

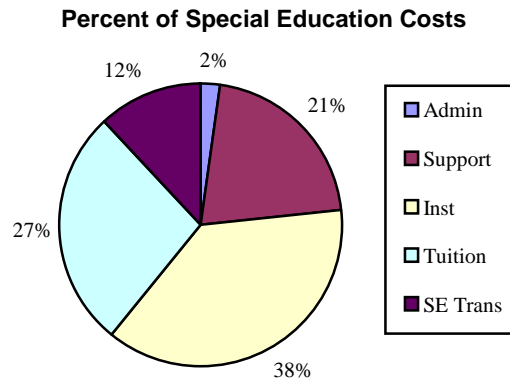
Financing Special Education in New Jersey

New Jersey School Boards Association

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Analysis of New Jersey Special Education Expenditures

Special Education Expenditures. New Jersey spends over \$3,311,059,650 a year on special education, excluding equipment, staff benefits and vocational special education. Thirty-eight percent of the special education expenditures are instructional costs of \$1.2 billion for classes, resource programs, aides, extended school year and home instruction. Support services expenditures are \$704 million (21.3%) and include child study team members, speech-language services, counseling, occupational and physical therapy and other extraordinary expenses related to special education. It also includes counselors, librarians and nurses who serve students in both general and special education. Their costs were included in this study as well because there was no way to remove them from the data. Tuition paid to other districts and private schools for the disabled amounts to \$896 million (27 percent) with another \$397 million (12%) for transportation to these schools. Administrative costs are about \$70 million (2%). Combining these expenditures and dividing by the number of students with disabilities (excluding speech-language services) comes to \$16,081 per student or 1.6 times the cost of the education for students without disabilities. Staff benefits would add somewhat over \$400 million to the cost, but were not included due to the unavailability of precise data. If they were included, the per pupil special education cost would be about \$19,688 or 1.95 times general education. These expenditures also do not include equipment costs or vocational special education programs again because the data either were not consistently available district to district or did not separate general and special education expenses in these areas.



These expenses vary by region, district operating type and district factor grouping. Per pupil general education costs were taken from NJ-DOE data; however, the calculation of the general education per pupil costs by the various district groupings was taken as an average of these districts' per pupil costs, a slight over-estimate. In addition, county special services school districts, vocational schools, charter schools and non-operating districts were excluded because the expenditure data were not consistently reported and/or they have no resident enrollment. Study of their expenditures is beyond the scope of this study. Although the department publishes the per pupil general education figures by operating type, it did not do so by region or DFG. In order to present information consistently for each of these groups, this calculation method was used despite its limitations. In general, these calculated per pupil general education figures were

somewhat higher than the DOE figures. They are appropriate for general comparison purposes.

Distribution of Districts by the Per Pupil Cost of Special Education Programs

Averages for each group are highlighted and bolded.

Per Pupil Cost	Operating Type								All
	K-6	K-8 / 0-400	K-8 / 401-750	K-8 / 751 +	K-12 / 0-1800	K-12 / 1801-3500	K-12 / 3501 +	7-12 / 9-12	NJ
\$5,000	1	0	0	0	0	0	0	0	1
\$6,000	0	0	0	0	0	0	0	0	0
\$7,000	0	0	0	0	0	0	0	0	0
\$8,000	1	0	0	0	0	0	1	1	3
\$9,000	0	1	1	1	0	0	1	1	5
\$10,000	1	0	2	1	1	1	2	1	9
\$11,000	0	2	2	2	4	3	4	5	22
\$12,000	2	3	4	3	2	2	4	5	25
\$13,000	2	4	5	9	3	6	4	10	43
\$14,000	3	6	2	9	5	9	9	9	52
\$15,000	8	4	5	10	6	8	10	3	54
\$16,000	7	4	5	11	4	7	18	3	59
\$17,000	6	3	6	12	4	4	14	5	54
\$18,000	7	3	8	16	5	5	5	1	50
\$19,000	7	4	7	9	2	4	9	1	43
\$20,000	1	2	4	3	8	2	7	0	27
\$21,000	3	2	3	4	3	1	7	1	24
\$22,000	3	2	4	3	1	1	6	0	20
\$23,000	2	1	1	5	4	1	1	1	16
\$24,000	3	0	2	1	1	2	0	0	9
\$25,000	1	4	0	2	0	1	1	0	9
\$26,000	0	1	1	0	1	0	0	0	3
\$27,000	1	0	0	2	1	0	0	0	4
\$28,000	0	2	1	0	0	0	0	0	3
\$29,000	0	1	0	0	0	3	0	0	4
\$30,000	1	1	1	0	0	0	0	0	3
More	2	4	1	0	1	1	0	0	9
Total	62	54	65	103	56	61	103	47	551

The special education per pupil costs varies among regions, district operating types and district factor groupings. They range from \$12,934 in secondary districts (7-12 / 9-12) to \$18,353 in K-8 districts with 400 students or less. Districts with higher grades are more likely to send students out-of-district than elementary districts; therefore, their costs tend to be higher because of those tuition and transportation costs. However, the larger districts also have the capacity to support programs for students with complex needs and may be able to maintain more students in district.

Distribution of Districts by the Per Pupil Cost of Special Education Programs

Averages for each group are highlighted and bolded.

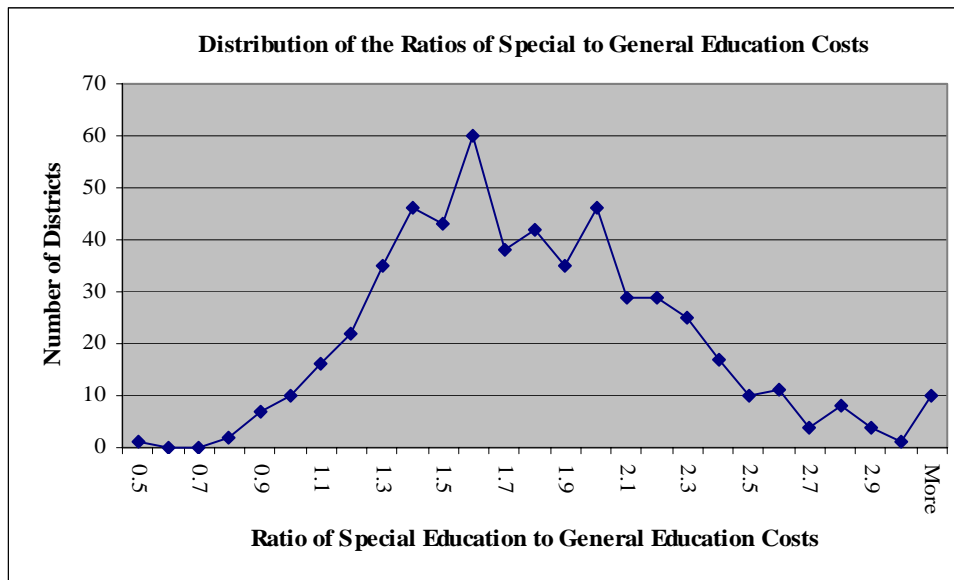
Per Pupil Cost	Region			District Factor Grouping								All
	North	Central	South	A	B	CD	DE	FG	GH	I	J	NJ
\$5,000	0	1	0	0	0	0	0	1	0	0	0	1
\$6,000	0	0	0	0	0	0	0	0	0	0	0	0
\$7,000	0	0	0	0	0	0	0	0	0	0	0	0
\$8,000	0	0	3	0	1	0	2	0	0	0	0	3
\$9,000	0	0	5	0	2	0	2	1	0	0	0	5
\$10,000	1	3	5	2	0	2	2	1	1	0	1	9
\$11,000	4	3	15	2	5	3	7	1	3	1	0	22
\$12,000	4	3	18	2	3	10	4	2	2	2	0	25
\$13,000	10	11	22	2	5	8	6	10	6	2	4	43
\$14,000	14	10	28	2	10	9	5	11	9	6	0	52
\$15,000	14	13	27	6	5	6	11	11	5	7	3	54
\$16,000	34	16	9	4	9	5	9	9	8	13	2	59
\$17,000	22	15	17	4	7	3	9	8	5	15	3	54
\$18,000	24	14	12	1	5	6	4	9	8	17	0	50
\$19,000	18	15	10	3	4	4	6	7	8	9	2	43
\$20,000	12	12	3	2	4	3	5	3	4	2	4	27
\$21,000	14	5	5	1	2	2	5	4	6	3	1	24
\$22,000	12	7	1	2	1	2	1	3	3	5	3	20
\$23,000	8	5	3	3	1	0	0	4	2	3	3	16
\$24,000	4	2	3	0	1	2	1	2	1	2	0	9
\$25,000	3	5	1	1	0	0	0	1	1	6	0	9
\$26,000	2	1	0	0	0	1	0	0	1	1	0	3
\$27,000	3	0	1	0	0	0	0	0	1	3	0	4
\$28,000	1	1	1	1	0	0	0	0	0	2	0	3
\$29,000	1	2	1	1	1	0	1	0	0	1	0	4
\$30,000	1	0	2	0	0	1	1	0	1	0	0	3
More	3	3	3	0	1	0	2	1	1	3	1	9
Total	209	147	195	39	67	67	83	89	76	103	27	551

Special education costs per pupil are highest in the north (\$18,353) and much lower in the south (\$13,734) due to salary levels. The highest per pupil costs are found in DFG A districts (lowest socio-economic status) and the two wealthiest groups, DFG I and DFG J. Otherwise, the costs increase as socio-economic ranking increases. When examined by the ratio between special and general education per pupil costs, the secondary districts and districts in the south are much lower than the state average. Their costs for special and general education are much closer than those for other district groups. On the other hand, K-6 districts appear to have much higher special education per pupil costs, perhaps because elementary education is less expensive than that for the upper grades.

Distribution of Districts by the Ratio of Special to General Education Per Pupil Cost

Averages for each group are highlighted and bolded.

Per Pupil Cost	Operating Type								All NJ
	K-6	K-8 / 0-400	K-8 / 401-750	K-8 / 751 +	K-12 / 0-1800	K-12 / 1801-3500	K-12 / 3501 +	7-12 / 9-12	
Less	3	1	1	0	0	0	0	5	10
1.0	0	5	0	0	1	0	1	3	10
1.1	3	5	1	0	0	1	2	4	16
1.2	1	1	3	2	2	1	2	10	22
1.3	3	4	3	3	5	4	6	7	35
1.4	2	5	6	6	3	10	7	7	46
1.5	3	3	4	4	4	6	15	4	43
1.6	3	4	4	14	9	8	13	5	60
1.7	2	1	4	9	5	4	13	0	38
1.8	3	4	2	9	5	4	14	1	42
1.9	4	4	7	5	2	6	6	1	35
2.0	8	2	7	12	4	5	8	0	46
2.1	7	2	6	7	1	2	4	0	29
2.2	4	1	4	7	6	2	5	0	29
2.3	2	2	4	7	3	2	5	0	25
2.4	4	0	2	8	0	2	1	0	17
2.5	3	1	1	1	2	1	1	0	10
2.6	2	3	3	1	1	1	0	0	11
2.7	0	1	0	2	1	0	0	0	4
2.8	1	1	1	4	1	0	0	0	8
2.9	1	1	0	1	0	1	0	0	4
3.0	0	0	0	0	1	0	0	0	1
More	3	3	2	1	0	1	0	0	10
Total	62	54	65	103	56	61	103	47	551



Ratio of Special Education to General Education Per Pupil Costs. Comparing each district in the graph on the previous page illustrates that as general education costs increase, so do special education costs, but at a lower rate. The average per pupil cost of special education in New Jersey was found to be \$16,081, compared with general education at \$10,077, for a ratio of 1.6. Some of the districts on the higher end may conduct programs that generate significant tuition. Since tuition income could not be differentiated between general and special education, it could not be included to offset the per pupil costs. The distribution of districts by this ratio is shown by table and graphically as follows:

Distribution of Districts by the Ratio of Special to General Education Per Pupil Cost

Averages for each group are highlighted and bolded.

Per Pupil Cost	Region			District Factor Grouping								All
	North	Central	South	A	B	CD	DE	FG	GH	I	J	NJ
Less	2	3	5	0	2	0	3	1	1	0	2	10
1.0	1	2	7	1	2	2	1	1	1	2	0	10
1.1	2	5	9	1	3	2	3	1	4	2	0	16
1.2	7	4	11	2	4	4	3	2	3	4	0	22
1.3	13	10	12	3	7	4	6	3	4	4	4	35
1.4	13	8	25	7	7	9	9	6	5	3	0	46
1.5	12	11	20	4	4	7	9	7	8	4	0	43
1.6	26	12	22	6	6	6	6	12	8	11	5	60
1.7	12	11	15	2	4	3	3	12	5	7	2	38
1.8	19	11	12	4	7	5	5	4	5	10	2	42
1.9	16	8	11	0	0	5	6	10	5	7	2	35
2.0	24	16	6	3	6	2	7	3	9	14	2	46
2.1	12	6	11	2	3	2	5	7	3	6	1	29
2.2	14	7	8	0	3	3	5	7	3	5	3	29
2.3	9	14	2	2	4	1	4	8	1	3	3	25
2.4	6	5	6	0	0	6	1	2	3	5	0	17
2.5	4	3	3	1	2	2	2	0	1	2	0	10
2.6	4	4	3	0	1	1	1	1	2	5	0	11
2.7	3	1	0	0	0	0	0	1	1	2	0	4
2.8	3	2	3	1	2	1	0	0	2	2	0	8
2.9	2	2	0	0	0	1	0	0	0	3	0	4
3.0	1	0	0	0	0	0	0	0	0	0	1	1
More	4	2	4	0	1	1	4	0	2	2	0	10
Total	209	147	195	39	68	67	83	88	76	103	27	551

A Comparison of 2005 Special Education Costs By Region

Region	Total SE Cost	Spec Ed Per Student	Gen Ed Per Student	Ratio SE/GE
North	\$1,413,731,715	\$18,353	\$10,299	1.8
Central	\$1,055,058,389	\$17,355	\$10,000	1.7
South	\$837,488,104	\$13,744	\$9,810	1.4

By Region. The ratio of special and general education per student costs varies by region. Special education costs are higher in the north (\$18,353) and central New Jersey (\$17,355) while the general education costs are about the same in those regions (\$10,299 and \$10,000

general education costs are about the same in those regions (\$10,299 and \$10,000

respectively). The ratio of special to general education costs in the north is 1.8 and 1.7 in the Central New Jersey. South Jersey's per student special education cost is lower (\$13,744) and the ratio to general education is lower as well, at 1.4.

By Operating Type. The per student special education costs vary among district operating types from \$12,934 in secondary districts (7-12 / 9-12) and \$15,959 in large K-12 districts up to \$18,353 in small K-8 districts. The ratio to general education costs ranged from the lowest in the secondary districts at 1.2 to 1.9 in K-6 districts, but does not vary much among the other operating types. This suggests that the costs for special education and general education run in parallel among operating types except in K-6 and secondary districts, as one increases, the other does so proportionally.

A Comparison of 2005 Special Education Costs By Operating Type

Operating Type	Total SE Cost	Spec Ed Per Student	Gen Ed Per Student	Ratio SE/GE
A. K-6	\$73,945,117	\$16,473	\$9,403	1.9
B. K-8 / 0-400	\$35,475,845	\$18,353	\$11,079	1.7
C. K-8 / 401-750	\$84,165,915	\$16,523	\$9,252	1.8
D. K-8 / 751 +	\$340,651,167	\$15,806	\$8,816	1.8
E. K-12 / 0-1800	\$186,093,407	\$16,629	\$9,655	1.7
F. K-12 / 1801-3500	\$364,266,068	\$16,607	\$9,627	1.7
G. K-12 / 3501 +	\$1,782,961,012	\$15,959	\$9,689	1.7
H. 7-12 / 9-12	\$196,299,614	\$12,934	\$11,066	1.2

A Comparison of 2005 Special Education Costs By DFG

DFG	Total SE Cost	Spec Ed Per Student	Gen Ed Per Student	Ratio SE/GE
A	\$663,595,814	\$17,671	\$10,492	1.7
B	\$326,917,476	\$15,018	\$9,600	1.6
CD	\$276,677,581	\$14,370	\$9,079	1.6
DE	\$372,153,970	\$13,559	\$9,269	1.5
FG	\$350,189,152	\$15,240	\$9,459	1.6
GH	\$440,449,360	\$16,312	\$9,891	1.7
I	\$502,811,052	\$16,756	\$10,005	1.7
J	\$110,045,072	\$17,967	\$10,474	1.7
New Jersey	\$3,311,059,650	\$16,081	10,077	1.6

Note: Totals for each grouping do not equal the NJ total since not all districts have assigned operating types or DFGs.

By DFG. There is little variation in ratios of special education to general education costs among district factor groups (DFG). Special education costs constitute 1.5 times the cost of general education in DFG DE districts and 1.7 times in district factor groups A, GH, I and J. Highest costs per pupil are in the DFG A, GH, I and J districts. In the other DFGs, costs range from \$13,559 to \$15,240.