SPECIAL EDUCATION IDENTIFICATION AND FUNDING

By

AMANDA TIMMER

Submitted to

The Education Leadership Faculty
Northwest Missouri State University Missouri
Department of Educational Leadership
College of Education and Human Services
Maryville, MO 64468

Submitted in Fulfillment for the Requirements for
61-683 Research Paper
Fall 2012

June 10, 2013
Abstract

The purpose of this study was to determine the type of relationship that existed between special education identification and special education funding. It is shown that special education identification is decreasing, while special education funding varies widely. A rank ordered correlation study was completed in order to determine how these components of special education might be related. The analysis was completed using ASP software. The study used archived data for four consecutive school years in order to determine what relationship exists. The study also looked at the correlation between six school years with aggregated data to determine the relationship. The analysis showed that these two components are related, but the strength and significance of the study was reliant on the data from that specific year. The analysis of the aggregated data showed a strong inverse relationship. The relationship between special education identification and special education funding should continue to be reviewed and analyzed.
Introduction

Background, Issues and Concerns

A large, suburban school district in the greater Kansas City area of Missouri has shown increasing numbers of students becoming eligible and receiving services in special education. While the number of students receiving services continues to increase, the allocated budget for this population of students has not been increasing at the same rate. This project will involve finding data about the identification of students receiving special education services and the allocated funding being used to support the education of these students. The analysis of results will determine if there is a relationship between the identification of students and funding allocation within the spectrum of special education.

Practice under Investigation

The practice under investigation is the relationship between special education identification and special education funding.

School Policy to be Informed by Study

Those students requiring more individualized instruction may require more support to be successful, and an increase in budget funds per pupil may help in getting these students the appropriate form of support in the classroom.
Conceptual Underpinning

According to Missouri policies, school districts must prepare and maintain a yearly budget. There are no defining requirements for the budget, including for how money is spent with each pupil’s best educational interest in mind. It is quite plausible that each school district is using their funds differently for students requiring services from special education teachers and resources. In the interest in appropriate education for all students, a more defined aspect of budgeting for special education services could benefit students receiving these services. It is reasonable to assume that a consistent approach from all districts in the state of Missouri would lead to similar results within the field of special education. Results could include an increase in funding that may lead to an increase in student achievement. The increase in special education achievement may in turn lead to a decrease in special education identification. This would allow for specialized services to be utilized specifically for and with students who perform significantly below grade level or have large gaps in their education. Overall, an increase in each student’s achievement, along with better funding and budgeting could result for all school districts in the state of Missouri.

Statement of the Problem

There is a lack of definition and understanding of the budget when using funds related to students and services of special education and how that is related to the identification of students requiring the need of special education services.
Purpose of the Study

The purpose of the study is to analyze and understand the trends in special education funding related to the identification of students receiving special education services.

Research Question(s)

1. Is the special education population in Missouri increasing?
2. Is the special education funding in Missouri decreasing?
3. Is there a relationship between special education population and special education funding in Missouri?

Null Hypothesis (es)

1. There is no relationship between special education population and special education funding in Missouri.

Anticipated Benefits of the Study

Anticipated benefits include understanding Missouri trends in special education population and funding in order to better serve the students through eligibility criteria and per student spending.

Definition of Terms

Funding: the use of budgeted monies for specified uses
Summary

The large, suburban school district in the greater Kansas City, Missouri area has had an increasing number of students become eligible to receive special education services. The allocated budget for this student population has not increased at the same rate, though, and this project will look at how a school district budget chooses to allocate their funds, especially for students in services through special education. The analysis will provide information about the number of students identified as needing special education services and the relationship that number shares with special education funding.
Review of Literature

Since the beginning of the movement incorporating special education services into the general education environment, we have been in a whirlwind of constant change. It seems as all aspects of special education have been impacted at some point since its inception. There was the decision about who might need special education services, then how best to determine those apart from the others and we even found ways that were not effective. The aspects of identification remain quite malleable, between each state and even between school districts operating in the same state. Even though this process may look different for each district, it should be remaining fairly consistent within that district. Once the issue of identification has been addressed, and services are being provided, the issue then turns to the budget for servicing these students.

Special education funding is separate from the regular education budgets, and may also be ever changing, just as the identification methods. The budget for special education services becomes a problem when required to look at appropriate and effective programming for these students. If the teachers cannot prove that the students are learning, determined most often by standardized testing, the school district begins to worry about the ways in which these students are being provided their free and appropriate public education. As always, school districts are looking to provide the best learning strategies and opportunities for the least amount of cost. As such, the number of students identified with special needs and the budget the school district keeps may be influencing each other. The following articles express the ideas of special education identification and special education funding separately, but the data that follows will be addressing these two ideas together.
In regards to identification, some researchers find that “classification problems are compounded by limited and often inadequate or inappropriate operational methods of identification” (Keogh, 2005, p. 100). This happens not only in the range of possibilities when determining the appropriate service for a student, but also within the specific category of some service options. Keogh (2005) states, “In LD [learning disabilities], decision rules about inclusion and exclusion differ widely, and identification may be influenced by a number of extraneous conditions” (p. 100). Although “classification criteria specify the requirements that must be met to establish that an individual qualifies for a particular diagnosis such as SLD [specific learning disability]” (Reschley and Hosp, 2004, 198), these specifications may look different, which results in a skewed perspective when attempting to compare school district and state reports. While most states define SLD [specific learning disability] the same way, the “enormous variability in SEA [state education agencies] SLD requirements produces significant differences in what SLD means, depending on the location of the child’s residence” (Reschley and Hosp, 2004, p. 209). In addition, “one of the most consistent findings in educational research is that students achieve in direct proportion to their opportunity to learn” (Skiba, Simmons, Ritter, Gibb, Raush, Cuadrado and Chung, 2008, p. 274). While this sounds like a specific home or school problem, we also find “that disproportionality in special education is determined by a combination of forces both within and external to our educational system” (Skiba et al., 2008, p. 281). As such, there are a number of students who could be identified as requiring special services rather young in their education but may not receive it, as noted by Litty and Hatch (2006), who say “the tradition of most school systems and the policy of some is to delay doing evaluations for special education identification until after the kindergarten year” (p. 203). However, completing identification at such a young age may have its advantages and also
its disadvantages. Greene (2007) says that while “the identification of students as disabled has increased, the percentage of students who truly are disabled has remained approximately the same” (p. 705). By this measure, there is something amiss with the system and it needs to be revamped. Several researchers concur, stating, “an alternative approach to describing disproportionality is to measure a group’s representation in special education compared to other groups” (Skiba et al., 2008, p. 267). Part of the problem may be addressed by having “a more realistic approach…to categorize services that are beneficial to children who are having difficulty learning” (Edgar and Hayden, 2001, p. 525).

Not only do some researchers find that the special education identification system need some work, but also that improvement is needed in how teachers might collect and record data. For example, “the need for improving the system of data collection for individuals with disabilities is evident: however, the means for meeting this need cannot be achieved easily” (McGrew, Algozzine, Ysseldyke, Spiegel, 1995, p. 482). Likewise, Katsiyannis and Yell (2004) find that “a call for the field of special education to develop and adopt a universal set of standards to determine research-based practices and a look at school systems to support their use” a way of beginning the changes that may improve our educational system in regards to special education identification. (p. 209-210)

The discussion of finances can be even more difficult, as this not only affects students receiving special education services, but all students receiving their education in each school district and each state. Once again, each state can choose their funding program. Missouri has elected to use a foundation program. “Foundation program allocation schemes support education through a set state guarantee per pupil or per teacher unit that historically was intended to pay for a basic or minimum education program” (Verstegen, 2011, p. 8). Although this program may
include a weighted student piece, Verstegen (2011) also states that, “in Missouri, a new formula provides funds based on student needs. It provides finances based on the average current expenditure per pupil in those districts meeting all performance standards established by the State Board of Education. In addition, the adequacy of the foundation amount remains a key area of interest to policymakers, scholars and others” (p. 23). Although this program is not specifically designated, most research indicates that many programs have financial incentives. “The current structure of special education [funding] provides incentives to underserve those students who are disabled” (Greene, 2007, p. 712). Greene (2007) also believes that these ideas “only capture(s) the monetary loss; if the special education funding system were reformed, it would not only cost less, it would perform better. Disabled and nondisabled students alike would receive a better education” (p. 721-722). Other authors parallel this research, and unfortunately they believe that “all special education funding formulas contain incentives that have the potential to affect practice” (Mahitivanichcha and Parrish, 2005, p. 20).

Mahitivanichcha and Parrish (2005) go on to say that

“state allocation of special education funds can be classified under two primary types. The first type distributes funds based on the total number of children living in a state or the total number of students enrolled in a district. … A second, more common category of formulas is based on some measure of special education provision. … Each of these state funding formulas may create fiscal incentives affecting special education identification, disability classifications, and placement decisions” (p. 4).

Most of the literature concurs that funding is a problem and that it may be affected how and where students are receiving services for special education. Additionally, other authors find that
“schools receive different funding amounts per students, depending on the child’s special education needs. In cases where a child meets the requirements for two or more special education categories, the school assigns the code that will yield the most funding” (Ouellette-Kuntz, Coo, Lloyd, Kasmara, Holden and Lewis, 2007, p. 1942). Even more disheartening, Cortiella (2009) finds that “under IDEA current law, school districts are allowed to reduce local expenditures for special education by up to 50 percent of an increase in non-local funds over the previous year” (p. 61). While the research proves that school districts have very loose reins on their financials, and especially those used for servicing students with special needs, there is no doubt that budgeting is always a hot topic in the field of education.

The data that follows will be addressing the identification and funding of special education separately, and then together to determine if there is a relationship between the two, and if so, of which variety. Information from the literature alone is quite convincing that most aspects in the world of education are related at some point in time, but especially those of identification and funding when looking specifically at the services provided for special education.
Research Methods

Research Design

A non-experimental, quantitative study was completed and served as the research design. The alpha level was set at 0.25 for all analysis completed in this project. The independent variable was the number of students identified to receive special education services. The dependent variable is the allocated funding from the school district for students receiving special education services. The completed study will also tell us if there is a relationship between the number of students and the allocated funding.

Study Group Description

A total of all school districts in Missouri was used to compile the data for the number of identified students and the corresponding funding allocation.

Data Collection and Instrumentation

Archived data from the Department of Elementary and Secondary Education website was collected to find the number of identified students and the funding allocation for students receiving special education services.

Statistical Analysis Methods

A Statistical Package (ASP) software was used to calculate the statistical calculations for this study. A correlation analysis was completed. In addition to this software, Microsoft Excel was used to compile totals and move data in the software program.
Findings

The following tables and narratives will show the results of a rank-ordered correlation and aggregated data correlation analysis done between special education identification and special education funding. The special education identification data includes children, ages three through five, receiving special education services in an early childhood center and regular public school aged children, five through twenty-one. The special education funding data includes early childhood center funding, which operates with three different budget accounts: state revenue, federal part B funds, and federal part B ARRA funding. These are added together to give a total amount for the early childhood special services environments. Additionally, the public school(s) receive their own funding from these three sources: state/local revenue, federal part B funds, and federal part B ARRA funding. Again, these are complied together to give the total amount for the public school budgets on a yearly basis.

The analysis of this data was completed by determining what type of relationship there is between the special education identification and special education funding from the following four school years: 2009, 2010, 2011 and 2012. The aggregated data correlation also used identification and funding numbers from the 2007 and 2008 school years. Separate analysis was not done with these years, as only partial funding data was available. The aggregated data correlation analysis was completed independently of the other analyses.
Table 1: Correlation Study Special Education Identification vs. Special Education Funding 2009

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>r</th>
<th>R²</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Education Identification</td>
<td>11</td>
<td>85,421</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Education Funding</td>
<td>11</td>
<td>167,236,627</td>
<td>0.742</td>
<td>55%</td>
<td>5.719E3</td>
</tr>
</tbody>
</table>

Note significance = or < .25

Table 1 had eleven data points of information provided to complete the analysis. The mean, or average, of the identification and funding is provided in the table, noting that the funding is significantly larger than the identification, showing that each student receiving special education services receives a portion of the specified budget. The analysis provided results for ‘r’ that show this relationship is strong and that it is positive, meaning these components are directly related. ‘R²’ shows the practicality of comparing these items is moderate, while the p-value indicates the necessity of rejecting the null hypothesis because it is lower than the alpha level, which shows a significant difference between special education identification and special education funding.
Table 2: Correlation Study Special Education Identification vs. Special Education Funding 2010

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>r</th>
<th>R²</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Education Identification</td>
<td>11</td>
<td>83,369</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Education Funding</td>
<td>11</td>
<td>436,010,776</td>
<td>0.427</td>
<td>18%</td>
<td>0.166</td>
</tr>
</tbody>
</table>

Note significance = or < .25

Table 2 had eleven data points of information provided to complete the analysis. The mean, or average, of the identification and funding is provided in the table, noting that the funding is significantly larger than the identification, showing that each student receiving special education services receives a portion of the specified budget. The analysis provided results for ‘r’ that show this relationship is weak and that it is positive, meaning these components are directly related. ‘R²’ shows the practicality of comparing these items is weak, while the p-value indicates the necessity of rejecting the null hypothesis because it is lower than the alpha level, which shows a significant difference between special education identification and special education funding.
Table 3: Correlation Study Special Education Identification vs. Special Education Funding 2011

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>r</th>
<th>R²</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Education</td>
<td></td>
<td>81,613</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identification</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Education</td>
<td></td>
<td>200,298,281</td>
<td>0.713</td>
<td>51%</td>
<td>9.202E3</td>
</tr>
<tr>
<td>Funding</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note significance = or < .25

Table 3 had eleven data points of information provided to complete the analysis. The mean, or average, of the identification and funding is provided in the table, noting that the funding is significantly larger than the identification, showing that each student receiving special education services receives a portion of the specified budget. The analysis provided results for ‘r’ that show this relationship is strong and that it is positive, meaning these components are directly related. ‘R²’ shows the practicality of comparing these items is moderate, while the p-value indicates the necessity of rejecting the null hypothesis because it is lower than the alpha level, which shows a significant difference between special education identification and special education funding.
Table 4: Correlation Study Special Education Identification vs. Special Education Funding 2012

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>r</th>
<th>R²</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Education</td>
<td>11</td>
<td>80,514</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identification</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Education</td>
<td>11</td>
<td>190,929,789</td>
<td>0.742</td>
<td>55%</td>
<td>E3</td>
</tr>
</tbody>
</table>

Note significance = or < .25

Table 4 had eleven data points of information provided to complete the analysis. The mean, or average, of the identification and funding is provided in the table, noting that the funding is significantly larger than the identification, showing that each student receiving special education services receives a portion of the specified budget. The analysis provided results for ‘r’ that show this relationship is strong and that it is positive, meaning these components are directly related. ‘R²’ shows the practicality of comparing these items is moderate, while the p-value indicates the necessity of rejecting the null hypothesis because it is lower than the alpha level, which shows a significant difference between special education identification and special education funding.
Table 5: Aggregated Correlation Study Special Education Identification vs Special Education Funding 2007 - 2012

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Mean</th>
<th>r</th>
<th>R²</th>
<th>p-value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Special Education</td>
<td>6</td>
<td>170,084</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Identification</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Special Education</td>
<td>6</td>
<td>1,532,039,141</td>
<td>-0.828</td>
<td>-83%</td>
<td></td>
</tr>
<tr>
<td>Funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note significance = or < .25

Table 5 had six data points of information provided to complete the analysis. The mean, or average, of the identification and funding is provided in the table, noting that the funding is significantly larger than the identification, showing that each student receiving special education services receives a portion of the specified budget. The analysis provided results for ‘r’ that show this relationship is strong and that it is negative, meaning these components are inversely related, or that as the number of identification goes up, the amount of funding goes down. ‘R²’ shows the practicality of comparing these items is strong, while the p-value indicates the necessity of rejecting the null hypothesis because it is lower than the alpha level, which shows a significant difference between special education identification and special education funding.
Conclusions and Recommendations

After analyzing the data, it is apparent that the rate of special education identification has been decreasing over the past six school years and the expectation would be that it may continue to do so in the future. If, however, these numbers reach drastic lows, there could be potential for a complete overhaul in the area of special education and their service delivery model. Currently, students receiving special education services may be doing so in many types of ways: resource, pull out, self-contained, and functional. Students currently receiving services in the functional and self-contained settings will not likely notice a significant change in their services, should the downward trend continue, but students whose aid is in the form of pull out and resource, could be the students who are returning to the regular education setting – without special education services. These students are learning enough strategies to be successful on their own, or may continue to perform poorly, but well enough that special education services are not deemed necessary. Which ever the case may be, and if the special education identification trend continues on this path, students and teachers may be re-assessing their classroom set up and service delivery model.

The amount of special education funding, however, has been erratic. It began with a small increase, made a more significant increase, then made a big jump upwards, followed by a large decrease, and then a bit more of a drop for the final data collection year. One explanation for this big slope of a line is because of the federal initiative for education funding. There were grants issued to aid in the implementation of new teaching methods and strategies that were to provide a potential learning increase for all students. These grants were issued for just a few years, and the state is no longer receiving the significant monies, but having to go forth with only
the other aspects of their budgets. A projective view for budgeting is difficult to assess, as the
tail end of an initiative is approaching and a new curriculum standard is being piloted in many
Missouri schools. There may always be the opportunity for budget growth in the form of grants,
but as they are not a steady or reliable income for budgets, the funding data may continue to have
peaks and valleys. Despite the limited knowledge for future special education funding, there will
never cease to be educators who will do all that they can for the students to receive a free and
appropriate education.

Recommendations for future considerations in regards to special education identification
and special education funding include continued monitoring of each trend in order to be aware
and assist in necessary changes in identification procedures or funding and budgeting
responsibilities. It could also be enlightening to analyze this data between multiple years to
determine if other trends are taking shape between these components that are not shown here
because of the year-to-year analysis. Additionally, analyzing this data with other components of
special education and general education may also shed light on growing trends that may be
affecting both aspects of education. For instance, the free and reduced lunch population may
also be affecting or affected by special education identification. Also, teacher experience may be
influencing special education identification and progress on standardized tests. In the field of
education, there are a multitude of factors that could be changing our scope. Studies would need
to be completed in order to determine such changes and then develop a plan for working through
issues that may arise from completing analyses.


doi:10.1007/s10643-005-0048-9


