

Testimony before the Special Education Funding Formula Commission
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Good morning. My name is Larry Sperling and I have been working in public education for 38 years. For 31 of those years I was a teacher, principal, supervisor and administrator in the School District of Philadelphia. My administrative duties ranged from coordinating school budgets, conversions of K-5 and 6-8 schools to K-8 buildings, redistricting and ensuring appropriateness of building modifications for the converted schools. Additionally, for the past seven years, I've been with Philadelphia Academy Charter School. Two years were as the Chief Academic Officer and the last five years have been as CEO.

For 12 years with the Philadelphia School District, I was responsible for coordinating school based budgets for 270 schools and as many as 215,000 students. These budgets included the basic subsidy, ESL, Title I and special education. The method we used in Philadelphia to distribute those funds to the schools was a four-tiered system with central funds provided for extraordinary cost situations such as the need for personal care assistants for part time and full time special needs students as well as secondary disabilities for high incidence students.

Funds were distributed to schools to serve high incident students (speech, language, inclusion) and those students with other disabilities, (mild Autism or Asbergers) where students received more than 50 percent of their education in regular education classes. The district allocated personnel centrally for those students who were in self-contained special ed classes for more than 50 percent of their day. Those programs were not in all schools but were located in a small number of sites. They operated as an IU in that sense. Transportation was provided to those students. If a student in a self-contained situation needed additional resources such as OT or a personal care assistant, that person or service was allocated centrally and the school did not foot the bill. The system generally worked, and there was a computer network that recorded all of the students' needs as well as supervisory services to validate those needs. The formula assigned a dollar figure for the different disabilities. Lump sums were given to the schools for high incident students. Resources for low incident students were allocated centrally, including funding for personal care assistants, physical therapy, occupational therapy, etc.

Philadelphia Academy has a 25 percent special needs population. The needs of our students range from IEPs mandating speech and language services through very low functioning autism and life skills needs and everything in between. A recent BSE audit commended us for our work with special needs and had zero items needing corrective action. But, I am acutely aware of the cost of education for low functioning students. For example, for the 2013-14 school year, 10 students at Philadelphia Academy will require nine personal care assistants (PCAs) and a C-Print specialist at a cost in excess of \$350,000 including PSERS, social security and medical benefits. This is in addition to usual classroom costs as well as other additional services for those students outside of the usual classroom instruction (OT, PT, etc.). At the Academy, we have created a double-edged sword. The better the job we do with special education children, the more families

with children who have special needs apply for admission and are accepted. This year alone, we need three additional PCAs for new students.

At Philadelphia Academy, six percent of our general population (36 percent of our special needs population) are considered low incident and the cost of their education far exceeds the subsidy of \$19,660 per student (2012-13). Additionally, we incorporate a mandated comprehensive school to work transition program for students through the age of 21. The subsidy we receive for those students does not match the cost of the program. Additionally, we own our buses and transport our own students. We contract with Philadelphia to do so, yet we are not covered for transporting special needs students above grade six. We are located in the Northeast part of the city and our custom routes take us to all parts of the city. In addition to our 12 bus routes, we have four vans used to pick up and drop off special needs students where transportation is mandated in their IEPs. The cost of these routes is over \$120,000, not including the costs of an aide on each bus with special needs students. The cost is driven to up an additional \$180,000 these aides. Total unfunded transportation requirements for special needs for our school exceed \$265,000.

The IU in Philadelphia does not support charter schools at all. Their relationship with us is simply passing through IDEA dollars to the charters. For several years, many of my colleagues in Philadelphia have been discussing the merits of us serving as an IU for those children selected through the lotteries where schools are not equipped to support them.

The implementation of a funding formula that allocates resources based on a student's needs would encounter one major obstacle state wide that we did not have in Philadelphia, and that is the fact that the cost of education differs widely from LEA to LEA across the state. Any tiered system, if not carefully crafted, has the potential of financially hurting any school with a high number of high incident special needs children. Certainly a massive data collection effort would need to be created and all LEAs would need to ensure the quality of the data. Currently, Contingency Funding addresses some severe expenses, but with a threshold of \$60,000, it doesn't come close to addressing the students with PCAs and other supplementary support and specialized services.

The funding system, as it currently exists, causes a particular problem at Philadelphia Academy where the cost of necessary support services for many of the most severely challenged children is often three times the allotted dollars. I'm certain this is true for every school serving large numbers of low incident students. A tiered system that does not take into account these extraordinary circumstances will be harmful not only to our special education children but will also be a financial burden on our regular education program.

Thank you for your time and I would be happy to respond to any questions you have.