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Washington Office of Superintendent of  
**PUBLIC INSTRUCTION**  
Chris Reykdal, Superintendent

ospi.k12.wa.us

December 10, 2024

Mr. Eric Thomas, Legislative Auditor  
Joint legislative Audit and Review Committee  
106 11th Ave. SW  
Olympia, WA 98504-0910

Dear Mr. Thomas:

Thank you for the opportunity to provide a response on behalf of the Office of Superintendent of Public Instruction (OSPI) to the Joint Legislative Audit and Review Committee (JLARC) report, "Performance Audit of Special Education: Funding Formulas and Spending."

Recommendation #1 identifies potential changes to the current formula, including:

1. Removing the enrollment cap so the state provides school districts with excess cost funding for all students receiving special education services.
2. Adjust the excess cost multipliers to account for differences in student needs consistent with practices used in other states.

Alternatively, the Legislature could develop a new special education funding approach that is not based on general apportionment funding.

OSPI partially concurs with your recommendations provided in the report.

OSPI fully concurs with Recommendation #1, sub-recommendation (1), removal of the special education enrollment cap so the state provides districts with excess cost funding for all students receiving special education services. This was included in [OSPI's decision package request to the Governor and the Legislature](#) and OSPI would support working together with the Legislature to accomplish this goal and improve state funding for special education programs and supports.

OSPI has concerns regarding the recommendation to adjust the excess cost multipliers to account for differences in student needs and would offer caution to legislators as they consider implementing these recommendations. Washington state has previously utilized categorical funding based on disability categories. While this approach was intended to target funding to students with specific needs, it resulted in concerning outcomes, including the overidentification of students in more impacted disability categories. This overidentification led to the misallocation of resources, often overlooking students who required support but did not fit neatly into a particular category. Adjusting funding multipliers based on

student needs would run the risk of repeating these issues, reinforcing a system that may encourage inappropriate categorization or misallocation of resources.

Instead of adjusting the multipliers to target specific student needs, we recommend that Washington continue to rely on the existing safety net mechanism, which provides reimbursement for high-cost programming. This safety net currently serves as an effective means of supporting individual school districts in addressing student needs that are unique and high cost. However, we believe there is room to further improve this process by exploring ways to streamline safety net reimbursement to ensure it is more accessible and equitable for districts across the state.

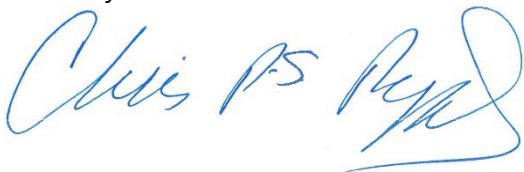
Education funding in Washington, including special education, is not designed to be based solely on individualized student needs. Special education services, like all school programs, involve fixed costs that are essential to running schools effectively and efficiently. A funding model based exclusively on individual student needs would inhibit coordinated service delivery. The current funding model based on student population enables more effective service delivery for all students, including those with disabilities.

Additionally, student needs are not static nor solely determined by disability category. Factors such as changes in family circumstances, trauma, socio-economic challenges, and other influences can affect the level of support a student requires at any given time. A funding model that relies heavily on disability categories or static need assumptions could overlook the dynamic and evolving nature of student requirements.

For these reasons, OSPI instead recommends refining our existing systems, like the safety net, to ensure a more equitable and flexible approach to funding special education. We need a system that recognizes the complex and changing nature of student needs, while also supporting districts in their broader operational goals.

Thank you for the opportunity to provide feedback on your final recommendations. Please do not hesitate to reach out to my office with additional questions.

Sincerely,



Chris Reykdal  
Superintendent of  
Public Instruction

cc: Casey Radostitz, Research Analyst  
Vivien Chen, Research Analyst  
Francisco Santamarina, Research Analyst  
Stephanie Hoffman, Deputy Legislative Auditor