

LEARNING DISABILITIES ASSOCIATION OF ONTARIO

Revisiting Ontario's Special Education Funding Formula: an urgent need for action

Preamble

Since its inception forty years ago, it has been LDAO's regular practice to comment upon and make recommendations to the government on all legislative, policy and funding initiatives which have a direct or indirect impact on the services and supports available to individuals with specific learning disabilities in Ontario. From time to time, the Association has undertaken the development of recommendations in a proactive rather than reactive manner, making suggestions for future change, which, in its opinion, would enhance the effectiveness and accountability of the work of the Ministry of Education, school boards, other parts of government and/or community agencies.

In 2000, LDAO submitted a series of recommendations to the Ministry for the amendment of the special education funding formula, as it was set out in the Student Focused Funding approach of the Ministry. These recommendations were endorsed by most of the other special education related provincial parent associations. They responded to the often stated concern about the ever increasing administrative burden faced by school boards related to special education funding as well as the mounting parental concern about the impact of the current approach on their students with special needs.

There was no formal response received to the proposal. At the same time, follow up meetings with the staff of the Ministry in both the special education and finance portfolios confirmed the Ministry's commitment to the current approach. Further, even though LDAO demonstrated that there was no immediate need for additional funding to enhance services to exceptional students, the Government responded to school board pressure by injecting additional funds into the special education area each year. The special education community (parents, students and parent organizations) had high hopes that the Education Equality Task Force would respond to its concerns and recommend some significant student friendly changes to the funding formula. Unfortunately, the references in the Rozanski Report to the effectiveness of the formula were deliberately limited

The Provincial Auditor, in his most recent review of special education funding matters, echoed many of the concerns raised by LDAO and the other parent organizations that supported LDAO's approach for amending the formula. In spite of that, the only changes that have taken place have made the situation worse rather than better from LDAO's point of view.

The purpose of this paper is to reiterate some of LDAO's concerns, demonstrating with new supporting information, all obtained from the Ministry of Education's website, that the special education funding formula is faulty and needs to be changed immediately. As is LDAO's regular practice, the paper also includes a recommended proposal for

Ministry action. This, we believe, would ameliorate the current situation and at the same time improve services to students and enhance school board accountability. We present it as a true win-win situation for the Minister's consideration and prompt action.

A brief historical overview of how we got to where we are today

Ontario's special education system is based on legislation that was introduced in 1980 (Bill 82 or the 1980 Education Amendment Act). The legislation was piloted for over four years by 23 school boards and was fully implemented by all school boards as of September 1, 1985. The mandate was to ensure that all exceptional students would have access to appropriate public education. Key components included the establishment of Identification Placement Review Committees, the requirement for a plan for each student's special education programming and services, the right of appeal for parents and the establishment of Special Education Advisory Committees. The legislation received the support of all parties in the Legislature, and was hailed by most parents of students with special needs and their organizations. School boards were less enthusiastic, due to a large extent to the fact that the legislation did not contain additional funding designated for special education purposes.

The then Minister of Education supported this direction by stating that if specific funding were to be tied to the legislation, i.e., the dollars go with the identification and/or placement of students, the apparent identified incidence of special needs would be artificially raised and yet will not necessarily result in better services to students. Instead, the allocation of funding to school boards was adjusted over the piloting period and beyond to reflect the need for additional program components, qualified teachers, support services, etc. Those school boards that were receiving very little or no provincial funding made their own decisions about extra funding through adjustments to the mill rate.

In the period between 1985 and 1997, the numbers of students receiving special education programming and services remained reasonably stable, at about 8% of the total student population. The breakdown by exceptionality was as follows:

students with learning disabilities	50% of the special education population or just over 4% of the total student population of the Province
gifted students	15 to 20% of the special education population or 1.2 to 1.6% of the total
students with behavioural exceptionalities	10 to 12% of the special education population or 1% of the total
remaining exceptionalities	15 to 20% of the special education population or 1.2 to 1.6% of the total, reflecting the statistical incidence of most exceptionalities within the population. Within this group the largest numbers was identified with mild to moderate developmental disabilities.

The special education component of the funding to school boards was fully census based.

In response to numerous concerns about “out of control” school board spending, the government elected in 1995 decided to implement the current student focussed funding model, with the Province funding all education at a uniform level. The school boards’ ability to raise additional funding or determining local priorities for allocation was effectively eliminated.

Special education funding as part of the new funding formula

As part of the new funding approach, the government reduced the number of grant components to school boards from 34 to 10.

School boards receive a uniform amount for each student who is enrolled in their board. This is the **foundation grant** and it covers a significant part of the regular education of all students, including those who are in need of special education. It includes funding for the following:

- * Classroom teachers
- * Teaching assistants
- * Textbooks and learning materials
- * Classroom supplies
- * Classroom computers
- * Library and guidance services
- * Professional and para-professional supports
- * Preparation time
- * In-school administration
- * Classroom consultants
- * Local Priorities Amount

It amounts to \$3,885 per elementary student and \$4,681 per secondary student in the current school year, for a total provincial allocation of 8 billion dollars.

Of the various special purpose grants, special education is the largest amount.

The special education grant is made up of two distinct components, the census based Special Education Per Pupil Amount (SEPPA) and the layered Intensive Support Amount (ISA) for a total of \$1.65 billion in the current school year. This amount breaks down as follows:

SEPPA	\$810.5 million	
ISA level 1	\$ 7.2 million (equipment)	
ISA levels 2 and 3	\$765.0 million	
ISA level 4	\$ 66.9 million	(Students in care, treatment and correctional placements)

The costs of the Provincial and Demonstration schools are not included in the above amounts.

The special education allocation has dramatically increased in the past six years. It has gone from \$1.17 billion in 1998/99, the first year that the new formula was fully applied, to the current total of \$1.65 billion. That is an increase of \$480 million or 41%. During that same period the total provincial population of students, excluding JK, has increased by only 44,659 students or 2.3%. Although there are no up to date numbers available for the ISA eligible population for the current school year, we understand that the numbers are approaching 50,000, more than double the ISA numbers reported for 1998/99. As the discussion below indicates, this has been almost entirely at the expense of students with identified learning disabilities and gifted students.

It may seem odd that an organization, such as LDAO, would be concerned about this situation, i.e., the allocation of additional dollars to special education. But the facts, as described below, indicate that there are some major problems with the way this funding is calculated, allocated, spent and accounted for. The impact on students with learning disabilities is devastating.

The background to the current special education formula

The current layered special education funding formula was recommended by an expert panel in 1997. It was stated at that time that the intent was to ensure that those relatively few students who have very high cost/very low incidence needs would not represent undue hardship for a given school or school board. The Ministry indicated its intent to focus on those students who have severe to profound disabilities and provide the intensive support amount of either \$12,000 or \$27,000 for the education of these students.

In the 1997 materials introducing the funding formula, the Ministry stated the following: *“SEPPA funding would support the vast majority of exceptional pupils, including those with learning disabilities, gifted students, those with intellectual disabilities and those with behavioural exceptionalities. Students do not have to be formally identified to receive special education programs and services provided through SEPPA funding. (ISA funding) is a supplement to SEPPA funding, targeted for programs and services required by the relatively small number of pupils who require high cost intensive interventions to achieve their specific educational objectives. ISA funds might be dedicated to specific individual pupils, such as students who are deaf, blind, deaf-blind, in Section 20 (formerly 27) programs or who are “dependent for communication” and would travel with these students if they moved to another board’s jurisdiction.”*

This direction was widely supported, although there was some limited concern about the fact that students would be in receipt of special education programs and services without meeting the Ministry’s definition requirements and being appropriately identified as exceptional by an IPRC. The Ministry went on to state that the funds would be used for extensive ongoing individual educational support for the students, and school boards would be held fully accountable for the allocation of the funds and the outcomes for the students.

Although no numbers were actually specified by the expert panel or the Ministry for the SEPPA:ISA ratio, we believe that the general understanding at that time was that the numbers of students who would require such intensive supports and services and therefore qualify for ISA levels 2 and 3 would be in the high hundreds to the low thousands throughout the Province. That would have probably meant that the original allocation of just over \$1 billion for special education purposes would have been as follows:

SEPPA	\$850 to 900 million
ISA	\$100 to 150 million

Statistically, that appeared to make sense.

When the time came to apply for ISA funding, it was no surprise that all school boards applied. But, much to the amazement of many, school boards submitted ISA claims for 13,300 students at level 2 and 15,400 for level 3. The ISA files were put through a validation process and the provincial validation rate apparently was over 90%. As a result, the ISA allocation was increased vastly at the expense of the SEPPA allocation and the availability of service provision for the majority of students who are deemed in need of special education, but are not and should not be ISA eligible.

In spite of the urging of many experts in the field, the Ministry did not consider that these numbers were unlikely to be accurate in depicting students who met the originally stated intensity criteria, i.e., had severe to profound disabilities.

A second expert panel was appointed and that panel consulted widely. They offered some significant “refinement” of the process, including the introduction of the highly controversial ISA profiles and the elimination of the funding being designated for the use of individual students.

Not very surprisingly, school boards supported the ISA process, having recognized that this was one way that they could increase their funding allocation year after year, without necessarily enhancing their services. Over the years the Government responded to this by pouring more money into the ISA process, without ever, in our opinion, having adequately considered whether it made sense that the incidence of severe to profound disabilities was skyrocketing in Ontario at a rate which is not supported by any kind of research.

In response to school board requests, the funding was made more flexible, such that school boards could move SEPPA dollars into their ISA accounts and where they did not spend the full allocation, they could retain the funds in a reserve account. A great deal of effort has been focussed on trying to reduce the administrative burden on school boards, who have allocated a large part of their ISA funding to generating eligible files for more and more students, instead of providing the needed services for students. At the same time, almost all assessment services have been diverted into ISA eligibility assessments, while students with other needs e.g., learning disabilities or attention deficit disorder, are awaiting assessments year after year. The term “diagnosing for

dollars” came into use in recognition of the way school board psychological and other professionals spend their time. For some time now, the majority of non-ISA students receiving timely assessments have been those whose parents have the resources for a private assessment.

It is interesting to note that in a previous budget the government announced a one-time allocation of \$10 million for learning disability assessments in response to the concerns expressed about the situation related to assessments, the so-called diagnosing for dollars approach. Without any additional consultation or clarifying comments, the allocation became a one-time allocation for ISA assessments.

At the same time, parents were very concerned about the process, stressing among other things the negative descriptors used to justify ISA designation for their children, who did not necessarily receive better services or supports through the ISA designation. Many other parents of exceptional students complained that they were informed routinely that unless their children were eligible for the ISA designation then they would be receiving limited or no special education services or have access to any special education placements other than a regular classroom. The ISA process has become a bottomless pit for education funding, with very little observable benefit for most students. The formula has not been evaluated in any meaningful way in the six years since its introduction.

Considering the impact of the funding formula on the incidence of special education numbers

As mentioned earlier, in the ten years up to 1995, typically 8% of the total population was identified as needing special education. These were all students who were so identified by the IPRC process. This overall incidence rate was considered realistic by professionals in the field and was reasonably matched by the experiences of other jurisdictions such as the USA, UK, etc.

It was in 1996 that, in response to parental requests, it was decided that students could have an IEP and receive special education services without the IPRC process. The motivation for this lay in the fact that some parents felt that they did not wish their children to be identified with a specific exceptionality nor did they like the required process for identification and labelling. They also believed that avoiding the IPRC process would ensure that their children would be fully integrated into mainstream classrooms.

By 1998/99, when the current funding formula was put in place for special education, the special education numbers had changed substantially. In that year a total of 189,301 students were identified as exceptional by the IPRC process, which represented 9.71% of the total provincial enrolment. That was a notable but not particularly statistically significant increase from the approximately 8% that was the incidence rate in the late 1980s and early 1990s. In looking at the numbers of identified students for that year, the greatest increase from the previous trend was in the incidence of “mild intellectual disability”, which moved to 10% of the total number of exceptional students. This

probably reflects the debate that has been ongoing ever since whether students who are typically called slow learners and fall into the so-called “borderline” of intellectual function should be considered to have a disability.

At the same time, approximately 50% of exceptional students were identified as having learning disabilities and 16% were identified as gifted. These were the two largest identified exceptionality groupings. In terms of the total student population of the Province, identified LD students were 4.8% and identified gifted students were 1.6% of the total. These are realistic numbers.

It is important to note, however, that by this time there were an additional 73,331 students receiving special education services without an identification by an IPRC. That means that the total incidence of students who were receiving special education services and were eligible for special education funding had rocketed to a rather unrealistic 13.48%.

It is important to review what has happened since.

In the last year for which numbers are available, the number of students receiving special education increased to 13.76% of the total population. The numbers of students without identification increased by more than 10,000, while the number identified by an IPRC decreased by about 4,000.

But school boards now report incidence rates that are of tremendous concern.

The number of identified students with learning disabilities declined from over 94,000 in 1998/99 to just over 81,000 in 2002/03. That is a decline of 14% in five years, which is not supported by either research data or by the experience of other similar jurisdictions. The number of gifted students declined from 30,297 in 1998/99 to 11,477 in 2002/03. That is a decline of 62% in five years.

Is it a coincidence that gifted students are not eligible for ISA funding and most students with LD are also unlikely to generate ISA dollars?

At the same time, the incidence of school board reported blindness increased from 967 students in 1998/99 to 9,528 and of deaf-blindness from 62 students in 1998/99 to 2,864 in 2002/03.

Is it a similar coincidence that the Ministry mentioned students who are blind and who are deaf-blind as being the most likely to be in need of ISA funding? Has there been an onset of vision loss in the Province of Ontario of epidemic proportion?

There have also been huge increases reported in the incidence of mild intellectual and developmental disabilities. The number of students with identified MID has gone from 19,823 in 1998/99 to 25,208 in 2002/03 and the number with identified developmental disabilities has moved from 7,802 in 1998/99 to 24,081. In other words, students with identified intellectual disabilities have increased among the identified population in these

five years from 14.5% to 27%. In addition, it is more than likely that many of the students within the non-identified group are ones who have intellectual disabilities.

Research into incidence rates for disabilities simply does not support these numbers. In particular, the incidence of developmental disabilities is in decline in the western world due to a variety of beneficial preventative interventions. We also cannot say that the system's ability to diagnose these conditions has improved dramatically which has resulted in the changed statistics. The reported small increases in the incidence of autism may relate to the system's ability to differentiate autism from developmental disabilities (mental retardation) more effectively. Similarly, the small increase in identified behavioural exceptionalities may reflect the increased diagnoses of ADHD that we hear about.

But the decline in the number of identified gifted students and the increase in the number of some of the ISA eligible exceptionalities certainly indicate that the funding formula drives the process.

A recent USA study* has found that in states where the funding of special education was similar to ours, i.e., used a "lump sum per identified/eligible student" allocation process, the apparent incidence of identified disabilities had increased from 10.6% of all students to 12.3% and shows no sign of slowing down. In states where special education is funded on a census-based model on the grounds that there are only minor incidence rate differences among the various disabilities from jurisdiction to jurisdiction, the total rate has continued to be stable.

The study refers to the Ontario-style process as "bounty hunting". Clearly, Ontario's bounty hunting system is even more effective, since we have reached 13.75% as our special education eligibility incidence rate!

* J.P. Greene, Ph.D., and G. Forster, Ph. D., ***Effects of Funding Incentives on Special Education Enrollment***, December, 2002, Center for Civic Innovation at the Manhattan Institute.

Considering the funding received by some individual school boards

It is noteworthy that during the past three years there have been substantial infusions of additional funding that have gone into the ISA envelope alone. For example, in 2003, an additional \$250M was added with no demonstrable change in services to students. Although there was a considerable increase in the reserve funds set aside by school boards.

As mentioned earlier, school boards receive \$12,000 for each validated ISA level 2 file and \$27,000 for each ISA level 3 file.

Using the Ministry's own published numbers, we looked at the amounts received on a per student basis by school boards. In the last year for which there are complete numbers available on the Ministry's website, 2000/01, 22 of the 72 school boards

reported more than 0.5% of their total population as eligible for ISA 3 funding. The provincial average was 0.53%. The provincial average for ISA 2 eligibility was 0.78% of the total population. Using these numbers, the average ISA allocation per student would be about \$18,000. Using the Ministry's reported provincial totals, in 2000/01, there were 31,615 ISA eligible students and the Province allocated \$563,543,473, which is an average of \$17,825. While there will be variations from board to board, obviously, there can be no average higher than the maximum of \$27,000 per student and a per student allocation of over \$20,000 is suspect. Yet we noted the following in a sampling of boards:

Bluewater DSB

1998/99 307 ISA eligible students total ISA allocation \$5,557,8000

Per student cost: \$18,104

2000/01 263 ISA eligible students total ISA allocation \$6,180,000

Per student cost: \$23,450

Durham DSB

1998/99 858 ISA eligible students total ISA allocation \$17,371,500

Per student cost: \$20,247

2000/01 940 ISA eligible students total ISA allocation \$17,371,500

Per student cost: \$18,480

Niagara DSB

1998/99 571 ISA eligible students total ISA allocation \$12,531,900

Per student cost: \$21,947

2000/01 389 ISA eligible students total ISA allocation \$12,534,900

Per student cost: \$32,223

Ottawa Carleton DSB

1998/99 976 ISA eligible students total ISA allocation \$21,040,010

Per student cost: \$21,557

2000/01 672 ISA eligible students total ISA allocation \$21,054,610

Per student cost: \$31,331

Simcoe DSB

1998/99 488 ISA eligible students total ISA allocation \$9,845,562

Per student cost: \$20,175

2000/01 454 ISA eligible students total ISA allocation \$13,745,722

Per student cost: \$30,276

Lakehead DSB

1998/99 186 ISA eligible students total ISA allocation \$3,331,500

Per student cost: \$17,911

2000/01 274 ISA eligible students total ISA allocation \$5,819,288

Per student cost: \$21,238

Thames Valley DSB

1998/99 902 ISA eligible students total ISA allocation \$15,661,500

Per student cost: \$17,363

2000/01 909 ISA eligible students total ISA allocation \$22,650,750

Per student cost: \$24,918

Toronto Catholic School Board

1998/99 1223 ISA eligible students total ISA allocation \$22,977,138

Per student cost: \$18,787

2000/01 840 ISA eligible students total ISA allocation \$22,977,138

Per student cost: \$27,354

CSD catholique du Centre-Est de l'Ontario

1998/99 113 ISA eligible students total ISA allocation \$3,154,741

Per student cost: \$27,918

2000/01 388 ISA eligible students total ISA allocation \$6,905,824

Per student cost: \$17,799

It is obvious that there are some major problems with these numbers. Several boards' reported ISA allocation averages are over the potential maximum. How did that happen?

At the same time, although we do not have the ISA numbers for the current school year, we note that while the total population of students in the Province decreased from last year by about 40,000 students and the total reported population of special education students also declined by 7,300, the allocation of special education dollars in total increased by just over \$32 million. Since the SEPPA allocation is census based, the increase was all in the ISA allocation.

Who is holding school boards accountable for these funds?

Several of the school boards listed above are known to have significant reserve funds in the special education area. Yet many of them do not provide appropriate special education programs and services to their students in accordance with the legislation nor do they meet identified student needs and/or comply with parental wishes. When challenged, they often state that they do not have the resources to provide what their students really require. We believe that this is untrue and the situation is unacceptable.

There have been significant policy efforts in the past four years that should be contributing significantly to student achievement. These include the requirement on Boards to submit special education plans in consultation with SEACs, the development of IEP standards and the development of exceptionality-specific program standards and related definitions for exceptionalities. As well, there has been an increasing focus on the importance of employing assessment and teaching interventions that are scientifically sound and evidence-based.

Unfortunately, these efforts at raising standards of practice and increasing accountability and transparency are being undermined by the business of creating successful ISA claims.

The most obvious example of this has been the impact on IEPs, where identification of needs is being increasingly driven by efforts to make a student fit a revenue-generating profile. We know this because, in some instances, parents have been successful in obtaining access to the ISA documentation on their child and they have been shocked by that information. Some boards have been reluctant to fully implement IEP standards

because of their concerns that full implementation will negatively affect their ISA claims. In these cases, the emphasis has shifted from strengths to needs and has established a definite disincentive to reporting student progress. This represents a situation where learning expectations are being lowered to increase ISA funding prospects. This pattern is also noted in the report released by the Ontario Human Rights Commission called *The Opportunity to Succeed*.

LDAO's recommendations

Based on the information reported above, it is clear that the way special education is funded in Ontario today is not working.

School boards are encouraged to engage in "bounty hunting" and "diagnosis for dollars" practices and at the same time complain that they do not have enough funds and are having to spend far too much time on "administrivia". School boards do not like the Ministry's validation process, which is quite costly, although it is funded primarily by the Ministry. School boards also try valiantly to keep the contents of the ISA files from parents, since they often present the students in a very negative light and describe programming components that are not actually provided to the student.

Parents complain, often with justification, that their children are not receiving appropriate special education programs and services. Access to non-ISA assessments has not improved. At the same time, the IPRC process is not working and some school boards are diverting special education dollars to such things as legal challenges to the legislation, to prevent parents from accessing their mandated due process rights.

The Ministry's own review noted that the IEP process is not working. Many exceptional students are failing and dropping out. Many others are not working towards a high school graduation diploma, are not accessing the provincial curriculum and are not meeting their potential. They are often encouraged to opt out of EQAO testing.

The promise of Ontario's leading edge special education legislation is not being fulfilled in Ontario today while many stakeholders suggest that the answer is more money. We strongly disagree.

In seeking to correct this situation, it is important that the current Government and Ministry staff proceed quickly but without haste. We believe that introducing an alternative funding formula requires both short and long term approaches, with the short term actions responding to the demands of the upcoming school year and the long term remedies being ready for implementation in the 2005-06 school year.

Short Term Recommendations

- LDAO recommends that the funding for the 2004-05 school year be frozen, pending a meaningful review of the funding formula and its impacts on student learning and achievement.
- A random, independent review of a sample of claims be conducted to determine

whether students are receiving the services contained in their IEPs and to determine whether their academic achievement has improved as a result.

- We recommend that school boards be required to revise and resubmit their special education plans to document the services they are currently offering and to account for any additional special education funds received in the previous school year.

Long Term Recommendations

- A funding review process should occur that includes parents, parent groups and experts in the field. It should limit the push toward maintaining the status quo.

A quick review of the total per student allocation to school boards using a census based model for most major components of the current funding model indicate that most school boards would receive similar amounts to their current funding allocation. Some of the differences could be handled through some of the other special purpose grants e.g., the Learning Opportunities and Language grants. But it does not make sense to make the Foundation grant the same for all students and yet allow some school boards to claim disability levels at totally unrealistic rates. That compromises their integrity and potential for accountability.

We looked at the following. If we calculate the per student operating costs for the Province on the basis of the total operating costs allocation, including special education funding in total, and counting JK at half time, this amounts to an average of \$7,097 FTE per student. Most school boards' per student allocation, calculated on the same basis is less than this amount. There are a few school boards where the-per student amount is over \$7,000. However, these boards could be red-circled and assisted through the adjustment of some other grant lines, e.g., the Learning Opportunities Grant for the two Toronto area boards. Alternatively, they could have a different amount for local priorities. This approach would substantially reduce the administrative costs for the ISA process and enable school boards to spend more on their special education students, especially if they were limited in their ability to retain the special education reserve funds.

- LDAO recommended in its submission to the Education Equality Task Force the reinstatement of a limited taxing ability for school boards to cover local priorities up to about 10% of their total provincial allocation. We still believe that this would be helpful for school boards and would like to have it considered as a part of the funding formula review process.
- Therefore, LDAO recommends that the components of the special education funding formula be revised as follows:
 - 1) The bulk of the special education allocation should be census-based, recognizing the deficits of the bounty hunting model and the fact that the incidence of most disabilities and exceptionalities is consistent throughout the province from school board to school board. That

means that approximately 85 to 90% of the current special education allocation should be available for meeting the needs of students with special needs within the educational system.

- 2) The current allocation of ISA level 1 should be maintained as a personal equipment allocation.
- 3) ISA level 4 should be eliminated from the special education funding formula and the provision of educational programs within the care, treatment and correctional facilities should be shared with the appropriate ministries. Funding for the educational components should come out of a special separate budget line, similar to the funding available for the Provincial and Demonstration schools.
- 4) There is a continuing need for some limited intensive supports. There are some legitimate situations where an individual student requires such unusual services or level of support, that a given school board cannot realistically meet his/her needs without additional help. In most cases, these students will have additional significant care and treatment needs and the cost of service provision should be determined and met through an inter-ministerial initiative. There used to be an inter-ministerial committee dealing with such issues and that would be the proper way to proceed for such unusual cases to meet identified needs. This funding should be totally individualized and portable. In other words, if the student were to move to another jurisdiction, the funding should go with him or her.

From time to time there may be an unusual incidence situation, where a single school faces a situation of having to serve an unusually large number of students with major difficulties, due to some extraordinary situation such as the establishment of a new group home for severely disturbed students, etc. If the school board can genuinely demonstrate the need, then this special incidence portion should come into play, with the board receiving help through an allocation from the district office. The district office should have an integral role in managing and accountability for these funds. This funding allocation would be reviewed annually, since the students in question may move to another school or jurisdiction.

The total allocation for these components should not be more than about 10% of the current special education allocation.

- 5) School boards should be accountable for the allocation of their special education resources and should be limited in the accumulation of reserve funds.

School boards should be prevented from utilizing special education

funds to support programs that, while very worthwhile, are not special education programs. These include programming such as reading recovery, pre-school programming, etc. If the provision of special education programs and services was once more linked to the IPRC process, this would lead to greater accountability and parents would have increased due process rights.

6) The ISA validation process should be discontinued and the resulting savings should be applied to the revised intensive funding process recommended above.

- We recommend that Regulation 306 be amended to require yearly special education plans and that those plans articulate progress in student achievement levels. We recommend that the Ministry enter into audits of the IEP and IPRC processes in boards and that any recommendations be implemented immediately and detailed in the board plans.
- We recommend that the Ministry set targets for improvement in student achievement to demonstrate the effectiveness of accommodation and instructional practices.
- We recommend that the exceptionality-specific program standards and related definitions be implemented as a means of strengthening accountability and improving standards of practice.
- The secondary SEPPA component should be adjusted in accordance with the recommendations contained in the Rozanski report. This does not necessarily call for any additional funds, but does require a different approach towards special education within the secondary panel.
- The Ministry of Education, in collaboration with the Provincial Auditor, should develop a consistent Province-wide model for both program audits and fiscal accountability. School boards should be expected to comply with these audits in their special education program and service delivery.
- Finally, we recommend that the Ministry invest in comprehensive training and research that supports capacity-building in boards.

LDAO looks forward to working with the Ministry of Education on amending the funding formula and working towards increased services and supports for all students including those who have special needs. We believe that this will be an important step towards implementing the government's stated goals for improved achievement for all students and improved accountability to Ontario's taxpayers.

