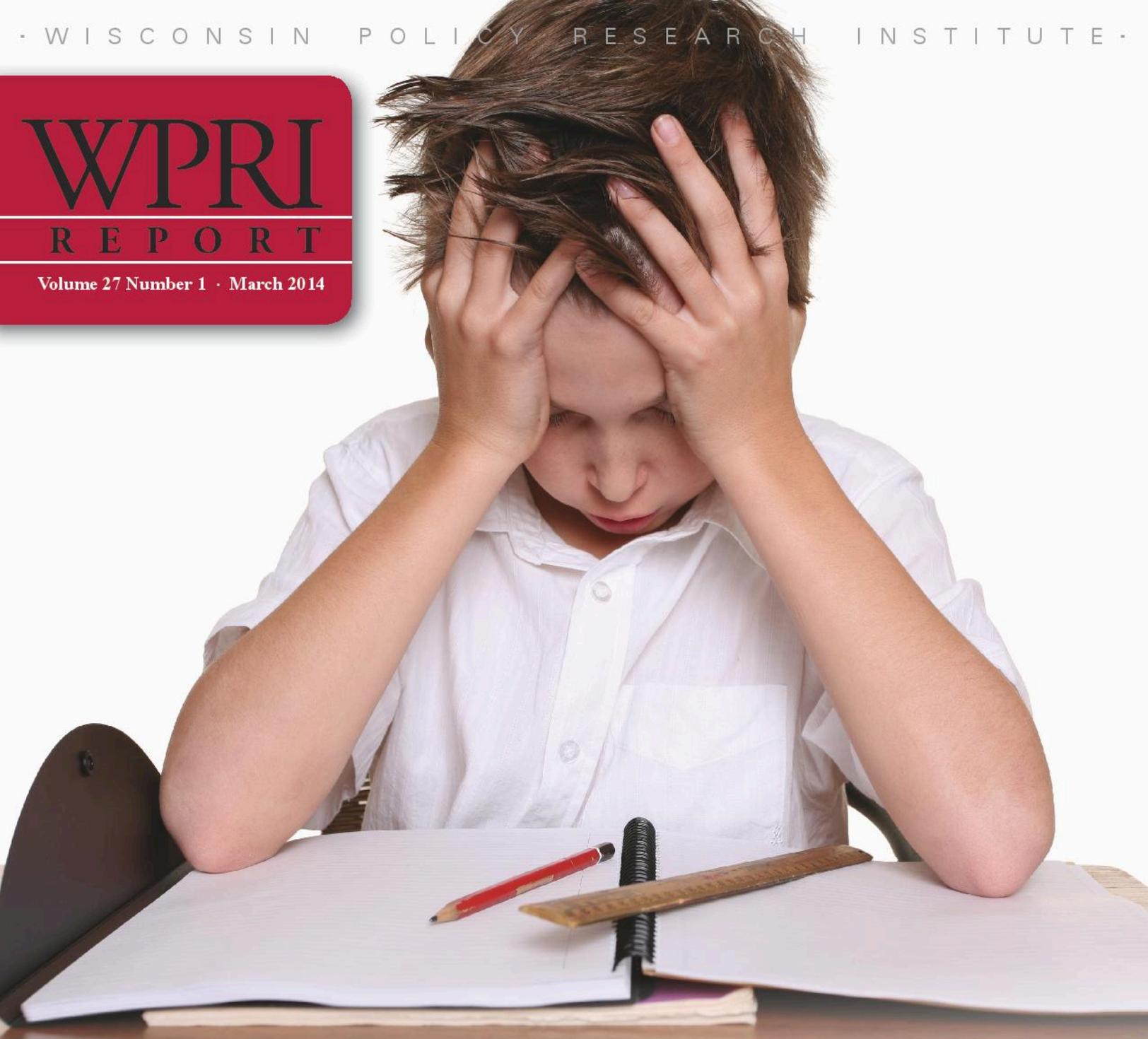


# WPRI REPORT

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# Unrealized Potential:

The Need for Accountability in  
Wisconsin's Special Education Programs

Michael R. Ford, Ph.D. and Mike Nichols, M.A.

# Wisconsin Policy Research Institute

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# Unrealized Potential: The Need for Accountability in Wisconsin's Special Education Programs

*By Michael R. Ford, Ph.D. and Mike Nichols, MA*

## President's Notes

Some of our state's most powerful legislators, including Assembly Speaker Robin Vos and Senate Majority Leader Scott Fitzgerald, made an important promise the other day. In writing.

In a March 20 letter to Gov. Scott Walker about the vexing issue of how to hold Wisconsin schools accountable for the way they educate hundreds of thousands of kids and spend billions of tax dollars, the politicians pledged to craft and bring a bill to the Legislature next January.

They said they would build a comprehensive school report card. They committed to developing sanctions and incentives. They promised to seek input from folks in "all areas of K-12 education."

This report urges them to follow through and include new accountability measures, sanctions and incentives for one of the most important and complex — and lacking — areas of all: special education.

A WPRI report last year exposed fundamental problems with the way Wisconsin identifies and funds many of its special education students outside traditional public schools. This report goes further. It demonstrates why special education programs in our public schools deserve further scrutiny and should be subject to real accountability. It proves the need for much better publicly available data on the population of kids with special needs. It recommends a framework by which to further measure the strengths and weaknesses of individual school districts' efforts. And it illustrates why accountability is so essential and necessary. Students with special needs and their families are unfairly denied both the options and the information available to their peers.

This report, in sum, is a blueprint for how legislators can include special needs programs in the accountability legislation they have promised to develop over the next nine months — and, along with the prior report, offers further proof of the need to provide more options for students with disabilities.

As I noted in the earlier report, the days of children with disabilities being relegated to the last row of the classroom or, even worse, shunted away into institutions or alternative schools, ostracized, ignored or forgotten, are long gone. But we are still a long way from helping many of them reach their full potential in the front row. That won't happen without the ability to hold specific districts and schools and programs accountable; without better and more accessible data on who is succeeding and who is failing; and without a way to let parents and guardians determine where their kids can get the best and most appropriate education, no matter what their needs.

Promises, we all know, are easy to make. This one — for the sake of a whole lot of kids who deserve better — needs to be fulfilled.

Mike Nichols  
WPRI President



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# Executive Summary

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Approximately 120,000 children in Wisconsin's K-12 schools have disabilities, ranging from traumatic brain injuries and significant developmental delays to emotional and behavioral issues to speech and language difficulties.

These are Wisconsin's most challenged — and challenging — students. And, this analysis reveals, they are too often the ones with immeasurable amounts of unrealized potential.

In 2014, Wisconsin budgeted \$368,939,100 in categorical funding for special needs pupils in public and private schools.<sup>1</sup> Yet, there is substantial evidence that Wisconsin is failing too many of its students with special needs — particularly those in districts with large numbers of low-income students.

With each additional percentage point increase in free/reduced lunch population, a districts' special needs graduation rate decreases by 21 percentage points. Special needs students in poorer districts are also much less likely to be proficient in reading than their peers elsewhere.

It is not surprising that the same socioeconomically disadvantaged school districts that struggle to educate their nonspecial needs pupils are struggling to educate their special needs populations as well.

But special needs pupils in such districts are even more likely to trail their classmates on reading test scores, even when accounting for differences in the severity of disabilities from district to district. The higher the percentage of low-income pupils, in other words, the larger the reading proficiency gap between students with special needs and peers in the same district.

Often, the overall low achievement levels in highly socioeconomically disadvantaged districts are attributed to the negative impact on standardized test scores of large numbers of special needs students. Though this impact is real, the low scores for special needs pupils themselves are no less real and no less important. A new focus should be placed on providing improved educational opportunities and alternatives for special needs students in particularly low-performing districts.

Lagging test scores, however, are not the only indication that a new focus should be placed on the education of special needs students, and not just those in generally struggling, low-income districts. An examination of post-high-school outcomes of special needs children across the state shows that 17% are neither going on to higher education nor working one year after graduation. While

more must be known about the severity of needs among those students, a disparity in the level of “non-engagement” demonstrates that students in some districts are not faring as well as their peers elsewhere and could benefit from program improvements.

Both the lagging test scores in some districts and post-high-school “non-engagement” suggest strongly that the approach to educating special needs students should be further scrutinized, and low-performing programs should be held accountable. Unfortunately, a lack of meaningful data makes it difficult for parents and students to fully gauge which districts might best serve their needs.

As a result, this paper recommends a framework by which to further measure the strengths and weaknesses of individual Wisconsin school districts' efforts to educate children with special needs. And it suggests specific ways Wisconsin can better ascertain where and how far we are falling short in helping our most challenged students achieve their full potential. Better information on the strengths and weaknesses of special needs education in individual Wisconsin schools and districts can improve the decision making of both parents and policymakers, leading to better policy and outcomes for special needs pupils.

The key recommendations:

- Wisconsin should do more to identify and make public the severity of disabilities among the special needs population as a whole in specific districts, and thereby make it easier for parents to gauge the importance of test scores and other typical accountability measures.
- Individual districts should be required to make public the percentage of goals and benchmarks specified in individualized education programs, called IEPs, that are being met.
- The satisfaction level of parents of special needs pupils should be tracked via surveys and representative focus groups.

Finally, while researchers are currently somewhat limited in the ability to determine fully which districts are most or least successful in educating special needs students, it is clear that different districts have different — neither better nor worse, perhaps, but just different — outcomes.

Rural districts, for instance, have the smallest percentage of special needs students pursuing further schooling but the largest percentage of special needs graduates employed. Suburban districts have an extremely high number of

special needs graduates moving on to higher education.

Neither outcome is necessarily better for children with special needs, and this paper delves into some of the reasons for the different results in different districts. But the difference illustrates that specific districts, which might have varying approaches and goals as well as outcomes, might be more appropriate for specific students.

In addition, nearly half of children with special needs applying through open enrollment to transfer into a bricks-and-mortar school in a district other than the one they live in are being denied.

These findings, which demonstrate both the variety of outcomes in various districts and inability of special needs students to successfully transfer via the open enrollment process in some places, reinforce the conclusions of an earlier Wisconsin Policy Research Institute research recommending that parents of children with special needs be given more flexibility to choose programs and educational approaches not currently available to them.

# Introduction

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For years, policy experts debated whether teachers and administrators were labeling too many children as disabled. More recently, educators in Wisconsin's private schools have argued just the opposite: According to a recent WPRI paper, they believe far more students in private schools have disabilities — and are being denied public services to which they are entitled — than is commonly acknowledged.<sup>2</sup>

Other fundamental questions, meanwhile, have been largely ignored, especially outside Milwaukee. Are the vast numbers of Wisconsin students who do have special needs receiving the education — and subsequent post-high-school opportunities — to which they are entitled?

How — given the difficulty of measuring success for a group of children with a broad array of aptitudes, goals and struggles — can we know?

Academic progress for most students is measured through test scores and graduation rates. The progress of students with mild special needs — those who are included in general education classes and tested with only slight accommodations — can often fairly be measured in the same ways.

Other students, however, have more severe needs that make test scores illogical and unfair benchmarks. For those children, success also can't be measured solely by how many go on to get a job or by how many move on to higher education. Lack of success can fairly be measured, however, by how many such students fail to become engaged in any endeavor — either school or work — after graduation.

This report examines quantifiable measures of progress in special education programs — i.e., gaps between special needs students and their peers in key academic areas in various types of districts, along with so-called “non-engagement” after graduation.

It also establishes a framework — one dependent on additional data and openness from the state — for holding Wisconsin's special education system more fully accountable.

# Special Education Facts in Wisconsin

In the 2012-'13 school year, 13.9% of Wisconsin's 871,551 students were designated as having a disability and had an Individualized Education Program (IEP). Data from the Wisconsin Department of Public Instruction going back to 2002-'03 show that the total percentage of Wisconsin pupils with special needs has been stable over time, never veering significantly from about 14%.

In addition, there is minimal variation in the percentage of special needs pupils by district. Students with disabilities represent between 10 and 20% of the total student population in most state school districts. In terms of actual numbers, the average Wisconsin district serves 293.63 special needs pupils.

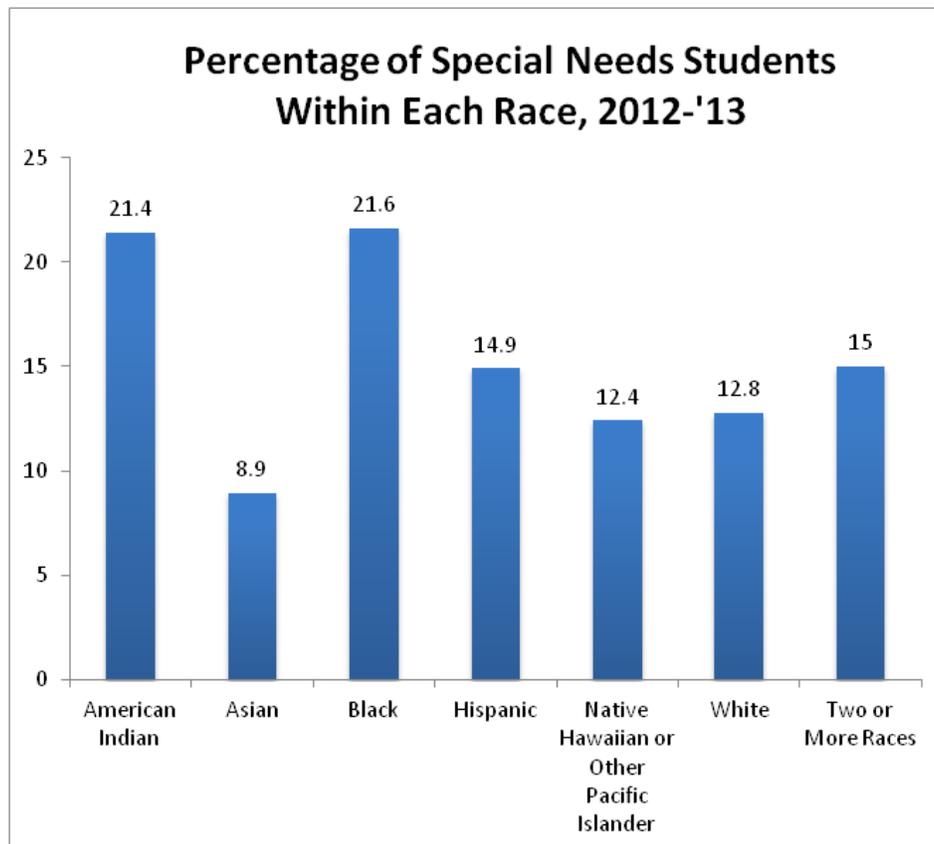
Though districts in general have similar densities of special needs pupils, there is a clear over-representation of special needs pupils in Wisconsin's minority student population. Figure 1 charts the special needs population in Wisconsin by race. As can be seen, 21.6% of African-American pupils and 14.9% of Hispanic pupils are designated as having special needs, compared with 12.8% of

white pupils. Wisconsin's relatively small Native American population is also greatly affected by disabilities, with 21.4% of students designated as having special needs. Asian students are a notable exception to the overrepresentation of special needs pupils among minority populations. Just 8.9% of Asian pupils have special needs, a number much lower than any other demographic subgroup in Wisconsin.

There is also great diversity in the types of special needs affecting Wisconsin pupils. The difference in severity of special needs has important cost and outcome implications for Wisconsin policymakers. Certain needs will put a greater burden on district resources than others, and the academic expectations of special needs pupils will vary greatly depending on disability.

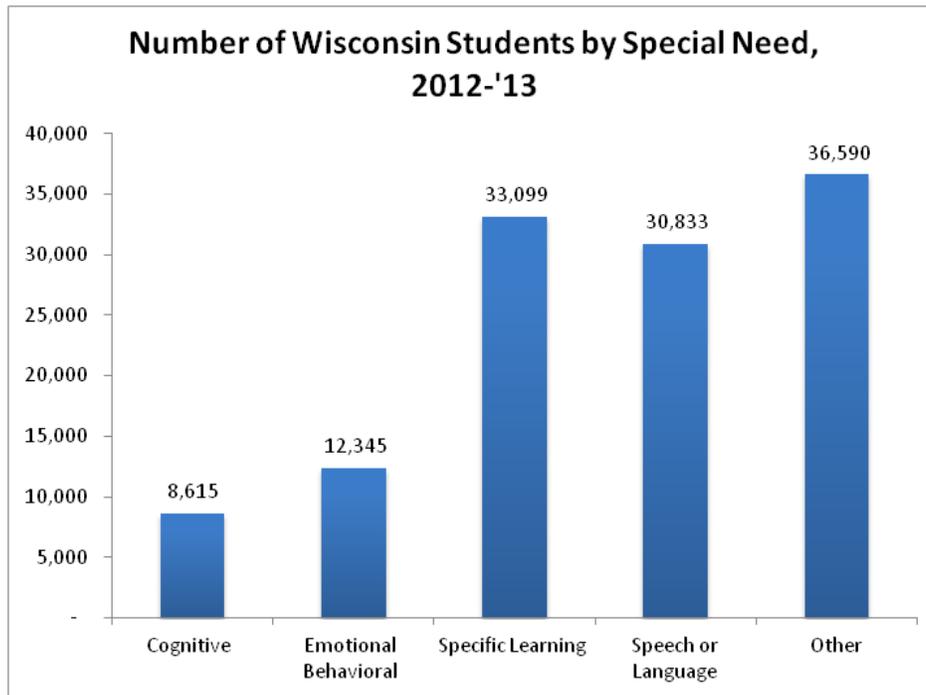
Figure 2 shows the total number of students with specific special needs in the 2012-'13 school year. The most common need areas are classified as "specific learning" disabilities. Comparatively fewer students have cognitive and emotional/behavioral disabilities.

Figure 1



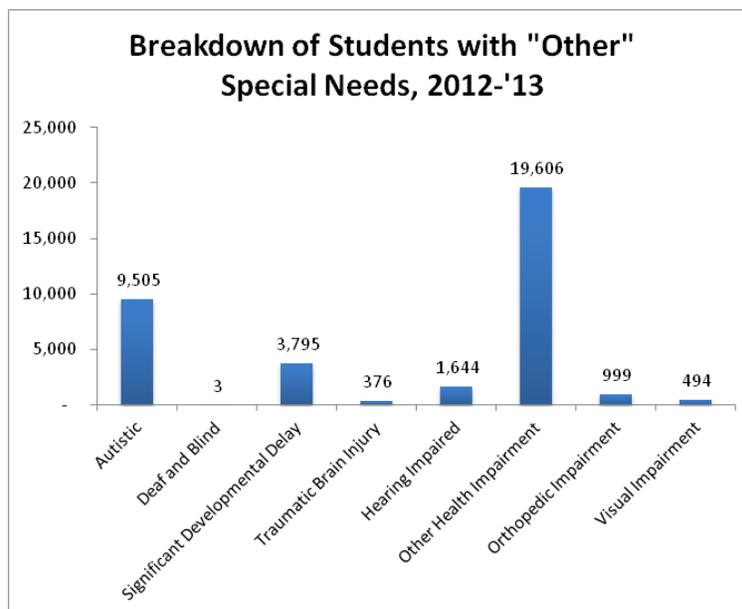
Source: Wisconsin Department of Public Instruction

Figure 2



Source: Wisconsin Department of Public Instruction

Figure 3



Source: Wisconsin Department of Public Instruction

Figure 3 breaks down the disabilities contained in the “other” category in Figure 2. The most prominent specific disability is autism. Far fewer pupils have potentially more serious disabilities such as traumatic brain injuries and significant developmental delays. However, the wide spectrum of functional levels placed under the definition of autism, as well as the large number of disabilities categorized under the term “Other Health Impairment,” pose a significant data limitation. Plainly, there are tens

of thousands of Wisconsin pupils with special needs for which there is no easy characterization, thus making it more difficult to build a framework for evaluating special needs outcomes.

Overall, the typical special needs pupil in Wisconsin is more likely to be a minority than not and most likely has a specific learning disability, a speech/language impairment or an autism spectrum disorder.

# Special Education Goals in Wisconsin

Federal law defines an IEP as “a written statement for each child with a disability that is developed, reviewed, and revised in a meeting.”<sup>3</sup> The IEP process, as described in DPI’s A Guide for Writing IEPs, emphasizes that IEPs are more than a set of documents.<sup>4</sup> First there is a meeting with parents, teachers and school officials to discuss the child’s current situation and articulate annual and short-term goals in writing. Importantly, the goals are meant to be measurable by using data and specific progress benchmarks. Annually each student’s IEP is reviewed and, if progress toward goals is not being made, the goals are revised.

So, at their simplest, the goals of special education in Wisconsin are the student-specific goals articulated within each IEP. These goals can be called micro goals. However Wisconsin also has macro goals for its state special needs policy. These macro goals, the things Wisconsin wants out of its approach to special needs, are formally stated in Wisconsin’s required annual special needs performance report submitted to the U.S. Department of Education.<sup>5</sup> Within that report are statewide measures of progress toward 20 indicators that, taken together, should make clear what Wisconsin expects of its special education system:

1. Graduation rates
2. Dropout rates
3. Assessments
4. Suspension/expulsion
5. Educational placements, ages 6-21
6. Educational placements, ages 3-5
7. Preschool outcomes
8. Parent involvement
9. Inappropriate identification in special education
10. Inappropriate identification in specific disability categories
11. Timely evaluation
12. Preschool transition
13. Transition goals, age 16+ (Note: Wisconsin law requires these goals at age 14.)
14. Post-high-school outcomes
15. General supervision system
16. Individuals with Disabilities Education Act complaints
17. Due process
18. Resolution
19. Mediation
20. Timely and accurate data

This list of measurable objectives is imbedded within several broad conceptual goals listed and briefly explained below:

## *Attainment*

Attainment means maximizing the number of special needs pupils who receive a high school diploma. Data from DPI show that in the 2011-’12 school year, the legacy graduation rate — defined as the percentage of students who graduate high school by age 21 — for Wisconsin special needs pupils was 80.3%.<sup>6</sup>

## *Test-Score Success*

Just like students without disabilities, special needs students participate in the Wisconsin Student Assessment System. And just like nondisabled students, the scores of special needs students are reported, and schools and districts are under pressure to maximize the number of pupils scoring at least proficient. In 2012-’13, 14.6% and 21.5% of special needs students scored at least proficient on reading and math exams respectively.<sup>7</sup>

## *Accurate Identification of Needs*

The federal government requires that states track their success in correctly identifying students with special needs and correctly identifying the type of special needs affecting a pupil.<sup>8</sup> The reasons for this requirement are self-evident; a student’s special need cannot be adequately addressed if not correctly identified.

## *Accurate Student Placements*

Should a student be placed in a general education class or should a student be placed somewhere else? This is a key question for school officials and parents to consider. Clearly one of the goals in recent years is to include special needs pupils in general education. According to DPI data, almost 60% of Wisconsin’s special needs students spend at least 80% of their day in a regular school class. Only 10% spend less than 40% of their time outside general education.

## *Resolution of Parental Complaints*

Parents are meant to be a critical part of the IEP process, and, hence, resolution of their concerns with the IEP process is also critical.

## *Post-High-School Success*

The most important goal of K-12 education for all students is post-graduation success. While success may look different depending on a student’s unique circumstances, the importance of realizing success is a crucial measuring

stick of a school's or district's performance.

Implicit in these conceptual goals is the broad goal of maximizing the potential of special needs students through education. But how does Wisconsin measure progress toward these broad and specific goals? How is the state's special education system held accountable for its performance?

The following section reviews available indicators for special needs performance in Wisconsin, the strengths and weaknesses of those indicators and — to the extent currently possible — how Wisconsin currently measures up.

# Measuring Special Needs Performance

The Department of Public Instruction (DPI) tracks and reports data on the test score results, graduation rates, inclusion, and post-graduation success of Wisconsin pupils with special needs. The information is reported on the WISEdash website, as well as the DPI Special Education District Profile portal.<sup>9</sup>

Collectively, the Wisconsin state testing system has been called the Wisconsin Student Assessment System (WSAS). The WSAS consisted of the Wisconsin Knowledge and Concepts Exam (WKCE), and the Wisconsin Alternative Assessment for Students with Disabilities (WAA). The WAA was a multiple choice test tied to the Extended Grade Band Standards, a set of criteria linked to Wisconsin's academic standards but geared toward special needs students.<sup>10</sup> Though many students with special needs took the WKCE, those who met all of the following four criteria, as determined by an IEP team, participated in the WAA. (Note, the Extended Grade Band Standards have been replaced by the Common Core Essential Elements, and the WKCE is being replaced by the Smarter/Balance Assessment, so this process will look different in the future)<sup>11</sup>:

1. The student's curriculum and daily instruction focuses on knowledge and skills specified in the Extended Grade Band Standards.
2. The student's present level of academic and functional performance significantly impedes participation and completion of the general education curriculum even with significant program modifications.
3. The student requires extensive direct instruction to accomplish the acquisition, application, and transfer of knowledge and skills.
4. The student's difficulty with the regular curriculum demands is primarily due to his/her disability, and not to excessive absences unrelated to the disability, or to social, cultural or environmental factors.

The results of the WAA are reported in the same proficiency hierarchy as the WKCE, and are combined with WKCE results when reported on the WISEdash website. The identical reporting language allows for the performance of special needs pupils — whether they take the WKCE or WAA — to be pooled and compared with the test performance of nonspecial needs pupils.

Table 1 contains the 2012-'13 WSAS results for students with special needs and without special needs in Wisconsin. As can be seen, a large majority of special needs students lack proficiency as measured by reading and math tests. Overall, special needs pupils — whether taking the WKCE or the WAA — significantly trail their nonspecial needs counterparts on standardized test performance.

**Table 1: Percentage of Students Scoring Advanced/Proficient on the WSAS, 2012-'13**

	Disabilities	No Disabilities
Reading	14.6%	39.7%
Math	21.6%	52.4%

Figures 4 and 5 put the differences between the test performance of students with and without disabilities in perspective. The overall special needs achievement gap in Wisconsin is not as large as the state's black-white achievement gap, but it is similar in size to the state's economic achievement gap. In layman's terms, the expected differential in test score performance between students with special needs and without is akin to the expected differential between low- and middle- or high-income students.

Figure 4

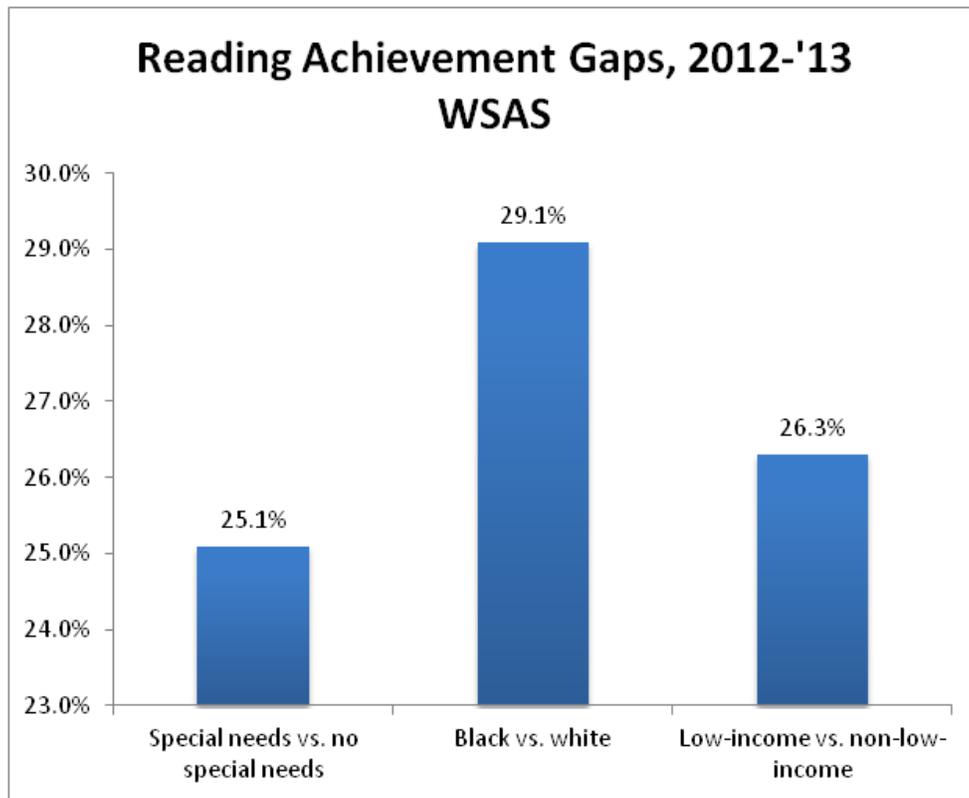
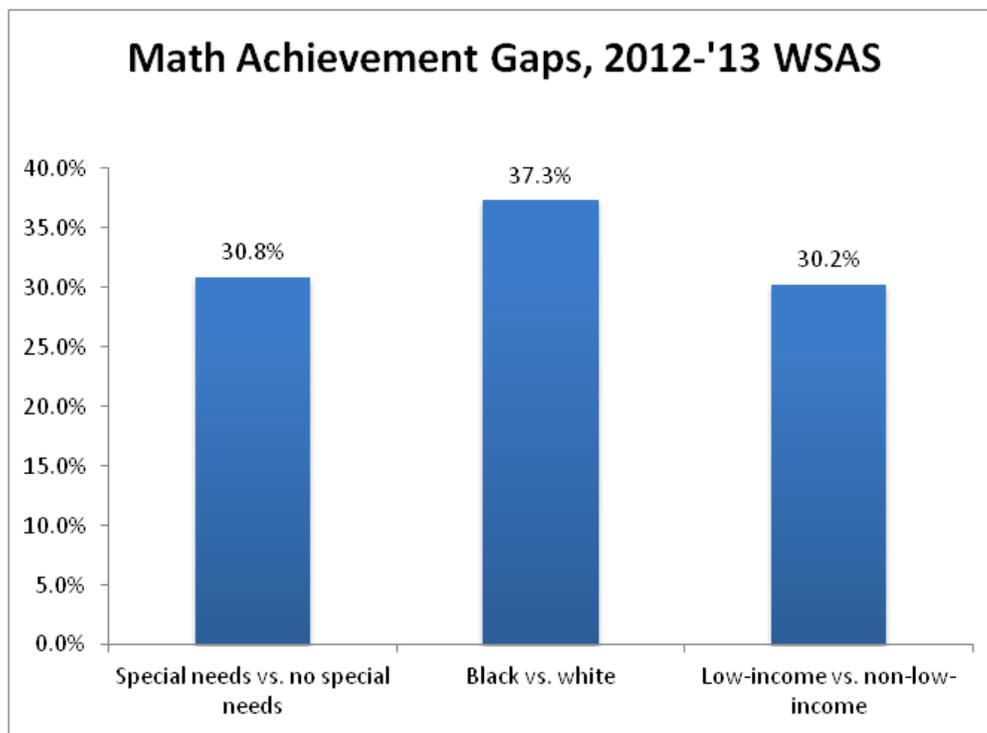


Figure 5



There are, of course, some important differences in the nature of these identified achievement gaps. There is nothing inherent about being a member of a minority group or coming from a low-income household that should cause students to score comparatively lower on standardized tests. These achievement gaps are generally agreed to be caused by a variety of social inequities, stresses and other factors for which minority or low-income status can often serve as a proxy.

In contrast, thousands of students in Wisconsin have special needs that directly impact their abilities to perform well on standardized tests. It is entirely possible that even with the accommodation of the WAA, the special needs achievement gap is, at least in part, due to particular students' needs rather than a failing of the special education process in Wisconsin. This highlights the main weakness of using standardized test scores to measure the success of special needs pupils. Accordingly, other measures of success are equally important to presenting a full picture of special education performance in Wisconsin.

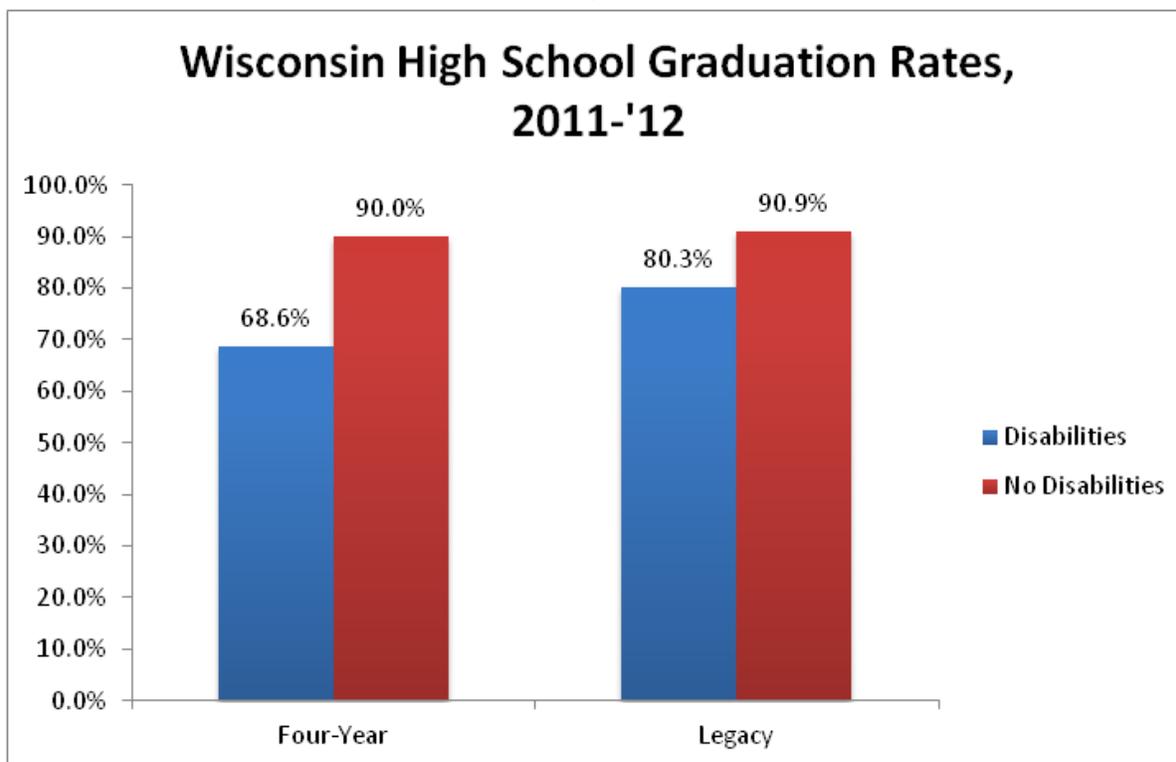
An intuitively satisfying indicator of school and district performance is the high school graduation rate. Though small differences in standardized test scores may forecast only limited differences in life outcomes, the difference between graduating and not graduating from high school forecasts major differences in future employment, earning, and familial stability.<sup>12</sup> Wisconsin publishes several different graduation rate statistics. Four-year graduation rate is

the percentage of pupils who begin their freshman year and graduate on time four years later. Legacy graduation rates show the percentage of pupils who earn a diploma by the time they are 21 years old.

Figure 6 charts the four-year and legacy graduation rates for students with and without disabilities in the 2011-'12 school year. Statewide, nonspecial needs graduation rates are high. About nine out of 10 Wisconsin pupils without special needs earn a diploma by the age of 21, and almost all do it within four years. In contrast only 68.6% of students with special needs earn a diploma in four years. However, a substantial number of special needs pupils who fail to graduate on time do earn a diploma by the age of 21. The disproportionate number of special needs pupils taking more than four years to graduate is not surprising; some students with more severe learning disabilities logically require more time and/or accommodations to satisfy diploma requirements.

Though there is a significant graduation rate gap between special needs and nonspecial needs pupils, a large majority of students with disabilities do eventually earn a diploma. In fact the legacy graduation rate for special needs pupils is higher than the legacy graduation rate of Wisconsin's African American pupils (68.2%), and similar to that of economically disadvantaged pupils (82.3%).<sup>13</sup>

Figure 6



But what happens after special needs students graduate? Do they go to college? Begin work? Or do they become disengaged? Fortunately, Wisconsin annually conducts the Wisconsin Post High School Outcomes Survey to determine the status of graduates one year after leaving high school.

According to the most recent survey, taken in 2012<sup>14</sup>:

- 69% of graduates continue to live at their parents' home;
- 27% live independently;
- 56% have a driver's license; and
- 4% live in some type of supervised facility.

In addition, almost half of graduates, 46%, report that they are engaged in some type of post-secondary education or training, including 36% who attend a four- or two-year college or technical school. About half (49%) of special needs graduates report working for pay with others without disabilities, at least part time, for at least 90 days.

Together these statistics reveal that most special needs students graduate high school and either go on to higher education or move directly into the workforce. In other words, most special needs students in Wisconsin have life trajectories that do not look all that different from those who don't have special needs. Such a conclusion is well in line with the extent of inclusion going on in Wisconsin classrooms; 59.42% of Wisconsin special needs pupils spend at least 80% of their day in regular classes.<sup>15</sup>

To better understand the performance of Wisconsin's special education system, in the following sections, we dig deeper into district-level data on the academic performance and outcomes of special needs pupils. Specifically, we use regression modeling to identify the predictors of achievement levels for special needs pupils, and compare the performance of districts by location and extent of their special needs population.

# Comparison of Achievement Levels and Outcomes by Type of District

The data for the deeper dive into district-level special needs performance comes from the Wisconsin DPI and the National Center for Education Statistics Common Core Database. Though there are 424 school districts in Wisconsin, only 168 districts are included in the analysis. The 256 districts not included in the analysis either:

1. Enrolled fewer than 100 special needs pupils; or
2. Did not have usable data for post-high-school outcomes from the previous four years of the Wisconsin Post High School Outcomes Survey.

In other words, the analysis is restricted to districts that have recently reported post-high-school outcome statistics and enroll significant numbers of special needs pupils. These restrictions ensure that outlier observations for key variables will not artificially skew the results. However the reader should be careful not to apply the lessons learned from the following analyses to districts enrolling very few special needs pupils.

Table 2 contains the summary statistics for various demographic variables in the data set. As can be seen, the average district enrolls just under 500 special needs pupils and has a special needs population of about 14%.

**Table 2: Summary Statistics for District Variables**

	N	Mean	Standard Deviation
Schools	168	7.63	16.33
Charter Schools	168	0.72	2.91
Students	168	3,350.62	6,977.72
Pct. Male	168	52.00	2.00
Pct. Black	168	3.00	7.00
Pct. Hispanic	168	5.00	5.00
Pct. White	168	88.00	12.00
Pct. Free/Reduced Lunch	168	30.00	14.00
Pct. ELL	168	3.00	4.00
Pct. IEP	168	14.00	2.00
IEPs	168	495.80	1341.95
Pupil/Teacher Ratio	168	14.83	1.53
Revenue Per-Pupil	168	12,443.07	1220.55
Suspension Rate	168	3.01	2.63
Pct. Teachers with 5 Years	168	78.79	6.70
Pct. Teachers with Masters	168	54.98	13.50

Table 3 contains additional summary statistics for variables of special needs performance, including the gap in graduation rates and reading proficiency between special needs and nonspecial needs pupils, post-graduation activities, and the percentage of time spent by special needs pupils in regular classrooms.

Is there evidence that the density and performance of special needs pupils differ by district location and size? In other words, do districts classified as rural, suburban, city or town differ from one another in regards to their special needs populations?

As shown in Table 4, there are indeed several key differences in the special needs populations served in different types of districts. City districts have the largest percentage of special needs pupils, but the smallest reading proficiency gaps. Rural districts have the lowest percentage of special needs graduates going on to higher education, but the largest percentage of special needs graduates employed. Suburban districts have an extremely high number of special needs graduates who move on to higher education, while town districts tend to be middle of the road on special needs performance indicators.

**Table 3: Summary Statistics for Special Needs Performance Data**

	N	Mean	Standard Deviation
Legacy Grad. Rate — Nondisabled	168	94.96	6.06
Legacy Grad. Rate — Disabled	168	84.82	15.04
Legacy Grad. Rate Gap	168	10.31	14.04
WSAS Reading Proficient — Nondisabled	120	43.19	9.92
WSAS Reading Proficient — Disabled	116	16.00	5.98
WSAS Reading Gap	116	27.27	8.13
Postgraduate Pct. Higher Ed	168	37.95	23.9
Postgraduate Pct. Employed	168	32.53	22.33
Pct. 80% in Regular Classroom	168	60.26	13.11
Pct. Less than 40% in Regular Class	168	7.80	5.71

**Table 4: Special Needs Performance Differences by District Location**

	N	Pct. IEP	Grad Rate Gap	Reading Gap	Higher Ed	Employment
City	10	15.60%	9.63%	20.32%	37.70%	23.53%
Rural	66	14.29%	9.49%	27.76%	29.63%	38.78%
Suburb	42	12.36%	8.84%	30.43%	46.81%	26.60%
Town	50	14.26%	12.17%	25.65%	38.51%	31.07%

These subtle differences show special needs students have different outcomes depending on their location. But are these differences a result of location or other characteristics of each location? To answer this question, we turn to ordinary least squares regression, a statistical technique that can model the unique explanatory power of variables as they relate to graduation rate gaps, reading proficiency gaps, and postgraduate outcomes for special needs pupils.

Specifically we seek to understand the relationship between the following focal variables and the performance variables:

- Density of the minority population;
- Density of the low-income population;
- Density of the special needs population;
- Severity of district student disabilities; and
- Teacher experience.

The regression results presented in Table 5 predict the district-level graduation rates for special needs pupils (Model 1) and the district-level special needs proficiency gap on the WSAS (Model 2) - i.e., the gap between the percentage of special needs students and non-special needs students in a district scoring proficient on the WSAS. In Model 1, the percentage of low-income pupils in a district is the lone significant variable at the 95% level of confi-

**Table 5: Regression Results for Graduation Rate and Reading Gap<sup>16</sup>**

	<b>Model 1</b>		<b>Model 2</b>	
	<b>Special Needs Grad Rate</b>		<b>Reading Gap</b>	
	Coefficient	Std. Error	Coefficient	Std. Error
Pct. Minority	-16.50	13.09	-0.128	0.073
Pct. Free/Reduced Lunch	-21.11*	10.11	0.160*	0.067
Pct. IEP	-24.86	53.97	-0.458	0.328
Log of Students	1.32	3.44	0.042	0.025
Pct. > 80% Regular Class	-0.03	0.09	-0.000	0.001
Pct. < 40% Regular Class	-0.19	0.21	-0.003*	0.001
Pct. Teacher with 5+ Years	0.042	0.16	-0.000	0.001
Log Schools	-2.87	3.62	-0.030	0.003
Charter Schools	-0.04	0.47	-0.000	0.003
Pupil/Teacher Ratio	-0.47	0.83	-0.005	0.006
Revenue Per-Pupil	0.00	0.00	.000	0.000
Constant	77.01	29.91	21.30	18.31

**N**

**167**

**116**

**R-Squared**

**0.15**

**0.39**

\*p<.05 \*\*p<.01 \*\*\*p<.001

dence. With each additional percentage point increase in free/reduced lunch population, a district's special needs graduation rate decreases by 21.11 percentage points. Another model adding graduation rates for nonspecial needs students also reveals a relationship between graduation rates for all pupils and special needs graduation rates. Together the conclusion from Model 1 is that the graduation rates for special needs pupils in Wisconsin districts are largely a function of the overall graduation rates and socioeconomic status of a district's student body (and other unexplained variables).

Model 2 looks specifically at the gap in reading proficiency between special needs and nonspecial needs students as indicated by the WSAS. The results show that here, too, the percentage of low-income pupils is an accurate predictor

of reading gaps. The higher the percentage of low-income pupils, the larger the gap between reading proficiency levels.

Models 3 and 4, presented in Table 6, look at post-high-school outcomes. Model 3 predicts the percentage of special needs graduates in Wisconsin districts who report going on to higher education on the Wisconsin Post High School Outcomes Survey. Multiple variables are statistically significant in the model.

As in Models 1 and 2, the higher the percentage of students eligible for free and reduced lunch in a district, the lower the percentage of special needs graduates who report moving on to higher education. In addition, districts with a higher percentage of included special needs pupils have higher percentages of special needs pupils moving

**Table 6: Regression Results for Higher Education and Employment**

	<b>Model 3 Higher Education</b>		<b>Model 4 Higher Education/Employed</b>	
	Coefficient	Std. Error	Coefficient	Std. Error
Pct. Minority	44.21*	21.52	17.36	21.62
Pct. Free/Reduced Lunch	-73.80***	16.53	-68.84***	16.61
Pct. IEP	57.38	88.60	94.07	89.02
Log of Students	-1.23	5.67	-8.40	5.70
Pct. > 80% Regular Class	.311*	.15	.17	.15
Pct. <40 % Regular Class	-.01	.35	-.43	.35
Pct. Teacher with 5+ Years	-.15	.27	.04	.27
Log Schools	3.66	5.93	11.56	5.97
Charter Schools	-.59	.78	-.86	.78
Pupil/Teacher Ratio	-.46	1.37	-2.00	1.38
Revenue Per-Pupil	.00**	.00	.00**	.00
Constant	-6.76	44.24	79.24	44.45

N  
R-Squared  
\*p<.05 \*\*p<.01 \*\*\*p<.001

168  
0.26

168  
0.22

on to higher education. Model 3 also shows that districts receiving more revenue per pupil have statistically higher percentages of special needs students moving on to college, however, substantively the effect is miniscule.

Somewhat confounding is the relationship between minority pupils and higher rates of special needs students moving on to higher education. On closer examination, this finding appears to be the result of an outlier district with a particularly high percentage of special needs college-goers and minority pupils.

Model 4 combines the percentage of special needs pupils moving on to higher education with the percentage of special needs graduates reporting that they are employed. The results are very similar to Model 3, indicating a strong relationship between poverty and reduced quality of postgraduate outcomes for special needs pupils.

The results of the four regression models lead to several conclusions about the factors predicting measurable success for special needs pupils in Wisconsin districts. First, the impact of poverty is substantial in determining the future outcomes of special needs pupils. Special needs pupils in districts with high percentages of low-income students are much less likely to graduate from high school, or, if they do graduate, go on to higher education or gainful employment.

Perhaps more interesting, special needs pupils in districts with large percentages of low-income pupils are more likely to trail nonspecial needs pupils on reading test scores, even when controlling for the severity of special needs in the district.

Put another way, the higher the percentage of low-income pupils, the larger the reading proficiency gap (measured as the percentage of students in each group deemed proficient on the WSAS) between students with special needs and peers without special needs in the same district.

So, while it may be expected that the effects of poverty impact the test scores of special needs and nonspecial needs pupils alike, the presence of a large special needs reading achievement gap in districts serving more low-income pupils suggests that special needs kids in high-poverty districts are particularly struggling, even compared with other low-income pupils.

Second, the severity of special needs as measured by the percentage of time that special needs pupils spend in a general education class has a significant effect on the percentage of special needs pupils who go on to higher

education. The higher the percentage of special needs pupils in a district spending at least 80% of their day in general education, the higher the percentage of district special needs pupils going on to higher education. This finding is common sense, but serves as a reminder that the range of the severity of special needs students served by a district has a major impact on district-level academic indicators and should, in turn, be considered in any discussion of accountability in special education.

Overall the results suggest that the same districts struggling to educate their nonspecial needs pupils are struggling to educate their special needs population. The socioeconomic makeup of a district is the strongest predictor of special needs outcomes, even when controlling for factors such as race and the severity of needs. This finding shows that the policy discussion regarding how to hold struggling school districts accountable for academic outcomes in general should, in part, be focused on to how to hold the same districts accountable for the performance of their special needs programs. Currently much of the discussion in places like Milwaukee is on the negative impact of a growing special needs population on total outcome indicators. Though this impact is real, the comparably low outcomes for special needs pupils themselves are no less real and no less important.

# Non-engagement of Special Needs Students

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Throughout this paper we have focused on the issue of success for special needs students and the inherent difficulty of defining success among this student subpopulation. However, the issue of what qualifies as a lack of success is clearer. On average, 16.9% of students surveyed on their post-school outcomes report that they are neither working nor receiving some level of post-secondary education one year after graduating from high school.

A small number of districts, 13 out of the 168 in our data set, report unusually high percentages of unengaged special needs graduates. Those districts differ from the other districts in our data set in substantively significant ways. First, eight are rural, and five are located in towns. Not surprisingly, these districts are also smaller than the others in our data set, enrolling an average of 1,395 students versus 3,524 students. Perhaps most interesting, these 13 districts enroll a much higher percentage of low-income pupils (42.4%) than the other 155 districts (29.4%).

Overall these districts perform similarly on academic indicators including math and reading WKCE proficiency levels, ACT scores and graduation rates. However they do

have a slightly higher percentage of students with severe special needs as measured by percentage of special needs pupils spending less than 40% of their time in general education (10% compared with 7.6%).

The preceding discussion of non-engaged special needs pupils yields conclusions consistent with previous sections of this report. Districts with unusually higher numbers of unengaged special needs graduates are smaller, enrolling high numbers of socioeconomically disadvantaged pupils, and serving more students with more severe special needs.

In sum, there is evidence that several Wisconsin districts have particularly large percentages of special needs pupils with undesirable post-K-12 outcomes. Special needs students in low-income districts appear particularly vulnerable. Plainly, too many special needs students across the state remain unengaged in any way after graduation.

# Parental Dissatisfaction and Lack of Options

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There is evidence that a substantial number of parents are dissatisfied with the special needs offerings in their home districts. In the 2012-'13 school year, 3,198 special needs students attended a public school outside their district via the state's open enrollment law, while an additional 2,327 applied to use the open enrollment program but had their applications denied by either their home district or the district they wanted to transfer into, according to the Department of Public Instruction. That denial rate of 42% for children with special needs contrasts with a denial rate of 32% for students without special needs also seeking to transfer through open enrollment.

But those numbers don't tell the entire story.

Of the 5,525 children with special needs who applied for an open enrollment transfer, 714 applied to the McFarland School District — far more than any other district in Wisconsin and about 55 times the average number, according to an analysis of DPI data received through an open records request. McFarland officials confirm that the vast majority of those children were applying to attend Wisconsin Virtual Academy, a charter school authorized by the McFarland district that uses an online curriculum and does not require students to be physically in a school building.

McFarland, which has close to 2,000 students in its virtual school, accepts almost all children with special needs who apply. Its extremely high acceptance rate is an anomaly that makes it an outlier and — if the question is simply how many special needs children are able to attend a different bricks-and-mortar school than the one they are in — skews the data. If McFarland's numbers are excluded, the overall denial rate for special needs children applying anywhere else in Wisconsin through open enrollment is 48%. Excluding McFarland, the denial rate for all applications in the rest of the state is 35%.

There are numerous other, smaller virtual schools chartered through districts other than McFarland, and at least some of them also appear to have extremely high acceptance rates for children with disabilities. Further analysis of those schools and their data is beyond the scope of this paper. But it is safe to say that — at a minimum — nearly half of children with special needs applying through open enrollment to transfer into a bricks-and-mortar school in a non-resident district are being denied.

Denials rates, an analysis of DPI data also shows, are higher in some areas of the state than others. For instance, there are 17 school districts other than MPS that are either in Milwaukee County or contiguous to

MPS but in other counties: Brown Deer, Cudahy, Fox Point Joint 2, Franklin, Glendale-River Hills, Greendale, Greenfield, Nicolet, Oak Creek-Franklin, Shorewood, South Milwaukee, Wauwatosa, West Allis-West Milwaukee, Whitefish Bay, Germantown, Menomonee Falls and Mequon-Thiensville. Those 17 districts denied 81% of all open enrollment applications and 85% of open enrollment applications from children with disabilities.

A complete district-by-district breakdown of open enrollment applications, including those by students with disabilities, is available in the appendix to the digital version of this report at [www.wpri.org](http://www.wpri.org). Parents and others can ascertain through that appendix if particular districts appear to have unusually high open enrollment request-or denial-rates.

Comparatively higher denial rates for children with special needs seeking to transfer into bricks-and-mortar schools and in some geographic areas indicate both a level of dissatisfaction with current programs and an inability for some parents to find an alternative. Additional data should be gathered and made widely available through the Department of Public Instruction as a means of improving transparency and accountability.

# Seeking Better Accountability for Special Needs Pupils

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Are the identified achievement gaps in most districts generally a result of students' disabilities or weaknesses in Wisconsin's approach to special education? What should Wisconsinites expect in terms of graduation rates and test scores for special needs students? How can Wisconsin policymakers better hold school districts accountable for the performance of special needs pupils?

The first step should be improved data systems and transparency. The data available now should be more specific, and help parents and others assess the effectiveness of particular programs throughout the state.

For example, though information is available on the amount of time special needs students spend in general education, a more specific indication of the severity of a student's special needs would allow for a more accurate and useful accountability approach. Such a system could be as simple as developing a special needs scale of 1 to 10 and assigning each student (annually or at each IEP update) a number that indicates the degree to which special needs can be expected to affect test scores and attainment indicators. Such a system would allow for districts to release numbers that instantly tell policymakers and parents both the number of special needs pupils in their district, and the way in which the presence of special needs pupils should be expected to impact total district performance. This would allow parents and others to more accurately assess the importance of test scores and gaps for students with special needs.

It would also be helpful to know the percentage of goals and benchmarks specified in IEPs that are being (or not being) met annually. As discussed, procedures exist for changing IEP goals if they are not being met, but there is no common public reporting of how often this occurs. If districts were required to collect and report these data, policymakers and school shoppers would have a clear idea of how a district or school fares in meeting the student-specific IEP goals of special needs pupils.

Finally, the satisfaction level of the parents of special needs pupils should be tracked via surveys and representative focus groups.

Together, these additional pieces of data — use of a special needs "scale" that could identify the severity of individual students' disabilities, the percentage of IEPs being met annually and surveys of parents — could, along with existing data, be the foundation of an improved approach to special education accountability.

Policymakers and parents would be able to know at the school and district level:

- How special needs students are performing on standardized tests and their post-school success compared with other districts;
- How special needs students are performing given the severity of their needs;
- Whether IEP goals are consistently being met; and
- Whether parents are satisfied with their child's special needs program.

Making this information available could create a basis for new special needs policies targeted towards struggling schools and districts. Such policies might include:

- The creation of a statewide special needs report card for schools and districts;
- The elimination of programs that are not performing and rededication of funds used for those programs;
- Increased funding for special needs teachers in districts and schools exhibiting remediable deficiencies and clear improvement plans;
- Enabling and providing incentives for parents to send their children to higher performing public schools;
- Performance funding made available for schools and districts that improve performance over time; and
- A special needs school choice program.

Improved data can be used to normalize special needs accountability so that there are positive incentives and negative consequences for schools and districts based on fair indicators of the quality of the special needs education they provide.

Wisconsin is overhauling its approach to public school accountability by making clear its expectations for schools, creating methods by which to evaluate performance toward these expectations, and enabling change when expectations are not being met. There is no reason that special needs education, despite its often very different goals, cannot be held accountable in the same manner as regular education in Wisconsin.

# Conclusion

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There is evidence that the current system of educating Wisconsin children with special needs is working for many. But there is also evidence that too many special needs students do not have the opportunity to reach their potential. Wisconsin should not tolerate such inequities.

Several relatively simple improvements in the way in which Wisconsin collects and reports data on special needs performance can provide more useful information to policymakers and the public, and be used as the basis for increasing accountability in special education. Such a system can and must take into account the wide spectrum of special needs and hyper-personalized expectations of each special needs pupil.

The education goals of special needs pupils are inherently dependent on the severity and nature of their disabilities. However, the overall goal of special education in Wisconsin is straightforward: Maximize the potential of each student regardless of disability. Wisconsin needs to do more to identify where our current approach is falling short — and fix it.

# Endnotes

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<sup>1</sup>Wisconsin Department of Public Instruction Summary of 2013 Wisconsin Act 20 Final 2013-'15 Budget With Vetoes, Wisconsin Department of Public Instruction, July 2013.

<sup>2</sup>Mike Nichols, "How Wisconsin is Failing to Help Students with Special Needs," Wisconsin Policy Research Institute, February 2013.

<sup>3</sup>Federal statute Sec. 300.320.

<sup>4</sup>Wisconsin Department of Public Instruction, *A Guide for Writing IEPs*, 2010. Available at: <http://sped.dpi.wi.gov/files/sped/pdf/iepguide.pdf>.

<sup>5</sup>Wisconsin Department of Public Instruction, Wisconsin's State Performance Plan. Available at: [http://sped.dpi.wi.gov/sped\\_spp](http://sped.dpi.wi.gov/sped_spp).

<sup>6</sup>Wisconsin Department of Public Instruction, WISEdash. Available at: <http://wisedash.dpi.wi.gov/Dashboard/portalHome.jsp>.

<sup>7</sup>Wisconsin Department of Public Instruction, WISEdash. Available at: <http://wisedash.dpi.wi.gov/Dashboard/portalHome.jsp>.

<sup>8</sup>Wisconsin Department of Public Instruction, Wisconsin's State Performance Plan. Available at: [http://sped.dpi.wi.gov/sped\\_spp](http://sped.dpi.wi.gov/sped_spp).

<sup>9</sup>See <http://wisedash.dpi.wi.gov/Dashboard/portalHome.jsp> and <https://www2.dpi.state.wi.us/DistrictProfile/Pages/DistrictProfile.aspx>.

<sup>10</sup>Wisconsin Department of Public Instruction, Extended Grade Band Criteria. Available at: [http://sped.dpi.wi.gov/sped\\_assmt-extstd](http://sped.dpi.wi.gov/sped_assmt-extstd).

<sup>11</sup>Wisconsin Department of Public Instruction Form I-7-A. Available at: [sped.dpi.wi.gov/files/sped/doc/form-i7a.doc](http://sped.dpi.wi.gov/files/sped/doc/form-i7a.doc).

<sup>12</sup>Diplomas Count 2013: Second Changes, *Education Week*. Available at: <http://www.edweek.org/ew/toc/2013/06/06/index.html?intc=EW-DC13-LNAV>.

<sup>13</sup>Wisconsin Department of Public Instruction, WISEdash. Available at: <http://wisedash.dpi.wi.gov/Dashboard/portalHome.jsp>.

<sup>14</sup>Wisconsin Department of Public Instruction, Wisconsin Post High School Outcomes Survey, 2012.

<sup>15</sup>Wisconsin Department of Public Instruction, Wisconsin Post High School Outcomes Survey, 2012.

<sup>16</sup>Note: Variables for the number of schools and students were transformed to logarithmic variables to satisfy the regression assumption of normality. These are expressed as "Log of Students" and "Log Schools."

<sup>17</sup>Erin Richards, "GOP Lawmakers Roll Out Special-Education Voucher Legislation," *The Milwaukee Journal Sentinel*, Jan. 21, 2014.