

Special Needs Factor: A Look at Sufficiency

Alaska Association of School Business Officials

Katie Parrott, President



Special Needs Factor

AS 14.17.420(1)

To assist the district in providing:

- Special Education
- Gifted & Talented Education
- Vocational Education
- Bilingual Education Services

A component of Basic Need

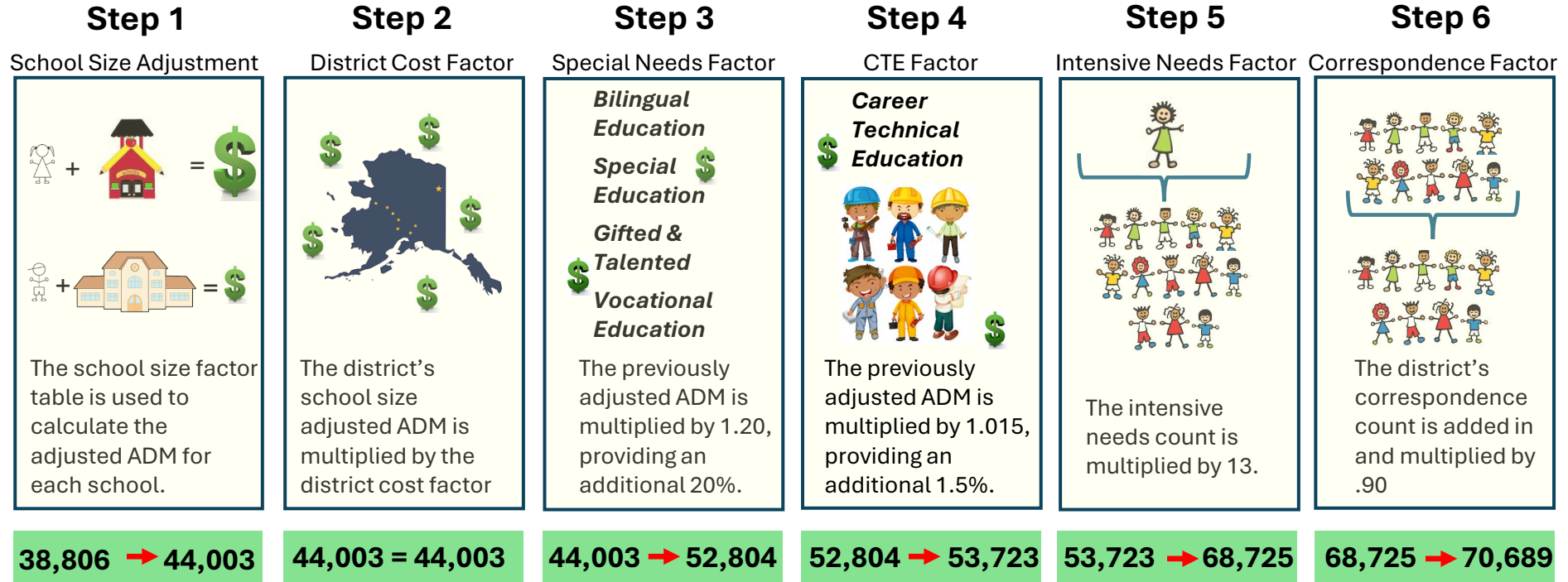
Provides for .2 multiplier on district size-adjusted ADM

Administered as a flexible block grant*



20%

State Foundation Formula



ASD FY27 Student Count
 38,806 Brick and Mortar
 2,182 Correspondence
 1,154 Intensive Needs

Revenue analysis:

Methodology for isolating .2 factor revenue



ADM increment between District Cost Factor Adjusted ADM and Special Needs Factor Adjusted ADM X BSA



Does not include proportional reductions of required local contribution or deductible federal impact aid



Inclusion of Intensive Needs factor revenue needed for comparison, since Intensive Needs expenditures cannot be disaggregated

Alaska Uniform Chart of Accounts

4 AAC 06.120(a)(2)

Requires Alaska school districts' financial activity to be categorized and tracked in budgets & financial reports

ALASKA DEPARTMENT OF EDUCATION AND EARLY
DEVELOPMENT
UNIFORM CHART OF ACCOUNTS AND
ACCOUNT CODE DESCRIPTIONS
FOR PUBLIC SCHOOL DISTRICTS
2018 Edition



Identifying Costs

Required Categories

- ❖ Special Education
 - Function 200 & 220
 - Includes Intensive Needs*

Optional Subcategories


- ❖ Bilingual Education
 - Function 120
- ❖ Gifted & Talented Education
 - Function 130
- ❖ Vocational Education
 - Function 160

Required Categories – Other Related Special Services Costs

- ❖ Counselors, mental health, behavior support, interventionists, and/or other student support
 - Function 300
- ❖ Instructional support services, curriculum, technology, and/or professional development to address special needs
 - Function 350

Determining Sufficiency: District Snapshots

Has the revenue generated by the Special Needs factor covered the cost of providing for Special Needs programs & services?

- Utilized FY24 data for analysis
 - Compares .2 revenue with costs associated with programming & services provided to specific Special Needs populations
 - Provides additional context to inform assessment
- 

Juneau School District

FY 2024		JUNEAU SCHOOL DISTRICT	
Foundation Formula Factor Analysis			
	FACTOR	ADM	ENTITLEMENT
Average Daily Membership (ADM Enrollment)		3,921.06	
Correspondence Study (ADM Enrollment)		194.50	
Total Average Daily Membership (ADM)		4,115.56	
School Size Adjustment		4,351.34	25,933,986
Hold Harmless		4,751.33	2,383,940
District Cost Factor	0.145	688.94	4,106,082
Special Needs Factor	0.200	1,088.05	6,484,778
CTE Factor	0.015	97.92	583,603
Total Average Daily Membership (ADM)		6,626.24	
Correspondence Factor	0.900	175.05	1,043,298
Intensive Needs Factor	13.000	1,391.00	8,290,360
Total Adjusted ADM (AADM)		8,192.29	

Reconciled Entitlement Funding vs. Special Needs Expenditures by Function	
Total Entitlement Revenue for Special Needs & Intensive	14,775,138
Total Expenditures for Special Needs & Intensive	(17,454,463)
Break out of Special Needs Expenditures by Function	
120 Bilingual/Bicultural Instruction Expenditures	(951,017)
130 Gifted/Talented Instruction Expenditures	(437,298)
160 Vocational Education Instruction Expenditures	(149,270)
200 Special Education Instruction Expenditures	(11,980,804)
220 Special Education Support Services - Students Expenditures	(3,936,075)
Over (Under)	(2,679,325)
Other Special Needs Related Expenditures by Function	
300 Support Services - Students	(6,234.11)
310 Attendance And Social Work	(12,238.05)
320 Guidance Services	(1,499,771.38)
330 Health Services	(882,646.46)
Over (Under)	(5,080,215.31)

North Slope Borough School District

FY 2024	NORTH SLOPE BOR. SCHOOL DISTRICT		
Foundation Formula Factor Analysis			
	FACTOR	ADM	ENTITLEMENT
Average Daily Membership (ADM Enrollment)		1,796.43	
Correspondence Study (ADM Enrollment)		0.00	
Total Average Daily Membership (ADM)		1,796.43	
School Size Adjustment		2,505.09	14,930,336
Hold Harmless		2,505.09	0
District Cost Factor	0.791	1,981.53	11,809,919
Special Needs Factor	0.200	897.32	5,348,027
CTE Factor	0.015	80.76	481,330
Total Average Daily Membership (ADM)		5,464.70	
Correspondence Factor	0.900	0.00	0
Intensive Needs Factor	13.000	260.00	1,549,600
Total Adjusted ADM (AADM)		5,724.70	

Reconciled Entitlement Funding vs. Special Needs Expenditures by Function

Total Entitlement Revenue for Special Needs & Intensive	6,897,627
Total Expenditures for Special Needs & Intensive	(10,589,751)
Break out of Special Needs Expenditures by Function	
120 Bilingual/Bicultural Instruction Expenditures	(3,899,444)
130 Gifted/Talented Instruction Expenditures	0
160 Vocational Education Instruction Expenditures	(2,174,238)
200 Special Education Instruction Expenditures	(3,943,441)
220 Special Education Support Services - Students Expenditures	(572,628)
Over (Under)	(3,692,124)
Other Special Needs Related Expenditures by Function	
300 Support Services - Students	(1,887,860.57)
310 Attendance And Social Work	0.00
320 Guidance Services	(1,154,649.46)
330 Health Services	0.00
Over (Under)	(6,734,633.88)

Anchorage School District

FY 2024	ANCHORAGE SCHOOL DISTRICT		
Foundation Formula Factor Analysis			
	FACTOR	ADM	ENTITLEMENT
Average Daily Membership (ADM Enrollment)		40,901.52	
Correspondence Study (ADM Enrollment)		1,862.73	
Total Average Daily Membership (ADM)		42,764.25	
School Size Adjustment		46,202.67	275,367,913
Hold Harmless		46,202.67	0
District Cost Factor	0.000	0.00	0
Special Needs Factor	0.200	9,240.53	55,073,559
CTE Factor	0.015	831.65	4,956,634
Total Average Daily Membership (ADM)		56,274.85	
Correspondence Factor	0.900	1,676.46	9,991,702
Intensive Needs Factor	13.000	14,430.00	86,002,800
Total Adjusted ADM (AADM)		72,381.31	

Reconciled Entitlement Funding vs. Special Needs Expenditures by Function

Total Entitlement Revenue for Special Needs & Intensive	141,076,359
Total Expenditures for Special Needs & Intensive	(140,766,570)

Break out of Special Needs Expenditures by Function

120 Bilingual/Bicultural Instruction Expenditures	(11,799,297)
130 Gifted/Talented Instruction Expenditures	(4,954,340)
160 Vocational Education Instruction Expenditures	(7,097,330)
200 Special Education Instruction Expenditures	(90,309,840)
220 Special Education Support Services - Students Expenditures	(26,605,764)
Over (Under)	309,789

Other Special Needs Related Expenditures by Function

300 Support Services - Students	(4,562,662)
310 Attendance And Social Work	0.00
320 Guidance Services	0.00
330 Health Services	0.00
Over (Under)	(4,252,872.83)

Lake & Peninsula School District

FY 2024		LAKE & PENINSULA SCHOOL DISTRICT	
Foundation Formula Factor Analysis			
	FACTOR	ADM	ENTITLEMENT
Average Daily Membership (ADM Enrollment)		286.55	
Correspondence Study (ADM Enrollment)		11.80	
Total Average Daily Membership (ADM)		298.35	
School Size Adjustment		545.89	3,253,504
Hold Harmless		585.71	237,327
District Cost Factor	0.994	582.20	3,469,912
Special Needs Factor	0.200	233.58	1,392,137
CTE Factor	0.015	21.02	125,279
Total Average Daily Membership (ADM)		1,422.51	
Correspondence Factor	0.900	10.62	63,295
Intensive Needs Factor	13.000	52.00	309,920
Total Adjusted ADM (AADM)		1,485.13	

Reconciled Entitlement Funding vs. Special Needs Expenditures by Function

Total Entitlement Revenue for Special Needs & Intensive	1,702,057
Total Expenditures for Special Needs & Intensive	(1,581,355)

Break out of Special Needs Expenditures by Function

120 Bilingual/Bicultural Instruction Expenditures	0
130 Gifted/Talented Instruction Expenditures	(3,871)
160 Vocational Education Instruction Expenditures	(193,034)
200 Special Education Instruction Expenditures	(1,138,360)
220 Special Education Support Services - Students Expenditures	(246,090)
Over (Under)*	120,702

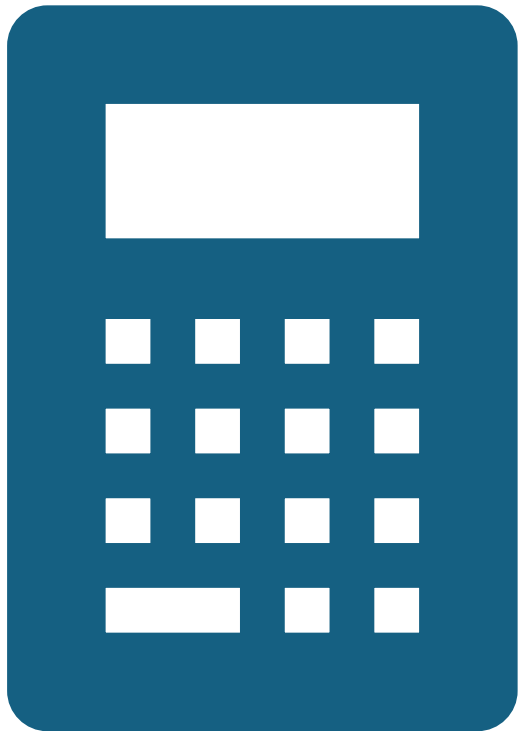
Other Special Needs Related Expenditures by Function

300 Support Services - Students	(48,384.00)
310 Attendance And Social Work	0.00
320 Guidance Services	0.00
330 Health Services	0.00
Over (Under)*	72,317.70

Petersburg School District

FY 2024	PETERSBURG SCHOOL DISTRICT		
Foundation Formula Factor Analysis			
	FACTOR	ADM	ENTITLEMENT
Average Daily Membership (ADM Enrollment)		468.60	
Correspondence Study (ADM Enrollment)		0.00	
Total Average Daily Membership (ADM)		468.60	
School Size Adjustment		665.10	3,963,996
Hold Harmless		665.10	0
District Cost Factor	0.244	162.28	967,189
Special Needs Factor	0.200	165.48	986,261
CTE Factor	0.015	14.89	88,744
Total Average Daily Membership (ADM)		1,007.75	
Correspondence Factor	0.900	0.00	0
Intensive Needs Factor	13.000	273.00	1,627,080
Total Adjusted ADM (AADM)		1,280.75	

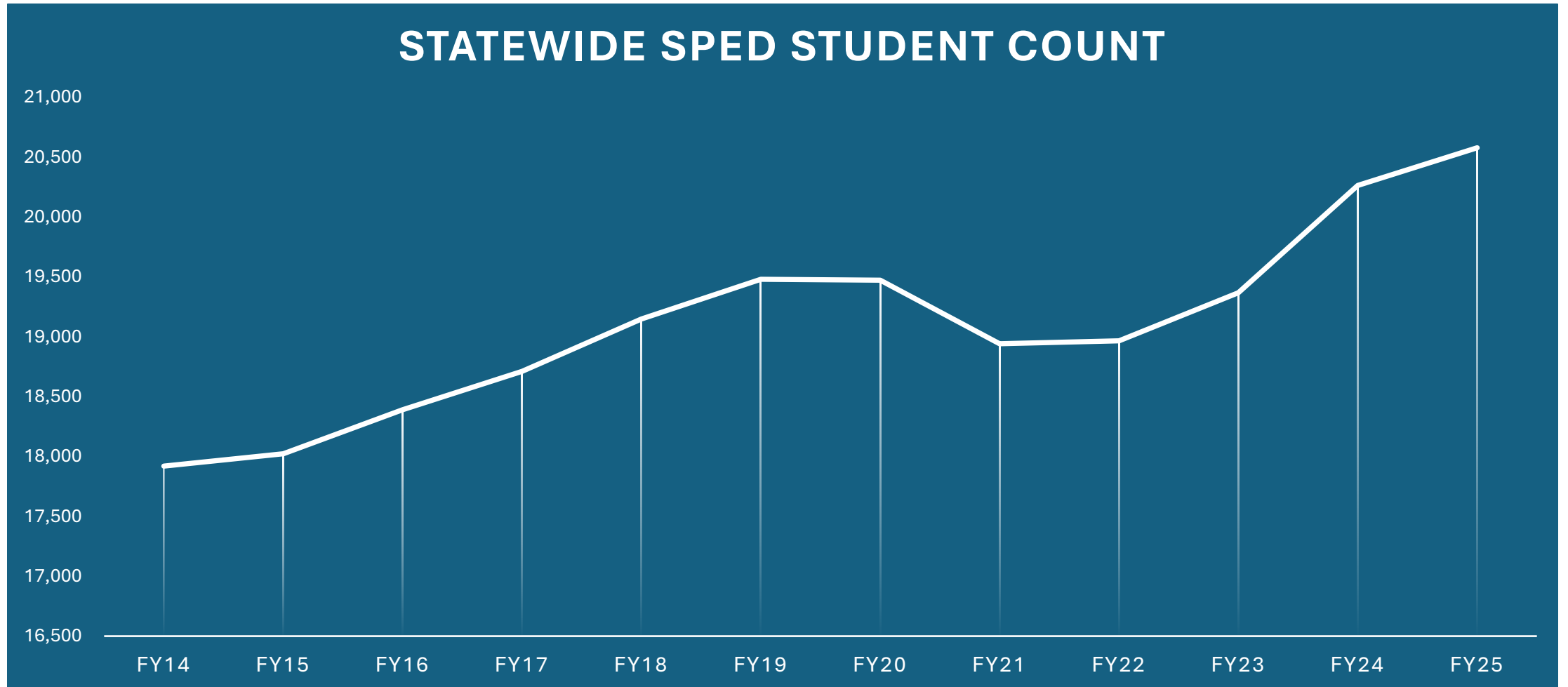
Reconciled Entitlement Funding vs. Special Needs Expenditures by Function	
Total Entitlement Revenue for Special Needs & Intensive	2,613,341
Total Expenditures for Special Needs & Intensive	(1,569,768)
Break out of Special Needs Expenditures by Function	
120 Bilingual/Bicultural Instruction Expenditures	(27,920)
130 Gifted/Talented Instruction Expenditures	(89,233)
160 Vocational Education Instruction Expenditures	(138,265)
200 Special Education Instruction Expenditures	(1,314,350)
220 Special Education Support Services - Students Expenditures	0
Over (Under)*	1,043,573
Other Special Needs Related Expenditures by Function	
300 Support Services - Students	0.00
310 Attendance And Social Work	0.00
320 Guidance Services	0.00
330 Health Services	0.00
Over (Under)*	1,043,572.63



Context is Key

Any sufficiency analysis must include an examination of the dynamics of the foundation formula, associated revenues and program costs, and how local population fluctuations & decision-making drive all of the above.

Context: Student Population Changes



Context: Special Education



**SPED Maintenance of Effort
drives resource allocations**



**High vacancy rates in SPED
may result in artificially low
expenditures**

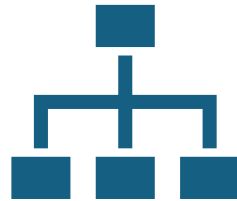
High turnover

Hard to fill positions

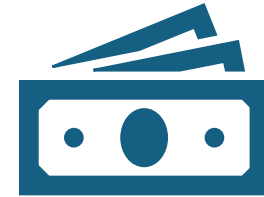
Context: Hidden Costs



**Differentiated
Instruction**



Overlap of duties



**District capacity for
cost tracking**

Context: Formula does not follow cost

Recent increase to the BSA would not have made some districts whole, even at FY24 costs

When components of the formula are static, resources do not adjust to changing needs, growing subpopulations, or cost drivers

Reductions for required local contribution & federal impact aid further erode sufficiency



Questions?