



Data Analysis of Special Education Enrollment and Service Provision in Colorado

*Conducted by the National Center for Special Education in Charter Schools for
the Tri-State Alliance to Improve District-Led Charter Authorizing*

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I. Overview¹

The extent and manner in which charter schools welcome and provide quality supports and services to students with disabilities is an ongoing focus of discussion in education reform circles in Colorado and the nation more broadly. To provide insight into the current status of special education in Colorado charter schools, we revisited a case study we conducted of Colorado and examined federal and state datasets related to enrollment and service provision. The objective of this brief summarizing our findings is to 1) assist stakeholders in understanding the current trends in special education enrollment and 2) inform development of recommendations related to improving opportunities and outcomes for students with disabilities.

Colorado Charter School Law

Colorado law allows charter applicants to apply directly to districts as well as to the independent Charter School Institute (CSI), which has statewide chartering authority. In rural areas, charters can enter into agreements with a Board of Cooperative Educational Services (BOCES), which acts as an intermediate administrative unit between the state and local districts for purposes of providing support to local districts. The state charter law permits some districts to be granted exclusive chartering authority within a geographic region. If a district is granted this authority, the Colorado CSI cannot authorize new schools within that geographical boundary.

Under the federal Individuals with Disabilities Education Act, states and local education agencies (i.e., LEAs or districts) are responsible for providing special education and related services to eligible students with disabilities. All charter schools in Colorado are part of an LEA; the LEA is either the district in which the charter is located or the CSI. In instances where a charter is authorized by a rural district, the charter holder may utilize the BOCES as the LEA for special education services and all other federal programs (e.g., Title I). Distributions of special education funds to Colorado charter schools flow through the LEA (i.e., school district, BOCES, or CSI) and are credited to the charter school. However, the actual cost of the services provided by the district frequently exceeds the dollar amount credited. While the Colorado statute dictates that charter schools are part of the LEA in which they are located, the manner in which individual authorizers manage special education in charter schools varies.

Colorado Charter School Special Education Funding

In Colorado, state and federal special education funds are allocated on a multiple-student weight funding formula that is set in state statute for the associated programs.² As such, funding is allocated based on a per-student amount; the amount may vary based on disability, type of placement, or student needs.

¹ Note, this section is adapted from a brief case study NCSECS developed for the publication: Getting Lost While Trying to Follow the Money: Special Education Finance in Charter Schools (2015)

² <https://c0arw235.caspio.com/dp/b7f930000f26bd86ea194864a088>

Although all federal, state, and local special education dollars in Colorado flow through the local district to individual charter schools, the ways in which charter schools utilize these funds varies. **Notably, this can impact enrollment and service provision.**³ A few approaches depend on the school's agreement with its authorizer. Some LEAs require their charter schools to purchase special education services from them via an "insurance model." In this model, charter schools pay the district a per-pupil amount for all students as a guarantee for the cost of special education and related services for students with disabilities. The insurance model is not one size fits all, but rather is implemented in a full, partial, or independent insurance option (described below). Charters receive funds from the district of residence, and then, in return, pay the district for their chosen insurance option, creating a circuitous funding mechanism. While the insurance model has merits, it can lead to frustration on the part of charters, which may have little control over the quality or quantity of services offered by the district.

Full Insurance Model

The full insurance option is the most common model used by charter schools. The district, as the LEA, is entirely responsible for special education administration and related services at the charter school. Districts use a detailed fiscal formula to define the net average special education per-pupil cost across the entire district, which charter schools pay (e.g., \$700 per student) to the district essentially as an insurance premium.⁴ In return for the per-pupil allocation, the district provides services to students with disabilities.

Partial Insurance Model

This model can be described as the a la carte approach, and is defined and agreed on between the LEA and the individual school in the charter agreement or contract. This approach varies significantly in charter schools across the state. When charters use this approach, they are choosing from a prescribed set of services and pay the district for the services provided. The charter school then assumes responsibility for any additional or remaining services. An adjusted per-pupil financial formula is then calculated to determine costs and funding.

In Colorado, the partial insurance option presents a compromise between districts responsible for special education and charter schools striving for greater autonomy. Charter schools were finding that, as part of a larger district, they had limited control over the services for their students with disabilities. In particular, charter schools were frustrated about the lack of control over human resources, quality of service delivery, timeliness, and flexibility. At the same time, some Colorado districts (e.g., Jefferson County) were interested in granting charter schools autonomy. These districts were interested in giving charters choice within the law —either via service options (e.g., sending three physical therapists to the school and letting the school choose the best provider) or the ability to gain independence and capacity. By enabling, via the charter agreement, this partial insurance option, charters have been able to regain more control over services for their students, while also developing expertise and resources in-house to better serve all their students.

³ http://www.publiccharters.org/sites/default/files/migrated/wp-content/uploads/2015/11/sped_finance_web.pdf

⁴ Colo. Rev. Stat. § 22-30.5-1112(2)(a.8).

Independent Insurance Model

The independent insurance or contract model, described by some as the “on your own” option, was developed to accommodate a statewide virtual charter program, but in 2010 was used by almost 22 percent of charter schools.^[4] In this model, the district, based on the location of the school, takes central administrative responsibility—as required by law—but passes on 100 percent of the service responsibility to the charter school. Charter schools with this model may be compelled to maintain a substantial reserve fund dedicated to special education costs, to have a strong indemnification clause necessitating the school to take responsibility for any legal costs and to maintain records that justify expenditures for state and federal purposes. Essential to this model is a robust interaction between the relevant districts of residence and the charter special education personnel and administration.

The CSI utilizes a contract model with the schools it authorizes. Each contract that the CSI has with a school delineates special education responsibilities and services and requires a detailed annual audit. The CSI retains three percent of the per-pupil revenues for administrative costs, which covers training and oversight. The CSI receives and holds the state and federal special education funds, and distributes these funds to schools based on the enrollment of students with disabilities.

Other Approaches

It is also worth noting that the evolution of the charter movement in Colorado has bred hybrids of these various models. For example, Rocky Mountain Deaf School serves almost entirely students with disabilities and has been able, via a contract, to charge “excess costs” to its district authorizer for district-resident students as well as to other districts of residence for students residing in those districts.⁵ Excess cost is the amount of money above the district per-pupil amount and the federal funds received based on the October 1 count. Excess cost recovery provides the bulk of the charter school’s funding, which runs in excess of \$20,000 per student, per year. This program is extremely costly to deliver, and while the school receives excess funds from multiple districts for the program delivery, it does not receive support for overhead (“indirect” costs) and it has been difficult for this school to provide comprehensive services and operate in the black.⁶

Methodology

This memo presents a brief overview of the legal status of charter schools in Colorado and a description of enrollment and service provision trends. To develop the memo, we draw upon a case study of Colorado

⁵ As outlined in the Colorado charter statute, “If a student with a disability attends a charter school, the school district of residence shall be responsible for paying any tuition charge for the excess costs incurred in educating the child in accordance with the provisions of § 22-20-109 (5). (i.e., the state special education statute).

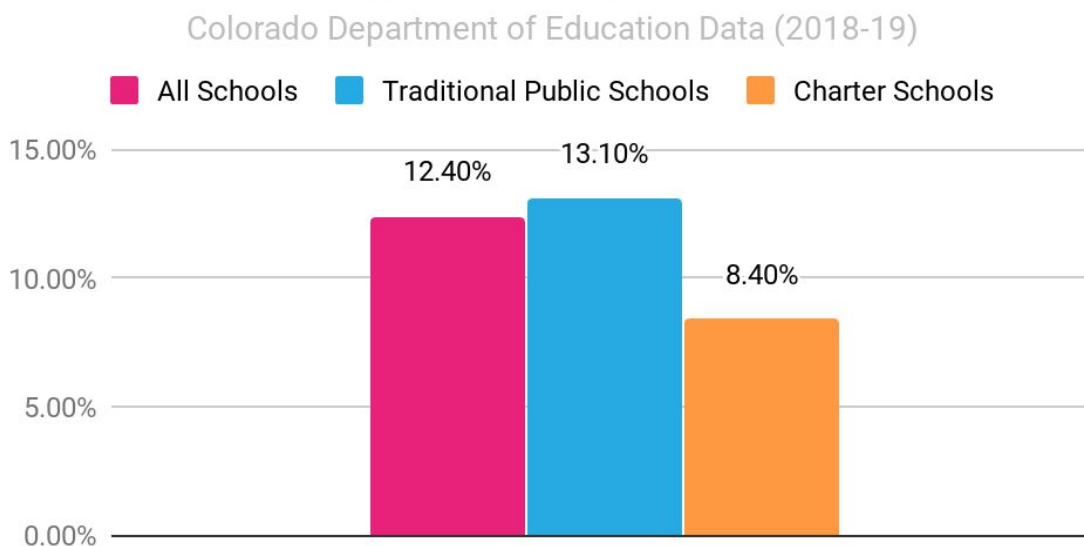
⁶ [5] [6] For more about Excess Costs in Colorado, see <http://www.cde.state.co.us/cdechart/guidebook/sped/excess#sthash.5FV0gnCi.dpuf>.

NCSECS conducted in 2014⁷ and two data sets: the 2015-16 Civil Rights Data Collection⁸ and 2018-19 Colorado Department of Education. Notably, the two quantitative datasets are not directly comparable because they are based on different years and slightly different sample groups (i.e., not all of the schools in the CDE dataset are included in the CRDC).⁹ However, in combination, they provide an emerging picture of how charter schools are enrolling and serving students with disabilities in Colorado.

II. Special Education Enrollment in Colorado

As of 2018-19, schools in Colorado enrolled 911,536 students in 1,900 public schools. Of these, 255 (13.4%) were charter schools that educated 124,562 students¹⁰ (Figure 1). Additionally, the overall enrollment of students with disabilities in all public schools for 2018-19 was 12.4%. Charter schools enrolled 8.4% students with disabilities, and traditional public schools enrolled 13.1% students with disabilities.¹¹

Figure 1. Percentage of Students with Disabilities in Colorado, by Type of School (2018-19)



⁷ http://www.publiccharters.org/sites/default/files/migrated/wp-content/uploads/2015/11/sped_finance_web.pdf

⁸ The CRDC is a large data set compiled by the USED's Office of Civil Rights (OCR). The CRDC survey is administered every other school year and collects data from the universe of public schools in the U.S. rather than a sample of schools. Released to the public in the spring of 2018, the 2015-2016 CRDC provides the most recent and comprehensive data set regarding the U.S. public education system. For the 2015-2016 collection, the response rate was 99.8% for school districts (United States, Department of Education, Office of Civil Rights, Civil Rights Data Collection 2015-2016 Data Notes). It includes 85,863 public schools from across the nation of which 5,548 were charter schools, including 187 in Colorado.

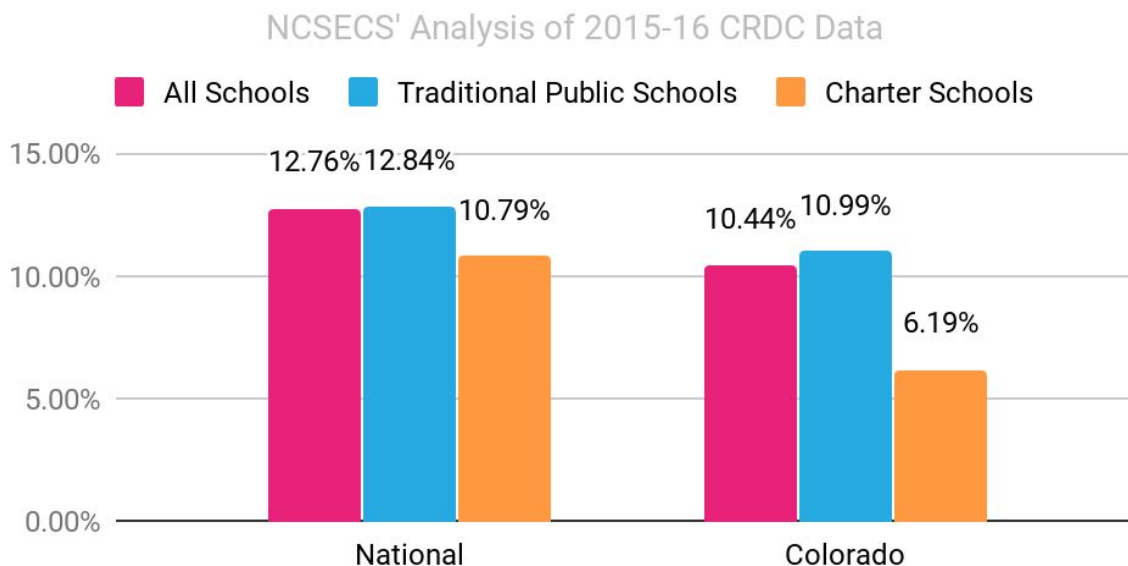
⁹ CRDC is self-reported from schools to the federal government with not all schools participating and data missing due to inaccurate reporting.

¹⁰ Colorado Department of Education, <http://www.cde.state.co.us/communications/20190412edfactsandfigures> Retrieved 8/14/2019

¹¹ Beckett and Savino (2019), *CACSA Preliminary Report Landscape Analysis*

In order to dig deeper into the comparison of enrollment of students with disabilities by type of school as compared to national data and to identify the schools with the highest and lowest rates of enrollment of students with disabilities by sector, we looked at the 2015-16 CRDC dataset¹² previously analyzed by the Center. For Colorado, this sample consisted of 187 charter schools and 1,464 traditional public schools. Overall, traditional public schools in this sample enrolled 777,133¹³ students of which 10.99% were students with disabilities, and charter schools enrolled 100,750¹⁴ students of which 6.19% were students with disabilities (Figure 2). Compared to national averages, both charter schools and traditional public schools in Colorado enrolled a lower proportion of students with disabilities (Figure 2).

Figure 2. Percentage of Students with Disabilities, by Type of School in Colorado and Nationally (2015-16)



Further, 34 out of the 1,464 (2.32%) traditional public schools had less than 5% enrollment of students with disabilities, whereas 51 out of the 187 (27.27%) charter schools had less than 5% enrollment of students with disabilities.

- For traditional public schools, Options School had the lowest enrollment of students with disabilities at 1.29% (Table 1).
- For charter schools, Liberty Common Charter School had the lowest enrollment of students with disabilities at 0.93% (Table 1).

¹² US Department of Education, <https://www2.ed.gov/about/offices/list/ocr/data.html> Retrieved 8/14/2019

¹³ Rhim, Kothari, Lancet (2019) *Key Trends in Special Education in Charter Schools in 2015-2016: Secondary Analysis of the Civil Rights Data Collection* (In press).

¹⁴ Rhim, Kothari, Lancet (2019) *Key Trends in Special Education in Charter Schools in 2015-2016: Secondary Analysis of the Civil Rights Data Collection* (In press).

Table 1: List of Schools in Colorado with Enrollment of Students with Disabilities below 3% (2015-16)

LEA Name	School ID	School Name	Type of School	Total Enrollment	Enrollment of Students with Disabilities
Cherry Creek School District No. 5 in the county of Arapah	6563	OPTIONS SCHOOL	Traditional Public School	622	1.29%
Poudre School District R-1	526	DUNN ELEMENTARY SCHOOL	Traditional Public School	408	1.96%
Poudre School District R-1	1849	KINARD CORE KNOWLEDGE MIDDLE SCHOOL	Traditional Public School	821	2.44%
School District No. 1 in the county of Denver and State of C	1574	DENVER SCHOOL OF THE ARTS	Traditional Public School	1089	2.66%
St. Vrain Valley School District No. Re1J	6539	APEX HOME SCHOOL ENRICHMENT PROGRAM	Traditional Public School	777	2.96%
Poudre School District R-1	1608	LIBERTY COMMON CHARTER SCHOOL	Charter School	1179	0.93%
Jefferson County School District No. R-1	1921	JEFFERSON ACADEMY	Charter School	898	1.22%
Byers School District No. 32J	6605	ELEVATE ACADEMY	Charter School	1234	1.38%
Jefferson County School District No. R-1	1922	JEFFERSON ACADEMY HIGH SCHOOL	Charter School	417	1.92%
Poudre School District R-1	1717	RIDGEVIEW CLASSICAL CHARTER SCHOOLS	Charter School	786	2.16%
State Charter School Institute	6542	COLORADO EARLY COLLEGE FORT COLLINS	Charter School	764	2.23%
Falcon School District No. 49 in the county of El Paso and	6393	GOAL ACADEMY	Charter School	4072	2.33%
Adams 12 Five Star Schools	728	STARGATE CHARTER SCHOOL	Charter School	842	2.38%
School District No. 1 in the county of Denver and State of C	6482	DENVER LANGUAGE SCHOOL	Charter School	663	2.56%
Falcon School District No. 49 in the county of El Paso and	2000	ROCKY MOUNTAIN CLASSICAL ACADEMY	Charter School	1467	2.59%
State Charter School Institute	1882	NEW AMERICA SCHOOL - LOWRY	Charter School	528	2.65%
Douglas County School District No. Re 1	492	ACADEMY CHARTER SCHOOL	Charter School	725	2.76%
Douglas County School District No. Re 1	1584	PLATTE RIVER CHARTER ACADEMY	Charter School	607	2.80%

Jefferson County School District No. R-1	1807	WOODROW WILSON CHARTER ACADEMY	Charter School	883	2.94%
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Alternatively, 34 out of the 1,464 (2.32%) traditional public schools had more than 25% enrollment of students with disabilities, whereas 2 out of 187 (1.06%) charter schools had more than 25% enrollment of students with disabilities.

- For traditional public schools, the Halcyon School of Special Education and Transition Services in the Littleton School District had a 100% enrollment of students with disabilities (Table 2).
- For charter schools, the Rocky Mountain Deaf School had a 97.14% enrollment of students with disabilities (Table 2).

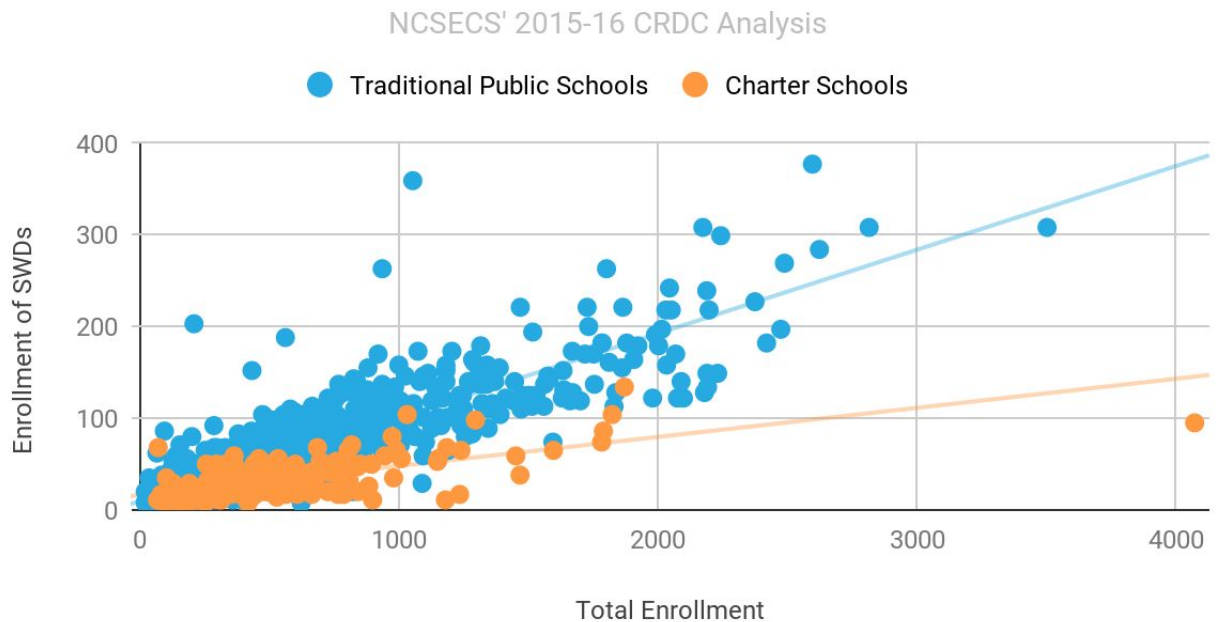
Table 2: List of Schools with the Highest and Lowest Enrollment of Students with Disabilities, by Type of School (2015-16)

LEA Name	School ID	School Name	Type of School	Total Enrollment	Enrollment of Students with Disabilities
Cherry Creek School District No. 5 in the county of Arapah	6563	OPTIONS SCHOOL	Traditional Public School	622	1.29%
Poudre School District R-1	526	DUNN ELEMENTARY SCHOOL	Traditional Public School	408	1.96%
Boulder Valley School District No. Re2	1467	HALCYON SCHOOL (SPECIAL EDUCATION)	Traditional Public School	20	100.00%
Littleton School District No. 6 in the county of Arapahoe	99996	Transitions Services Program	Traditional Public School	35	100.00%
Jefferson County School District No. R-1	1921	JEFFERSON ACADEMY	Charter School	898	1.22%
Byers School District No. 32J	6605	ELEVATE ACADEMY	Charter School	1234	1.38%
School District No. 1 in the county of Denver and State of C	6641	REACH CHARTER SCHOOL	Charter School	102	34.31%
Jefferson County School District No. R-1	1606	ROCKY MOUNTAIN DEAF SCHOOL	Charter School	70	97.14%

Additionally, 484 of the 1,464 (33.06%) traditional public schools in Colorado enroll more students with disabilities than the national average, and 17 of the 187 (9.09%) charter schools in Colorado enroll more students with disabilities than the national average. However, 980 of the 1,464 (66.94%) traditional public schools in Colorado enroll fewer students with disabilities than the national average and 170 of the 187 (90.91%) charter schools in Colorado enroll fewer students with disabilities than the national average.

Overall, within the sample of schools included in the CRDC dataset, even though charter schools have a lower enrollment of students with disabilities, the enrollment does not vary much from the average. Conversely, within the traditional public school sector, there is notably more variance in enrollment of students with disabilities from school to school (Figure 3). Interestingly, this differs from the national trend - charter schools (which similarly enroll fewer students who qualify for services under IDEA) show greater variance in enrollment percentages of students with disabilities compared to traditional public schools.¹⁵

Figure 3. Variance in Enrollment of Students with Disabilities, by Type of School in Colorado (2015-16)



III. Profile of Students with Disabilities and Educational Environment in Colorado

In order to understand the profile of students with disabilities along with the extent to which they are being educated in general education classrooms in Colorado, we examined enrollment by disability category and by educational environment.

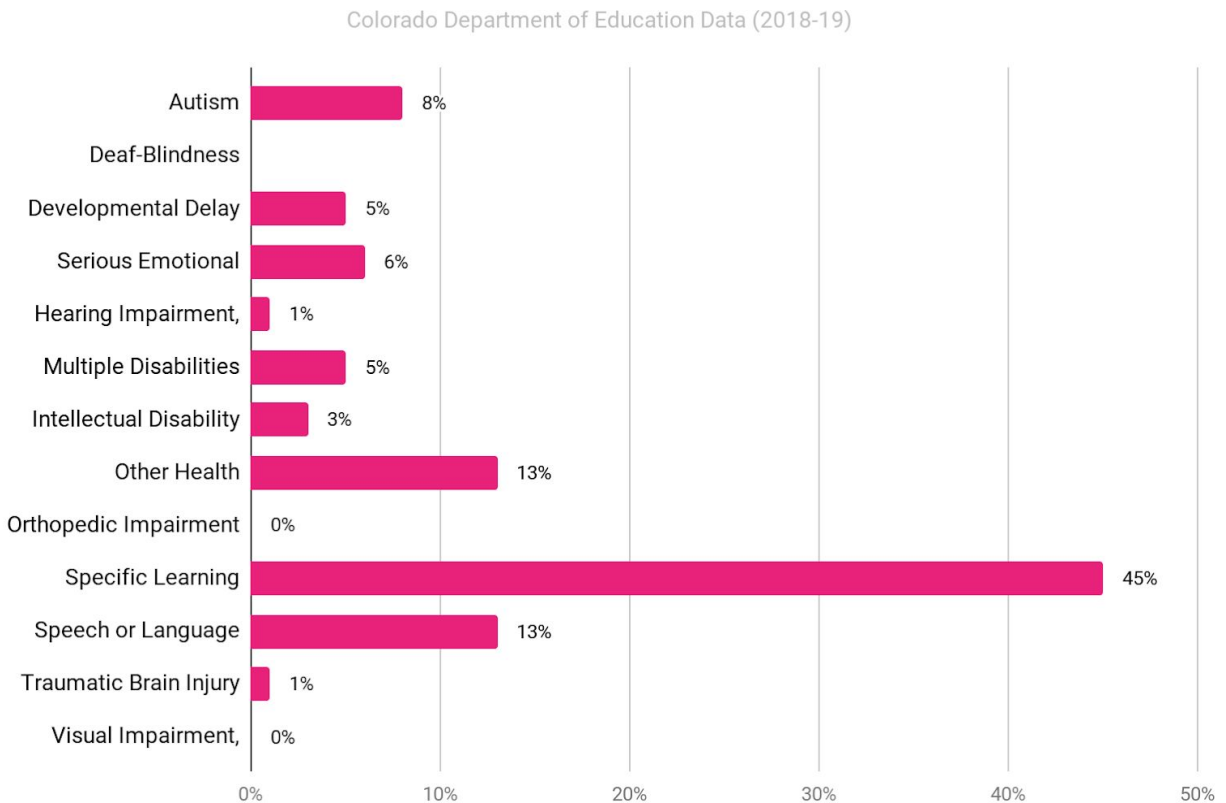
¹⁵ *Secondary Analysis of the Civil Rights Data Collection* (In press).

Enrollment by Disability Type

The IDEA¹⁶ defines 13 categories of disability: Autism, Deaf-blindness, Deafness, Emotional Disturbance, Hearing Impairment, Intellectual Disability, Multiple Disabilities, Orthopedic Impairment, Other Health Impairment, Specific Learning Disability, Speech or Language Impairment, Traumatic Brain Injury, and Visual Impairment (Including Blindness).

In 2018-19, according to the Colorado Department of Education (Figure 4), students identified as having a “Specific Learning Disability” represented the largest percentage of students with disabilities (45%), followed by students with “Speech and Language Impairments” (13%) and “Other Health Impairments” (13%).¹⁷

Figure 4. Enrollment of Students with Disabilities in Colorado, by Disability Type Across All Public Schools (2018-19)



While relatively imprecise, disability categories can provide some insight into the levels of support students require. For instance, students with Specific Learning Disabilities or Speech or Language Impairments are

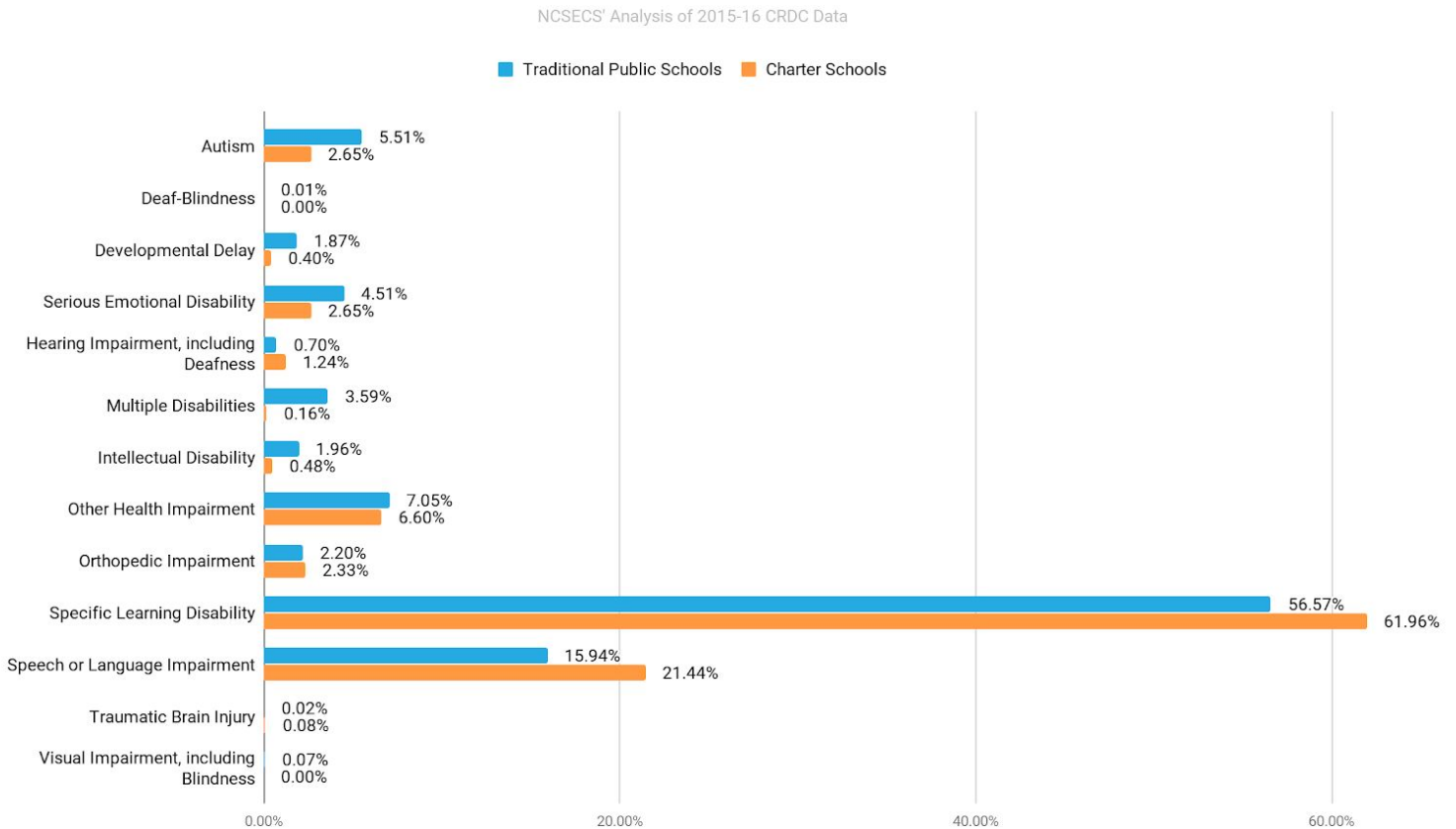
¹⁶ US Department of Education, <https://www.esc1.net/cms/lib/TX21000366/Centricity/Domain/59/13ClassificationsUnderIDEA.pdf>, Retrieved 8/14/2019

¹⁷ Colorado Department of Education (2019). Colorado Child Count/Ed. Environment. https://www.cde.state.co.us/cdesped/sped_data

the most prevalent and *generally* require the fewest supports and services, while students with Intellectual Disabilities or Multiple Disabilities generally, but not always, require more significant supports and services.

The CDE does not publish school-specific data related to enrollment by disability type. To dig deeper into enrollment by disability by type of school, we examined the 2015-16 CRDC sample. Overall, in the 2015-16 CRDC sample of schools in Colorado, traditional public schools enrolled a larger percentage of students with less prevalent disabilities (e.g., Autism, Developmental Delay, Intellectual Disability, and Multiple Disabilities), while charter schools enrolled a larger percentage of students with more prevalent disabilities (e.g., Specific Learning Disability and Speech or Language Impairment) (Figure 5).¹⁸

Figure 5. Enrollment of Students with Disabilities in Colorado, by School Type and Disability Type (2015-16)



Enrollment by Educational Environment

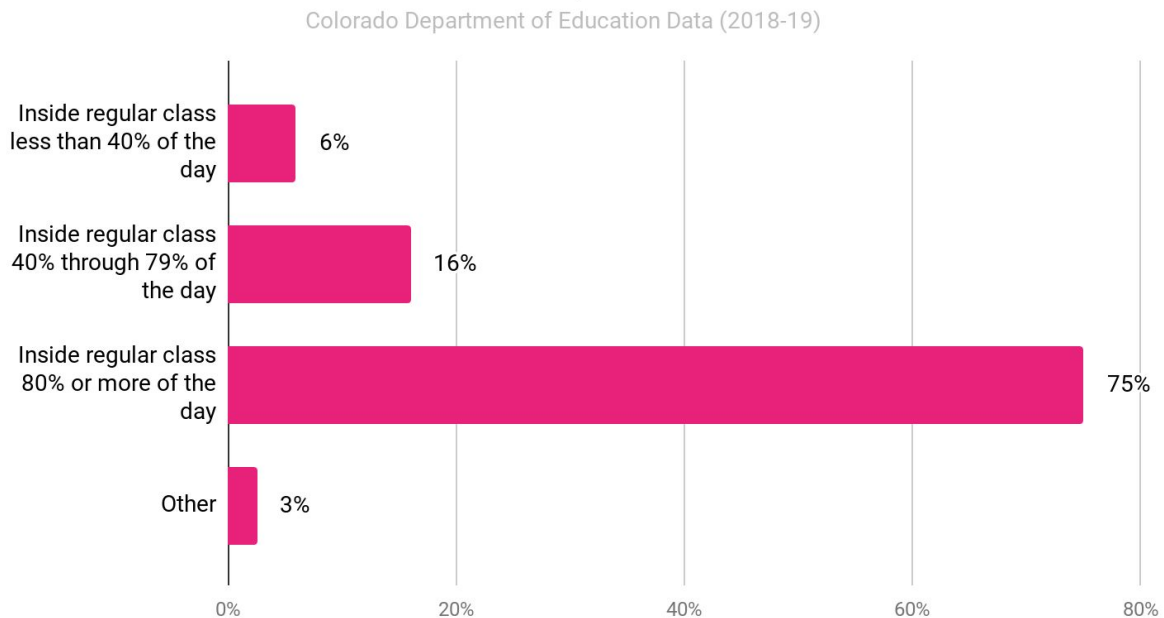
Federal statute directs districts to educate students with disabilities in the “Least Restrictive Environment” (LRE), to the maximum extent appropriate, with nondisabled peers and that students with disabilities are

¹⁸ One caveat with this data is that not all schools in the sample were represented. Since the values for any school that reported having less than 10 students for any disability type were privacy protected, this data does not contain information for all categories in all schools.

not removed from general education classes unless, even with supplemental aids and services, education in general education classes cannot be achieved satisfactorily.¹⁹

In 2018-19, public schools in Colorado served 75% of students with disabilities in the general education classroom for 80% or more of the school day (Figure 6).²⁰

Figure 6. Enrollment of Students with Disabilities in Colorado, by Educational Environment (2018-19)



Using the CRDC sample to compare the educational environment by type of school (Figure 7), charter schools have a notably higher proportion of students with disabilities in the general education classroom for 80% or more of the day (95.28%) as compared to traditional public schools (76.12%).²¹

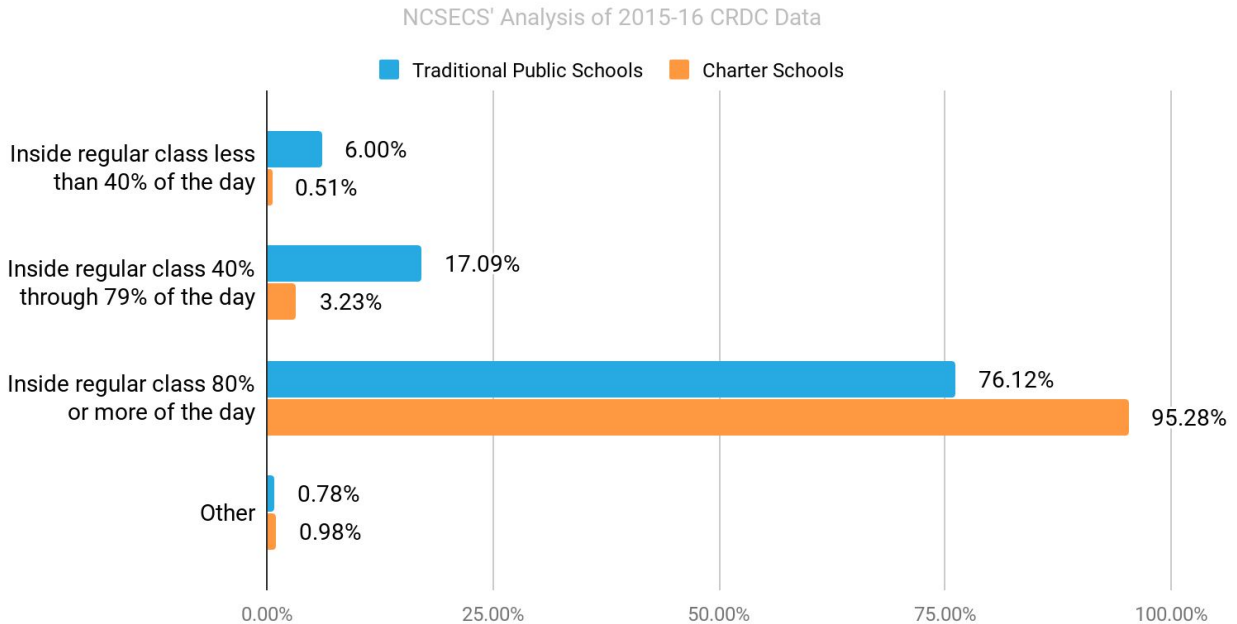
Given that charter schools in Colorado tend to serve a greater proportion of students with higher prevalence disabilities that are typically more easily accommodated in the general education environment, this finding is not surprising.

¹⁹ US Department of Education, <https://sites.ed.gov/idea/regs/b/b/300.114>, Retrieved 8/14/2019

²⁰ The four categories included in this data are: Inside Regular class for less than 40% of the day, Inside regular class for 40-79% of the day, Inside regular class for 80% or more of the day and Other. The other category included attending a Separate School, Residential Facility, being Homebound/Hospital, in Correctional Facilities or being Parentally Placed In Private Schools

²¹ One caveat with this data is that not all schools in the sample were represented. Since the values for any school that reported having less than 10 students for any educational environment category were privacy protected, this data does not contain information for all categories in all schools.

Figure 7. Enrollment of Students with Disabilities in Colorado, by Type of School and Educational Environment (2015-16)



IV. Summary of Findings

Overall, based on data from across the state of Colorado, we identified the following trends:

- Charter schools in Colorado share responsibility for educating students with disabilities with their authorizers (i.e., the geographic district in which they are located or the Colorado Charter School Institute) and as such, they do not have as much control over their special education finances or decisions related to enrollment and provision of services as charter schools that operate as their own LEAs.
- While the 2015-16 CRDC data and the 2018-19 state data are not directly comparable, they provide evidence that the difference in enrollment between traditional public schools and charter schools persists. Charter schools enroll a smaller percentage of students with disabilities than traditional public schools in Colorado.
- Both charter schools and traditional public schools in Colorado enroll a smaller percentage of students with disabilities than the national average.
- In Colorado, the enrollment variance of students with disabilities in charter schools is less than that of traditional public schools, which differs from national trends.
- Traditional public schools enroll a larger percentage of students with less prevalent disabilities (e.g., Autism, Developmental Delay, Intellectual Disability, and Multiple Disabilities) which typically but not always require more significant supports and services. Charter schools, on the other hand,

enroll a larger percentage of students with more prevalent disabilities (e.g., Specific Learning Disability and Speech or Language Impairment) which typically require less supports and services.

- Charter schools tend to enroll a greater percentage of students with disabilities in the general education classroom for 80% or more of the day as compared to traditional public schools.