



Special Education

Budget Update
March 24, 2026



Desired Outcomes



Gain a historical perspective of spending since 2021-2022

Gain understanding of steps Special Education Services has taken to maintain a balanced budget for the 2026-2027 school year

Share potential for staff as a result of the updated allotment structure

Gain understanding of allotment adjustments

Share updates to programming for
CCK and Essentials

Overview by Superintendent



- The district expects to be able to keep all special education teachers who have renewable contracts.
- Timing
- Budget status at the end of the year
- CCR caseload adjustments
- Special Education Services to students
- Local and State Investment above the IDEA Grant
- Future measures

North Carolina State Budget Status & Impact on Public Education



- North Carolina entered FY 2025-26 without an adopted comprehensive state budget, creating ongoing uncertainty for school districts' planning and staffing decisions
- Budget delays limit the ability to reliably project state funding levels, timing of allotments, and support for mandated cost increases
- State law authorized salary step increases for certified staff in FY 2025-26, but did not appropriate additional funding to cover these increases

North Carolina State Budget Status & Impact on Public Education



- North Carolina ranks 50th nationally in per-pupil education funding and last in funding effort compared to state economic capacity
- Per-pupil spending is approximately \$5,600 below the national average, constraining districts' ability to address learning gaps, staffing needs, and operational costs
- As a result, districts must absorb these costs locally, further straining operating budgets and limiting flexibility for other priorities

Historical Perspective



Use of IDEA federal funds including carryover:

- Additional funds were received in 2020-2021 to the IDEA fund, increasing carryover for the grant
- Since that time, recurring costs with essential positions were paid from grant funds, which have used much of the carryover
- WCPSS Special Education teacher allotment formula has been and still is significantly lower than the State-recommended formula

Federal IDEA Allotment/Carryover (FY 2026 - 2019)



IDEA Section 611 Grants to States PRC 060 and IDEA - Coordinated Early Intervening Services (CEIS)								
Revenue History								
Federal Programs	2025-2026	2024-2025	2023-2024	2022-23	2021-22	2020-21	2019-20	2018-19
	<i>Dollars in Millions</i>							
Allotment	\$ 34.6	\$ 34.5	\$ 38.1	\$ 32.1	\$ 33.5	\$ 43.9	\$ 29.7	\$ 28.9
Change from previous year	\$ 0.1	\$ (3.6)	\$ 6.0	\$ (1.4)	\$ (10.4)	\$ 14.2	\$ 0.8	\$ 0.3
Carryover	\$ 19.0	\$ 31.9	\$ 29.0	\$ 24.3	\$ 20.6	\$ 5.2	\$ 3.9	\$ 2.2
Change from previous year	\$ (12.9)	\$ 2.9	\$ 4.7	\$ 3.7	\$ 15.4	\$ 1.3	\$ 1.7	\$ (3.1)
Total	\$ 53.6	\$ 66.4	\$ 67.1	\$ 56.4	\$ 54.1	\$ 49.1	\$ 33.6	\$ 31.1
Change from previous year	\$ (12.8)	\$ (0.7)	\$ 10.7	\$ 2.3	\$ 5.0	\$ 15.5	\$ 2.5	\$ (2.9)
Percent change	-19%	-1%	19%	4%	10%	46%	8%	-9%

Historical Perspective (FY 2026 - 2021: Recurring \$11.8M)



- **2025-26**
 - Added \$3.7m for assistive technology, audiologists, occupational therapists, physical therapists, and regional programs special education teachers and instructional assistants.
 - Moved \$1.3m of special education coordinating teachers and \$1.0 m of preschool teachers and instructional assistants from one-time state funding to the federal grant
- **2024-25**
 - Added \$3.1m for occupational therapists, physical therapists, speech pathologists, and special educational instructional assistants.
- **2023-24**
 - Added \$0.9m for Deaf/Blind Intervener, departmental budget analyst, and special education instructional assistants
- **2022-23**
 - Added \$1.8m for occupational therapists, physical therapists, special education teachers and instructional assistants, and speech language pathologists

Historical Perspective



- Overall Speech and Language Pathology Services provided by ***Special Education Services increased over approximately \$7m.*** Adjustments to speech and language contracts were necessary to address direct service needs for students with individual education plans (IEPs).
- During this same time, legislated increases for salary increases and matching retirement and hospitalization insurance costs were incurred for all employees on the grant.

Program Continuity Funding Request



Special Education Teachers

Area Special Education Services

Description Maintaining continuity within Special Education Services is vital to meeting the federal mandates associated with grant funding. Currently, there is a critical need to address the proportionate share requirement - a federal obligation ensuring that students with disabilities enrolled by their parents in private schools receive equitable services.

To remain compliant with the IDEA VI-B budget guidelines, the district must allocate specific funds for direct speech services and supplemental aids for eligible students in private settings. Current budgetary structures limit our ability to meet these equitable participation mandates without risking a funding deficit or non-compliance audit findings.

Proposed Funding To secure essential continuity of service and fulfill grant obligations, we request the transition of 923 Months of Employment (MOE) from federal grant funding to a state or local source.

Strategic Objective Student Knowledge and Skills

Budget Adjustments

Description	MOE	Local	Federal	Total
Teachers - Local MOE	923.00	\$ 6,859,366	\$	\$ 6,859,366
Teachers - Federal MOE	(923.00)		(7,161,618)	(7,161,618)
Total	-	\$ 6,859,366	\$ (7,161,618)	\$ (302,252)

Strategic Budget Realignment



Special Education Teacher Formula Change

Area Special Education Services

Description Maintaining program continuity within Special Education Services is vital to meeting the federal mandates associated with our grant funding. Currently, there is a critical need to address the Proportionate Share requirement. In response to current fiscal demands and the necessity of a balanced budget, we have restructured our teacher's allotment model. This adjustment ensures better financial stability. While the result will be fewer special education positions, Wake's student to teacher ratio remains lower than North Carolina's recommended ratio.

Funding Formula

Area of Allotment	2025-26 Allotment Structure	2026-27 Allotment Structure
Year-Round Elementary	1:17	1:25 (allotting 11 MOE)
Elementary Traditional	1:20	1:25 (allotting 11 MOE)
Year-Round Middle	1:20	1:30
Middle Traditional	1:24	1:30
High School	1:37	1:40
Autism Support	1:12	1:14
Behavior Support	1:14	1:14
Occupational Course of Study	1:12	1:14

Proposed Funding The proposed budget includes a reduction of 130 federally funded special education teachers.

Strategic Objective Operational Effectiveness

Budget Adjustments

Description	MOE	Federal
Special Education Teachers	(1,300.00)	\$(10,086,786)
Total	(1,300.00)	\$(10,086,786)

2025-26 Special Education Operating Budget



2025-26 Special Education Operating Budget

Salaries and Benefits	\$ 278,633,700
Purchased Services	\$ 23,673,354
Supplies and Materials	\$ 3,503,504
Capital Outlay	\$ 150,000
	<u>\$ 305,960,558</u>

Does not include contract transportation

2025-26 Special Education Operating Budget by Object Code



2025-26 Special Education Budget Salaries and Benefits

Administrative Personnel	\$ 2,971,285
Instructional Personnel - Certified	\$ 73,913,554
Instructional Support Personnel - Certified	\$ 18,867,301
Instructional Support Personnel - NonCertified	\$ 66,834,572
Technical and Administrative Support Personnel	\$ 547,643
Substitute Personnel	\$ 6,796,860
Operational Support Personnel	\$ 27,442
Supplementary and Benefits Related Pay	\$ 22,411,539
Extra Duty Pay	\$ 1,181,143
Employer Social Security Cost	\$ 14,363,197
Retirement Benefits	\$ 45,951,733
Insurance Benefits	\$ 24,767,431
Salaries and Benefits	<u>\$ 278,633,700</u>

2025-26 Special Education Operating Budget by Object Code



2025-26 Special Education Budget Purchased Services

Professional and Technical Services	\$ 19,858,083
Property Services	\$ 30,935
Transportation Services	\$ 617,200
Communications	\$ 18,750
Tuition	\$ 48,620
Dues and Fees	\$ 45,554
Insurance and Judgments	\$ 770,888
Other Administrative Costs	\$ 2,283,324
	<u>\$ 23,673,354</u>

2025-26 Special Education Operating Budget by Object Code



2025-26 Special Education Budget Supplies and Materials and Capital Outlay

School and Office Supplies	\$ 3,494,217
Food Supplies	\$ 9,287
Supplies and Materials	<u>\$ 3,503,504</u>
Equipment	\$ 150,000
Capital Outlay	<u>\$ 150,000</u>
Total Operating Budget	<u><u>\$ 305,960,558</u></u>

Strategies for Budget Reductions



SES has already implemented a number of strategies to address budget challenges including:

- Removing 9 unfilled coordinating teacher positions
- Removing Director of Policy position
- Reducing or eliminating non-required contracts
- Redesigning Extended School Year services
- Reducing team budgets by \$200,000 for 2025-2026

Student : Teacher Ratios - Updated Allotment Allocations



Program	2025-26	2026-27	State Guidance
Elementary CCR	1:17 [*] -1:20	1:25	1:35
Middle CCR	1:20 [*] -1:24	1:30	1:50
High School CCR	1:37	1:40	1:50
Autism Support Teacher	1:12	1:14	—
Behavior Support Teacher	1:14	1:14	—
Occupational Course of Study	1:12	1:14	1:14

* This number reflects MTYR schools. These schools will get additional MOE outside of this allotment.

Considerations for Adjustments



- Adjusted allotment structure remains within or below state ratios
- Results in reduction of 130 special education teacher positions
- Changes impact CCR programming only and not self-contained programs
- Impact on regional programs, EBS or self-contained classes are related to opening and closing programs not on the allotment structure
- Allotments based on current Special Education headcount
- Services for students

Considerations for Additional Support



- Behavioral needs and services outlined in IEPs were considered
 - Additional Behavior Support position MOEs provided to elementary schools with highest needs
 - Middle and high school allotments adjusted to ensure schools have flexibility to meet scheduling challenges

Support for Impacted Teachers



- Current vacancies and anticipated resignations will provide opportunities for **all** teachers with renewable contracts to remain with the district.
- Principals are working with Human Resources to identify teachers with renewable contracts who will become priority hires for open positions.
- Human Resources will also help connect teachers with terminating contracts to open positions in the district. Many of our employees with terminating contracts will have the opportunity to be rehired for the next school year.



Special Education Programming Updates

Special Education Services

Programming Changes

for the

2026-2027 School
Year

- Cross Categorical Kindergarten (CCK)
- Literacy Essentials 6 and Math Essentials 6



Intended Purpose of CCK



CCK is meant to be a diagnostic year to gather additional data that will enable IEP teams to better determine a child's ability to access the Standard Course of Study or a need for the Extended Content Standards



Feedback on CCK classrooms



- 13:1:2 ratio
 - Often similar to general education class sizes
- Behaviors
 - High concentration of needs impacts teaching and learning
- Prevent Access
 - Students are often not given access to typically developing peers
- Staffing
 - As teacher of record, the CCK teacher is required to be dually certified to teach content and IEP goals, but most are not
 - Teacher and IA vacancies create additional challenges

Middle Schools

Literacy Essentials and Math Essentials



Intended Purpose: A small group special education setting to teach grade level anchor standards and target IEP goals

Barriers:

- ★ Teachers should be dually certified in Special Education and content area (7 of 39 hold ELA license)
- ★ Classes hold combined grade levels with lack of rigor in core instruction
- ★ An amended or abbreviated EL resource for ELA does not exist; when EL is taught well the instruction mirrors that of an ICR classroom

Plan:

- ★ 3 Year phase out of Literacy and Math Essentials classes. In 2026-27, Essentials will no longer be offered to sixth grade students
- ★ All SES CTs will be trained in Co-Teaching to support schools with more effective ICR instruction/structures