



Cost Benefit Analysis of High School Connections Program

March 7, 2012

Introduction

This document presents the educational and financial rationale for building an in-district special education program, Connections IV, at the high school. We believe this is a critical educational program and one that needs to be developed in FY' 13. Our financial analysis indicates that the savings achieved by avoiding out-of-district (OOD) tuition and transportation costs would pay for the staff necessary to develop this program.

What is the Connections IV Program?

The proposed Connections IV program at the high school is a continuation of the Connections programs the district has successfully implemented in grades K through 8 that serve students with a primary diagnosis of Autism Spectrum or Non Verbal Learning Disability. The targeted students often have secondary emotional or health related diagnoses that compound their educational needs. This program is designed to support students who have average to well above average intelligence who are fully mainstreamed in general education classrooms 80% or more of the school day. These students have some combination of the following needs: social pragmatic and/or theory of mind deficits (perspective taking), behavioral challenges brought on by social pragmatic and theory of mind weaknesses, executive functioning challenges (organization and planning), decreased ability to self-advocate for needs, anxiety related to disability and/or social/emotional needs, difficulty shifting tasks, less independent/mature social and academic skills, and significant post-high school transition needs. By and large this is a population of students who have the ability to go on to college following graduation when provided with effective post-high school transition planning beginning at age 14.

The Connections IV program would be comprised of a dedicated special educator and special education assistant who have specialized knowledge, training and experience in supporting students with Autism Spectrum and Non Verbal Learning Disabilities. The program would also include a staff member to support transition planning for these students, a .2 Speech/Language specialist to support social pragmatic and executive functioning needs, a .4 School Counselor to support the social and emotional needs of individual students and consultant time to provide training to staff.

At this time Pupil Services has identified 22 students at the high school who would be part of the proposed Connections program in FY' 13. This includes two current out-of-district students who could be brought back in district in FY' 13, as well as two 8th grade students anticipated to go out of district next year, two 7th grade students anticipated to go out of district in FY' 14, two 6th grade students from the Supported Career Education program anticipated to go out-of-district in FY' 15 and two students projected for FY' 16 due to anticipated move-ins, student failure or crisis, etc.

Why Do We Need Connections IV?

Right now students on the Autism Spectrum are being served in a distributed manner across multiple general Learning Centers and Resource Rooms at the high school. The services and supports provided are variable based on individual special educator's knowledge and experience related to Autism Spectrum Disorders. The complexity of student needs in this student population requires special educators with a depth of specialized skills and training to ensure positive outcomes for students.

The Connections program would allow the district to:

- Hire staff at the high school with specialized expertise in Autism Spectrum Disorders which would dramatically increase the quality, consistency and effectiveness of services delivered
- Hire staff at the high school with specific expertise in vocational skills, employability and community based services to support students' post high school transition planning needs*
- Allow the efficient, coordinated provision of transition planning services for students on the Autism Spectrum
- Significantly decrease the number of expensive out-of-district placements for this growing population of students
- Reduce the high caseloads of special educators across the high school in keeping with NEASC recommendations
- Create an Autism Spectrum knowledge center/resource in the building for general education staff to access when they have questions about how to support students with these needs

* *Legal statutes require comprehensive, effective transition planning for all students with special needs beginning at age 14. Transition planning is currently being done on an inefficient, ad hoc basis. This particular population of students is underserved in this area; consequently the district is vulnerable to due process action.*

How Much Would it Cost to Develop the Connections IV Program?

To determine the cost to the District of developing the high school Connections program we have used the following formula: Total OOD costs (tuition + transportation) – Circuit Breaker reimbursement – Annual Cost of Connections Program = Net Cost of Connections to District. Our data suggests that the savings in OOD costs would pay for the Connections program.

Staffing

Table 1 shows the required staffing and applicable salaries for this program. Pupil Services is able to cover the costs of the .4 school counselor and consultant/training time by reallocating resources within special education. Consequently, the budget impact for FY'13 would be \$150,868 in additional staff cost offset by a reduction in OOD expenses (See Table 4 below).

Table 1: Proposed Staffing for Connections Program in FY' 13		
Staffing	FTE	FY' 13
Special Educator	1.0	\$70,000*
Sped Assistant	1.0	\$35,000*
Transitional Ass't.	1.0	\$35,000*
S/L Specialist	0.2	\$10,868
Additional Staff Budget Cost		\$150,868*
Reallocation of Current Staff:		
School Counselor	0.4 Reallocated Resources from FY'13	\$26,000
Training/Consultation	Reallocated Resources from FY'13	\$20,000/year
Annual Staff Cost of Program		\$196,868*

* *These figures include the cost of benefits for staff greater than .5 FTE.*

Projected Out-of-District Costs From FY'13 – FY'16

Table 2 shows the projected out-of-district cost savings over the next four years. This includes tuition and transportation costs associated with anticipated OOD placements. This projection includes:

Table 2: Projected Out-of-District Costs (Including 3.47% annual tuition increase)				
OOD Expenses	FY' 13	FY' 14	FY' 15	FY' 16
Tuitions \$ 77,000/year	\$154,000 (2)	\$239,016 (3)	\$329,746 (4)	\$426,485 (5)
\$ 66,000/year	\$66,000 (1)	\$136,580 (2)	\$211,979 (3)	\$292,446 (4)
\$54,961/year**	\$54,961 (1)			
Transportation \$20,000/student*	\$80,000	\$85,000	\$95,000	\$105,000
Total Cost per Year	\$354,961*	\$460,596*	\$636,725*	\$823,931*

Total Projected OOD Costs for FY'13-FY'16 = \$2,276,213

* Transportation costs are approximately \$20,000/student for the first two students riding the same bus to the same location and then approximately \$5,000/student for each additional student riding the same bus to the same location.

**\$54,961 is for a single student who requires a fifth year of transition planning services. This number includes OOD tuition of \$47,561 in a separate program plus contracted speech and language services of \$4,600/year and vocational training costs of \$2,800/year. This student would also incur \$20,000/year in transportation costs because there are no other students attending this school from our district.

This projection assumes that all future OOD students would be attending one of two specific programs that serve this student population. If that doesn't occur then transportation costs would likely increase (cost would be approximately \$20,000/student not \$5,000 for increased riders on same bus). If students attend other programs that don't include speech and language, counseling and transition services, then the district is responsible for providing these services in addition to paying OOD tuition.

Circuit Breaker Reimbursement Loss

Table 3 shows the Circuit Breaker reimbursement we would expect to receive for these OOD students. Calculations are based on a 55% Circuit Breaker reimbursement rate. If these students were brought in district they would no longer be eligible for Circuit Breaker so these monies would be lost to the district.

Table 3: Circuit Breaker Offsets (Based on 55% reimbursement rate for tuition in excess of \$38,916)				
	FY' 13	FY' 14	FY' 15	FY' 16
Circuit Breaker for \$77,000	\$41,892 (2)	\$67,247 (3)	\$95,805 (4)	\$127,548 (5)
\$66,000	\$14,896 (1)	\$32,312 (2)	\$52,377 (3)	\$75,230 (4)
\$54,961	\$8,825 (1)			
Total	\$65,613	\$99,559	\$148,182	\$202,778

For ease of reporting this chart shows Circuit Breaker offsets against the fiscal year in which they're incurred. We recognize that the District receives Circuit Breaker reimbursements from each year in the following fiscal year.

Net District Cost Savings for FY'13 – FY'16

Table 4 shows the anticipated savings to the district once Circuit Breaker reimbursement and annual Connections program costs have been subtracted from the projected Out-of-District savings. The projected net savings to the district over this 4-year period is **\$936,459**.

Table 4: Final Cost Analysis (based on 22 Students)				
	FY' 13	FY' 14	FY' 15	FY' 16
OOD Costs (Tuition & Transportation)	\$354,961	\$460,596	\$636,725	\$823,931
- Circuit Breaker	(\$65,613)	(\$99,559)	(\$148,182)	(\$202,778)
Final OOD Cost	\$289,348	\$361,037	\$488,543	\$621,153
- Connections Program Cost	(\$196,868)	(\$202,774)*	(\$208,857)*	(\$215,123)*
Savings per Year	\$92,480	\$158,263	\$279,686	\$406,030

Total Projected Cost Savings for FY'13-FY'16 = \$936,459

* Connections program costs for FY'14-FY'16 have been calculated including a 3% per year increase in benefits costs.

The staffing model proposed for Connections is based on a cap of 22 students. We anticipate that students graduating from the program will offset new students entering. However, if the number of students in the program increased beyond 22-24, it might be necessary to add another assistant.

What Happens If We Don't Build Connections IV?

If we don't build the Connections program at the high school we will:

- Continue to support this vulnerable student population in a distributed manner through a generalist rather than specialist model
- Continue to send students out-of-district who could be served by in-district programming
- Continue to see rising out-of-district costs for this student population
- Continue to deliver transition services in an ad hoc manner
- Increase our exposure to due process regarding delivery of transition services
- Continue to increase special educator caseloads at the high school

Summary

The Connections IV program is a critical program that we need in district to serve a growing population of students – witness the new class of preschool students on the Autism Spectrum who entered our school district this year. It is a program that will leverage and extend a needed set of specialist skills at the high school, reduce excessive caseloads for special educators (per NEASC recommendations), provide higher quality and more efficient services to students, provide knowledgeable, coordinated transition planning services (per statute), and save the district a considerable amount of out-of-district expense over the coming years. With gas and transportation costs on the rise and ever-climbing OOD tuition rates, this program is a good investment for students and for the district. The AB SpEd PAC has been advocating for this program for 5 years now. We believe strongly that the District needs to fund this essential program in FY' 13. Next year alone there are four students who could be deterred from going to or returned from out-of-district placements. We believe that it is a prudent investment for the district and that it's the right thing to do for our students.

Appendix A – Potential Future Revenue From Connections Program

In the future if there were excess program capacity the district could tuition students in from surrounding school districts, which would help offset the long term costs of the program. However, this doesn't appear to be an option at this time.

Program Capacity: 22 students

Available Slots: None at this time

Proposed FY'13 Tuition Fee: \$36,500/student

Program Cost: ~\$22,000/student

Potential Income to District: \$14,500/student