion total.<sup>27</sup> The National Early Intervention Longitudinal Survey Final Report indicates that 42 percent of children who participate in Part C of IDEA do not need special education supports or services in later years.<sup>28</sup>

Michigan has an opportunity to invest in *Early On* to close the developmental gap earlier and mitigate the need for future special education services. Adequate investment in Michigan's infants and toddlers with delays and disabilities could result in significant savings for the State of Michigan each year. Not only are there child-level benefits to early interventions, families also benefit by being able to better meet their children's unique needs from an early age and throughout their lives.<sup>29</sup> Benefits to society include reducing economic burden through a decreased need for subsequent special education.<sup>30</sup>

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<sup>4</sup> Effect size judges the outcome based on input. A large effect size is a positive outcome.

## 2. Provide targeted funding for Pre-K and K-12 to incentivize best practices

Teachers are among our most valuable school resources for improving student learning. They interact with students and are relied upon to deliver curriculum and instruction. The research evidence is clear that teachers have long-term effects on students' later well-being, including on their academic achievement, how far they go in school, and their wages once working.

Many things have been tried with teachers to improve student outcomes (i.e., alternative teacher preparation programs, performance pay, etc.) with limited positive results, yet providing targeted training paired with regular feedback for improving promising practices has shown benefit. For example, one study found that students assigned to a teacher after she participated in a training/evaluation system scored about 10 percent of a standard deviation higher than similar students taught by the same teacher prior to participation.<sup>31</sup> In another study, less effective teachers who were paired with more effective teachers improved their teaching substantially relative to those without additional support.<sup>32</sup>

Effective professional development is key to teachers learning and refining the pedagogies required to teach key student skills. A review of 35 studies indicated that effective professional development incorporates most, if not all, of the following elements: is content focused, incorporates active learning, supports collaboration, uses models of effective practice, provides coaching and expert support, offers feedback and reflection, and is of sustained duration.<sup>33</sup>

The subcommittee believes that schools implementing best practices within special education should be rewarded. Funding could support increased staffing and resources for classrooms that promote inclusion of special education students within general education classrooms, as deemed appropriate by the IEP team. Research shows the effectiveness of the five standards below, which the subcommittee supports being used as funding incentives:

1. Increase the time students with disabilities spend in the general education classrooms and working on general education curriculum and/or modified curriculum, as deemed appropriate by the IEP team.
2. Provide research-based professional development opportunities for *all* teachers on the Multi-Tiered System of Supports (MTSS) and reading and math literacy.
3. Identify, train, and implement assessment practices resulting in student monitoring data tied to desired instructional outcomes. (This is closely tied to concepts already developed in the third grade reading initiative.)
4. Develop/utilize tools that customize learning plans to directly support standards-based IEPs. The tools must provide instruction, assessment, and reporting based upon state standards.
5. Identify, train, and implement research-based practices using explicit, intensive instruction, embedded in an ongoing analysis of the effectiveness of the system.

The focus of the specific professional development recommendations included in this report, MTSS, student monitoring, standards-based learning, and the use of explicit, intensive instruction, with embedded ongoing analysis, is tied to the long-standing program development and research of the Michigan Integrated Behavior and Learning Support Initiative (MIBLSI). This initiative is currently being piloted by the State of Michigan in several schools with proven positive results for all students.

### 3. Provide targeted funding for community-based supported employment services for transition age youth while assuring FAPE

For over 20 years, there has been an increased push toward the outcome of competitive integrated employment<sup>5</sup> for young adults with intellectual/developmental disabilities. Partnerships with community agencies and other groups that provide natural supports and employment training sites, while not losing sight of the math and reading supports as deemed appropriate by the IEP team, are beneficial to students with disabilities. Both federal special education and vocational rehabilitation legislation have reinforced this movement by:

- Requiring local school districts to begin a critical focus on transition activities by the year the student turns 16.
- Assigning vocational rehabilitation counselors to schools so young adults can be seamlessly connected to transition agencies and activities that are coordinated between all partners.
- Closing sheltered employment settings.
- Implementing directives within the Workforce Investment Opportunities Act (WIOA).

However, the resulting activities can often be disjointed and ineffective. It is vitally important that schools be given the resources to take a leadership role in this effort not only because they are required to provide transition services and activities through a free and appropriate education (FAPE), but they also have the opportunity to create positive post school outcomes for young adults who may need services until their 26<sup>th</sup> birthday. One collaborative approach would be to use interagency agreements to pool resources between schools and rehabilitation service agencies.

Programs such as [Project SEARCH](#) that lead to outcomes of competitive integrated employment for these youth need to reflect what we already know about youth with developmental disabilities and their families. The Guideposts for Success suggests that all youth need the following guideposts to make the transition from youth to adulthood:

- “Access to high quality standards-based education regardless of the setting;
- Information about career options and exposure to the world of work, including structured internships;
- Opportunities to develop social, civic, and leadership skills;
- Strong connections to caring adults;
- Access to safe places to interact with their peers; and,
- Support services to allow them to become independent adults.”<sup>34</sup>

Project SEARCH has a successful employment rate of 75.5 percent over 358 sites worldwide for the 2015-16 school year.<sup>35</sup> By comparison, labor force participation for people with disabilities ages 16 and over is 21 percent according to the U.S. Department of Labor Office of Disability Employment.<sup>36</sup> Project SEARCH’s high employment success suggests that getting students out of school and into a host business to gain hands-on experience works. Additional fiscal incentives related to successful transition programs include reduced entitlement payments and additional tax revenues as young people find and keep jobs, remit taxes based on their earnings, and contribute to sales tax revenue rises based on additional spending with any increased discretionary income.

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<sup>5</sup> Competitive integrated employment is employment at competitive wage in a setting that is comprised of people with and without disabilities.



#### 4. Provide targeted funding and appropriate oversight for teacher education programs aimed at preparing new teachers to teach and meet the academic, behavioral and social/emotional needs of *all* learners.

The Governor's 21<sup>st</sup> Century Education Commission found that, "[e]ducators are critical to our state's success, and we must design and support a world-class education profession, from early childhood through postsecondary, that attracts, develops, elevates, and retains top talent to meet the needs of every student."<sup>37</sup> The Special Education Funding Subcommittee agrees that high-quality educators are critical to Michigan students' success and supports the commission's additional findings that we must enhance our teacher preparation programs to attract the best and brightest candidates. Michigan must also increase certification requirements and improve training for teachers<sup>38</sup> before they lead a class of their own. Our teacher preparation needs to encompass higher standards for admission, should require a year-long residency, and require evidence of skills in their subject matter, social-emotional intelligence, and pedagogy.<sup>39</sup> Teacher education programs preparing new teachers to teach must ensure that their graduates demonstrate the ability to meet the academic, behavioral, and social/emotional needs of *all* learners.

Of all the factors that schools control (including class size),<sup>40</sup> teachers have the largest impact on learning<sup>41</sup>. Researchers have consistently documented that students have better outcomes on standardized assessments when they are taught by a highly-effective teacher compared to when they are assigned to an ineffective teacher.<sup>42, 43</sup> Despite recent reforms, teacher effectiveness varies widely across the state. Michigan must support effective teacher development to ensure that every student has an excellent teacher.

Where Michigan has the opportunity to make a big impact is with student teaching or field experiences for prospective teachers. These experiences vary throughout Michigan's teacher preparation programs, including length of time, which can range from one semester to nearly two years.<sup>44</sup> A more robust preparation system could be modeled after apprenticeships, like in the medical profession, where new teachers learn from more seasoned, experienced teachers.<sup>45</sup> This model is already being used, like a program at the University of California at Los Angeles, which is 18 months and includes a year of residency working with a master teacher.<sup>46</sup> Such non-traditional residency programs help create teachers who "[...] are rooted in authentic collaboration, reciprocal feedback, and transformative partnerships [...]"<sup>47</sup>

Michigan has great opportunity to help grow and strengthen the teaching profession. The Special Education Funding Subcommittee feels strongly that new teachers must be given the skills necessary to succeed in the classroom, and this includes instruction at our universities and preparation programs that are evidence based and then practice-based assessments<sup>48</sup> that test real skills, thus preparing them to meet the academic, behavioral and social/emotional needs of *all* learners.

## Long-term Recommendations for Additional Areas of Investment to Improve Educational Outcomes for Students with Disabilities

Equity in special education funding within the state is a serious issue. A student with a disability in Michigan's Upper Peninsula may not get the same funding as a student in the Lower Peninsula, due to the varying level of millage and taxable values. The same is true with regard to inequities in services that are available to families who have a child with special needs. Further, the current system funds the foundation allowance or 28.61 percent of the expenses associated with educating a student with a disability (including 70.4 percent of special education transportation costs, or the foundation allowance), whichever amount is greater. This too, leads to disparity in funding due to the different levels of foundation amounts that exist. One way for the legislature and governor to encourage the implementation of necessary reforms in Michigan is to provide equity for all students with disabilities regardless of their zip codes. The Special Education Funding Subcommittee realizes that these inequities were not created overnight; therefore, long-term recommendations have been crafted for implementation over the coming years.

### 5. Increase the section 56 equity categorical

Appendix A details the inequities in funding at the ISD level. The ISD with the lowest combination mill levy and taxable value per pupil generates \$162 per pupil. The ISD with the highest combination mill levy and taxable value per pupil generates \$1,725 per pupil. This enormous range in funding levels is the crux behind the argument to increase funding for the current Section 56 categorical. Rather than establish an equitable target and fund it accordingly, the current categorical is a capped dollar amount and the target is simply backed into. That is, the current system is dictated by the dollars available and not the dollars needed. Additional funding would help equalize the disparities that exist for a child based solely on their zip code.

To this end, the additional funding would, in part, be based on an attempt to equalize to a statewide average taxable value per special education FTE (not all pupils) and limited to a statewide average special education millage rate. Adjustments to this funding could be made to the extent other funding sources reduce the overall shortfall as recommended in long-term recommendation 6.

Research into equity issues around special education funding is not abundant, but has uncovered concerns. In summarizing research from the Special Education Expenditure Project,<sup>49</sup> researchers determined that existing state systems tend to produce disparities in funding and expenditures that are unrelated to cost factors associated with the needs of the student in special education<sup>50</sup>. One study found large disparities in spending per special education student across Michigan school districts, which varied according to the property wealth and income of the district. The inequities were amplified by services provided by the ISDs. The study also found large differences in the number of students with disabilities.<sup>51</sup>

Another study raised equity concerns in an assessment of two states with census-based reimbursement systems, finding dramatic disparities in special education funding per student resulting from the non-uniform distribution of students with special needs.<sup>52</sup> Further, another writing discusses inequities related to identification of students with disabilities, noting that funding systems can have incentives embedded in them that promote or discourage identification, but that such incentives can distort the "true need," or underlying distribution of special needs students.<sup>53</sup> These studies illustrate common inequities in special education funding systems, but do not link inequities to the level of unrestricted funds used for special education expenditures.

## 6. Provide both the 28.61 percent reimbursement associated with special education expenses funding and the foundation allowance for all students with disabilities

Currently, school districts receive the foundation allowance for a child with an IEP *or* the equivalent 28.61 percent of the special education expense associated with the child (including 70.4 percent of special education transportation costs) or the foundation allowance, whichever amount is greater. Students who need more resources should get more resources. In researching the special education funding systems in two other states that use the reimbursement methodology, the Special Education Funding Subcommittee found that Nebraska reimburses between 51 and 57 percent of the overall special education expenses, whereas Wyoming reimburses 100 percent of the expenses.<sup>54</sup> Students with disabilities should be funded at the base amount as their typical peers. Their special needs, then, should be reimbursed at the current practice of 28.61 percent.

## 7. Fund regional Family Support Service Resource Centers that cover the state

When a child is diagnosed with a disability, the entire family is diagnosed with a disability. Currently, Michigan struggles to provide adequate support to families who have a child with a disability, especially in rural areas of the state. One resource, the Michigan Alliance for Families, Michigan's federally-funded parent training and information center, needs additional resources to truly meet the needs of families of children with special needs across Michigan. The entire county of Wayne has just three Michigan Alliance for Families consultants. Wayne County is an example of the challenge of providing information and education to families that face many economic challenges and are unable to attend the few live trainings. The webinars may appear to be helpful, but there are many families across Michigan that do not have access to a computer or a computer with internet. Additional staff are needed to hold trainings in school districts and alternate between daytime and evening events to accommodate families' schedules. With additional resources, ISDs could support this purpose through designated personnel, outreach, and trainings. Research indicates that parents who have participated in such parent training programs "[...] demonstrated significant increases with respect to empowerment, special education knowledge, and satisfaction with services[,]" with "[m]inority and low-income families report[ing] the greatest increases."<sup>55</sup>

Often times, parents don't know what they don't know. The basic resources and webinars on procedural safeguards are complex and difficult for many parents to understand, especially those new to the system or who may have English as their second language. Additional resources would allow Michigan Alliance for Families to hold parent trainings in school districts and having more staff manning telephones and able to respond to and answer questions.

## Areas in Need of Further Study and Action

Special education finance is a complex topic; one that cannot be easily or quickly digested. Throughout the Special Education Funding Subcommittee's time together, the subcommittee continually stressed the need to spend additional time thinking more broadly about more holistic, longer term reforms. A review of other special education finance systems across the country reveals some best practices in special education that should serve as key principles for further study when considering next generation of funding special education. Though outside the scope of the subcommittee's work, the subcommittee poses the following questions for additional study:

1. How do we differentiate funding based on student learning needs? A state's special education finance system should recognize variability in cost and attempt to differentiate the funding provided for students accordingly.
2. How are the needs of varied districts considered for funding? Distribution of state funding for special education should be equitable.
3. How can we provide a mechanism for addressing the inconsistency and variability of special education costs in individual districts/public school academies?
4. How do we support local financial responsibility for student with extraordinary needs?
5. How are we ensuring that we are maximizing federal match and Medicaid dollars?
6. How we can ensure any funding system or funding stream within the system is impervious to attempts to manipulate it for the betterment of a single entity?
7. How do we resolve the incredibly inequitable levels of funding that exist for special education in the state of Michigan? Study, in-depth, ISD-based special education millages.

## Closing

Members of the Special Education Funding Subcommittee of the Lt. Governor's Special Education Reform Task Force believe all of these recommendations are student-focused with statewide equity in mind and are bipartisan issues. Michigan must improve educational outcomes for all students, including those with disabilities. It is the subcommittee's collective belief that the additional areas for investment detailed throughout this report will result in improved educational outcomes as well as continued growth in the health and prosperity of the state of Michigan.

While Michigan has a long way to go in improving outcomes for all students, there are steps that can be taken right now. The subcommittee realizes that a \$692 million shortfall in the special education finance system cannot be remedied immediately, but is confident that small steps can be taken today to ensure a brighter tomorrow for *all* students and families in Michigan.

## Appendices

### Appendix A

#### Recap of 2015-2016 Local Millage Information - Michigan ISD's

<u>Statewide</u>				
<u>Description</u>	<u>Average</u>	<u>Median</u>	<u>High</u>	<u>Low</u>
Membership	26,611	10,672	275,029	2,231
Taxable Value	5,805,693,978	2,655,932,430	51,508,412,204	680,582,655
T.V. per pupil	218,173.05	233,290	578,036	138,036
<b>Special Education</b>				
Millage	2.9500	2.4958	6.2764	0.6329
Levy	17,126,774	7,287,707	135,241,893	986,848
Levy / pupil	641	579	1,725	162
Unfunded costs/pupil	459	505	(22)	1,099
% of S.E. Costs funded	77.4%	73.4%	100.8%	50.8%

Note - The amounts listed in the High and Low columns above do not relate to only one ISD in each column. Each amount listed in those columns consists of the ISD that is the high or low for that individual line item.

## Appendix B

### Recap of 2015-2016 Special Education Revenues & Expenses - Statewide

#### Revenues

Federal Sources	
IDEA grant allocations to ISD's	363,660,297
Medicaid funds passed to districts	109,993,683
	473,653,980
State Revenues	
Section 51a2 – 263,500,000 – foundation allowance	263,500,000
Section 51a3 – 1,000,000 – special ed hold harmless	1,000,000
Section 51a6 – 2,200,000 – headlee rule claims	2,200,000
Section 51a11 – 3,800,000 – section 53 foundation	3,800,000
Section 51c – 624,800,000 – Durant percentages	624,800,000
Sec. 56 Millage Equalization	37,758,100
Sec. 53 Foundation	10,500,000
	943,558,100
Local revenues	
ISD Special Education Millages	959,099,355
<b>Total funds available for Special Education</b>	<b>2,376,311,435</b>

#### Expenditures

SE-4096 Costs - Section 52 *	2,455,902,245
SE-4096 Costs - Section 53 *	13,359,412
SE-4094 Costs *	235,658,772
Federal Grant	363,660,297
<b>Total Special Education Expenses</b>	<b>3,068,580,726</b>
<b>Unfunded Special Education costs</b>	<b>(692,269,291)</b>

\* - The SE-4094 & 4096 costs shown above are the 2015-16 costs taken from the 8/21/17 State Aid Status Report

Note - Some of the SE-4096 benefit costs shown above are reimbursed separately under Section 147c and a portion of Section 81 of School Aid. The amount of these funds that would be attributed to the SE-4096 costs shown above is indeterminate at this time and therefore is not included in the revenue sources shown above. These amounts would reduce the amount of Unfunded Special Education costs shown above accordingly.

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#### Related Data

% of Special Education costs covered	77.4%
Statewide Membership	1,506,974
Unfunded costs/pupil	459
Statewide Section 52 FTE	60,209
Unfunded costs/S.E. FTE	11,498

## Endnotes

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- <sup>6</sup> Michigan Center for Educational Performance and Information. 2015-16 M-STEP. <https://goo.gl/w1i3X2>. Accessed November 15, 2017.
- <sup>7</sup> MI School Data. (2015-16). Graduation Dropout Snapshot. <https://goo.gl/9RDvRa>. Accessed November 17, 2017.
- <sup>8</sup> MI School Data. (2015-16). College Readiness Snapshot. <https://goo.gl/4YvrjZ>. Accessed November 17, 2017.
- <sup>9</sup> Michigan Center for Educational Performance and Information. 2011-12 Student Count Data File. Data archives. Accessed November 15, 2017.
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