

**R277. Education, Administration.**

**R277-479. Funding for Charter School Students With Disabilities on an IEP.**

**R277-479-1. Authority and Purpose.**

(1) This rule is authorized by:

(a) Utah Constitution Article X, Section 3, which vests general control and supervision over public education in the Board;

(b) Subsection 53E-3-401(4), which allows the Board to make rules to execute the Board's duties and responsibilities under the Constitution and state law;

(c) Subsection 53E-3-501(1)(c)(vi)(A), which directs the Board to adopt rules regarding services for persons with disabilities; and

(d) Section 53E-7-202, which directs the Board to set standards for state funds appropriated for students with disabilities.

(2) The purpose of this rule is to specify standards and procedures for funding of charter school students with disabilities on an IEP.

**R277-479-2. Definitions.**

(1) "Base" means prior year special education add-on WPU.

(2) "Charter school" means a school authorized by a charter school authorizer under:

(a) Section 53G-5-305;

(b) Section 53G-5-306; or

(c) Section 53G-5-304.

(3) "Charter school authorizer" or "authorizer" has the same meaning as that term is defined in Subsection 53G-5-102(3).

(4) "Common Data Committee" or "CDC" means a group comprised of representatives of Board staff, the Legislative Fiscal Analyst's Office, the Governor's Office of Management and Budget, and the Utah State Tax Commission, that reports to the legislature with:

(a) estimates of the growth of students in Utah schools and how much it will cost to fund those students; and

(b) estimates of the tax dollars the state will receive for education.

(5) "Estimated enrollment" means the enrollment projections done by the CDC as approved by the Superintendent and used for legislative projections.

(6) "Foundation" means the average of self-contained and resource special education students average daily membership over the previous five years.

(7) "Negative growth adjustment" means prior year special education add-on WPU minus weighted negative growth.

(8) "New charter school" means a charter school with less than five years of operation.

(9) "Positive growth adjustment" means prior year special education add-on WPU plus weighted growth.

(10) "Prevalence rate" means the percentage of students with disabilities within the total student enrollment.

(11) "Previous five years" means the five year span between the seventh and second prior fiscal year.

(12) "Significant expansion" means a substantial increase in the number of students attending a charter school due to a significant event, such as the addition of new grade levels or additions of sites, that is unlikely to occur on a regular basis.

(13) "Special education" means specially designed instruction and related services to meet the unique needs of a student with a disability in accordance with R277-750.

(14) "Student with a disability" means a student, evaluated in accordance with Utah State Board of Education Special Education Rules, and determined to be eligible for special education and related services.

(15) "Total enrollment" means the total number of all students enrolled in all campuses of a school as of the October 1 UTREx update.

(16) "Utah eTranscript and Record Exchange" or "UTREx" means a system that allows:

(a) individual detailed student records to be exchanged electronically among public education LEAs and the Superintendent; and

(b) electronic transcripts to be sent to any post-secondary institution that participates in the e-transcript service.

### **R277-479-3. Charter School Special Education Add-On Funding.**

(1) For existing charter schools, the Superintendent shall calculate the foundation based on the average ADM of students with disabilities for the previous five years.

(2)(a) For new charter schools, the Superintendent shall calculate the foundation based on the average special education ADM for the number of years the new charter school has been in operation beyond the first year, until the charter school completes its fifth year of operation.

(b) In its first operational year, a new charter school shall receive special education funding based on estimated enrollment projections made by the CDC and approved by the Superintendent for legislative projections.

(c) For a new charter school, the estimate of students with disabilities shall be 10 percent of the estimated enrollment.

(3) The foundation is the minimum amount a charter school may receive for special education-add on funding.

(4)(a) The Superintendent shall apply a positive growth adjustment to a charter school's foundation for weighted growth.

(b) Weighted growth is determined by comparing special education ADM and total ADM from the third and second prior fiscal years.

(c) The rate of growth in special education ADM may not exceed the rate of growth in total ADM.

(d) The Superintendent shall multiply positive weighted growth by a factor of 1.53 and add the result to a charter school's foundation.

(e) The Superintendent may not impose a funding cap based on the charter prevalence rate because a charter school is designed and authorized specifically to serve students with disabilities.

(f) When there is no growth, either because a charter school is new or because the same number of students are enrolled, the Superintendent may not apply a positive growth adjustment.

(5)(a) The Superintendent shall apply a negative growth adjustment to a charter school's base for decline in special education ADM.

(b) The negative growth adjustment is the base multiplied by the percentage of enrollment decline.

(c) The Superintendent shall subtract the result calculated under Subsection (5)(b) from the base to determine WPU.

(d) When there is no decline in a charter school's enrollment of students with disabilities, either because the charter school is new or because the same number of students are enrolled, the Superintendent may not apply a negative growth adjustment to the charter school's allotment.

(e) If a negative growth adjustment brings the WPU below the foundation, the charter school shall receive the foundation WPU.

(6)(a) If an authorizer approves a significant expansion for a charter school, during the first and second years of expansion, the Superintendent shall multiply the projected increase in enrollment by the most recent prevalence rate to arrive at the WPU supplement for the charter school.

(b) After the first and second years of a charter school's expansion, the special education formula provided in this Section R277-479-3 shall account for the expansion.

(c) If an authorizer approves a significant expansion for a charter school during the third year of operation and beyond, the Superintendent shall calculate a significant expansion adjustment by estimating the number of students with disabilities to be ten percent of the projected enrollment, and provide funding for these anticipated students.

(d)(i) The Superintendent shall base the estimate under Subsection (6)(c) on a projected expansion adjustment calculated by the Superintendent accounting for expansion information provided by a charter school's authorizer.

(ii) The Superintendent shall multiply the projection by the prevalence rate of students with disabilities for the charter school for the most recent year calculated in the add-on formula.

(iii) The Superintendent shall allocate the resulting significant expansion adjustment WPU as an expansion supplement to the charter school's add-on WPU.

(7) Notwithstanding this Section R277-479-3, if a new charter school or significant expansion identifies a purpose and target population in its application focusing on students with disabilities, the Superintendent shall estimate the number of students with disabilities expected to enroll in consultation with the authorizer and the school.

**KEY: charter schools, students with disabilities**

**Date of Last Change: May 24, 2022**

**Notice of Continuation: March 12, 2022**

**Authorizing, and Implemented or Interpreted Law: Art X, Sec 3; 53E-3-501(1)(c)(vi)(A); 53E-7-202; 53E-3-401(4)**