School Committee Presentation

October 21, 2025

MERSD Special Education

Special education finance and District operating budgets

Navigating volatility, building effective structures, and planning for change

Community	% SPED /Operating Budget
Amesbury	26%
Danvers	26%
Gloucester	27%
Hamilton Wenham	27%
Lynnfield	23%
MASCO	23%
MERSD	26%
Newburyport	27%
North Reading	23%
Pentucket	26%
Rockport	29%
Triton	25%
Massachusetts	22%

Special Education as a Percentage of District Operating Budget

MERSD and Cape Ann Comparables (FY24, RADAR)

Special Education in MERSD

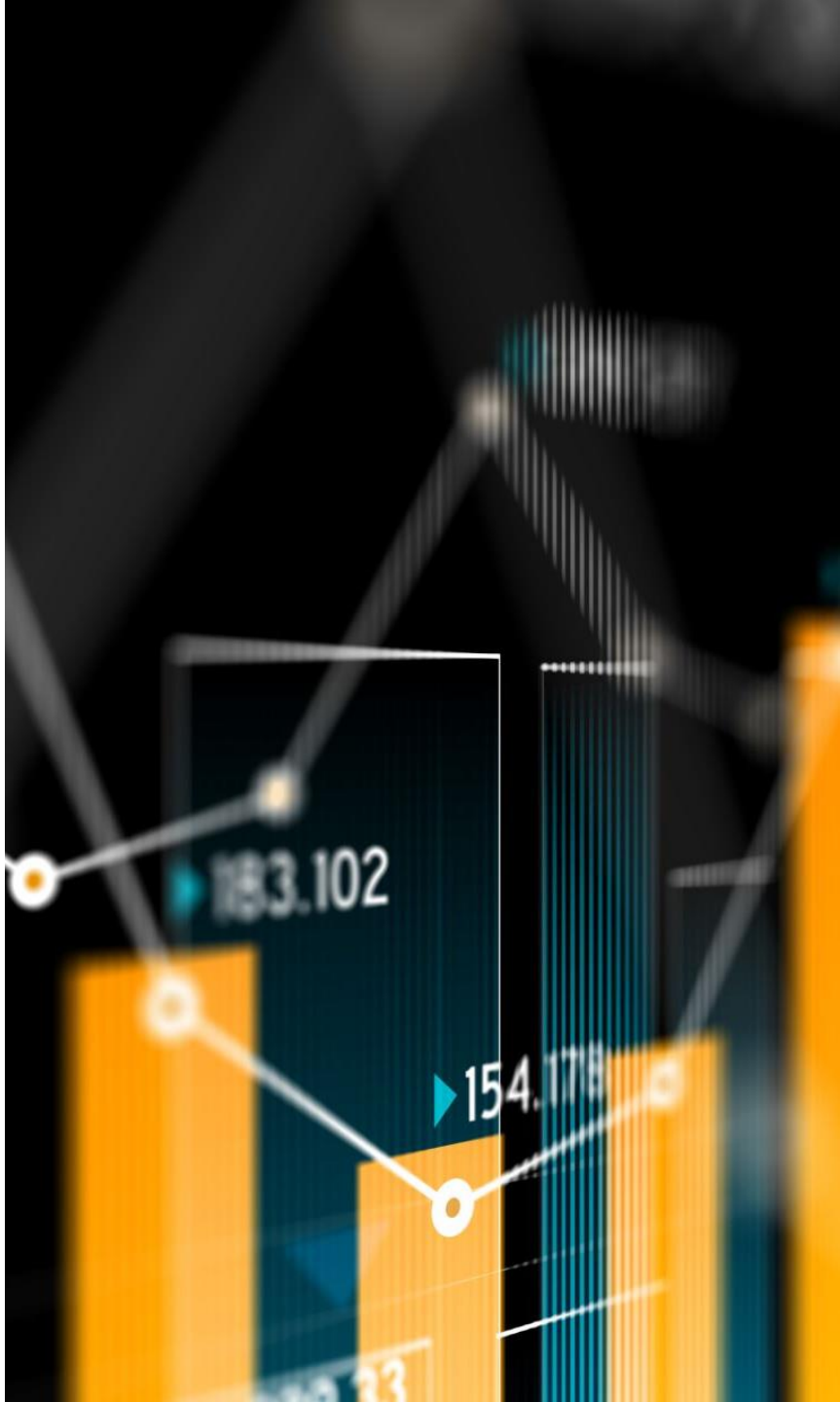
231 Students, 19.6% of all students

- 68% in full inclusion
- 6.5% in partial inclusion
- 17% in substantially separate programs
- 8.5% in out of district placements

Aspen, 10/2025

Data in this presentation

- ASPEN 2026 data
- DESE website state data
- Local databases



Types of Support Provided

- Applied behavioral analysis
- Evaluation and consultation
- Inclusion support and co-teaching
- Language based instructional practices
- Small group academic tutorials and classes
- Speech and language, articulation, and social pragmatics
- Occupational and physical therapies
- Assistive technology

Specialized Programs

Preschool

age 3 and 4

SWD and Peer Pals

RISE

complex needs

ABA methodologies

IRWL

dyslexia

grades 2 through 12

SAIL

autism and emotional/behavioral needs

K-8

ACE

neurological and communication

4-12

Transitions

autism and social/emotional needs

9-12

Out of District Programs

- Collaboratives
- Private Day
- Other Public Schools
- Residential Programs

Understanding Eligibility

Special education regulations, procedures, and parent rights

What is special education and which regulations support it?

Individuals with Disabilities Education Act

- Federal law passed in 1975
- Reauthorized most recently in 2004

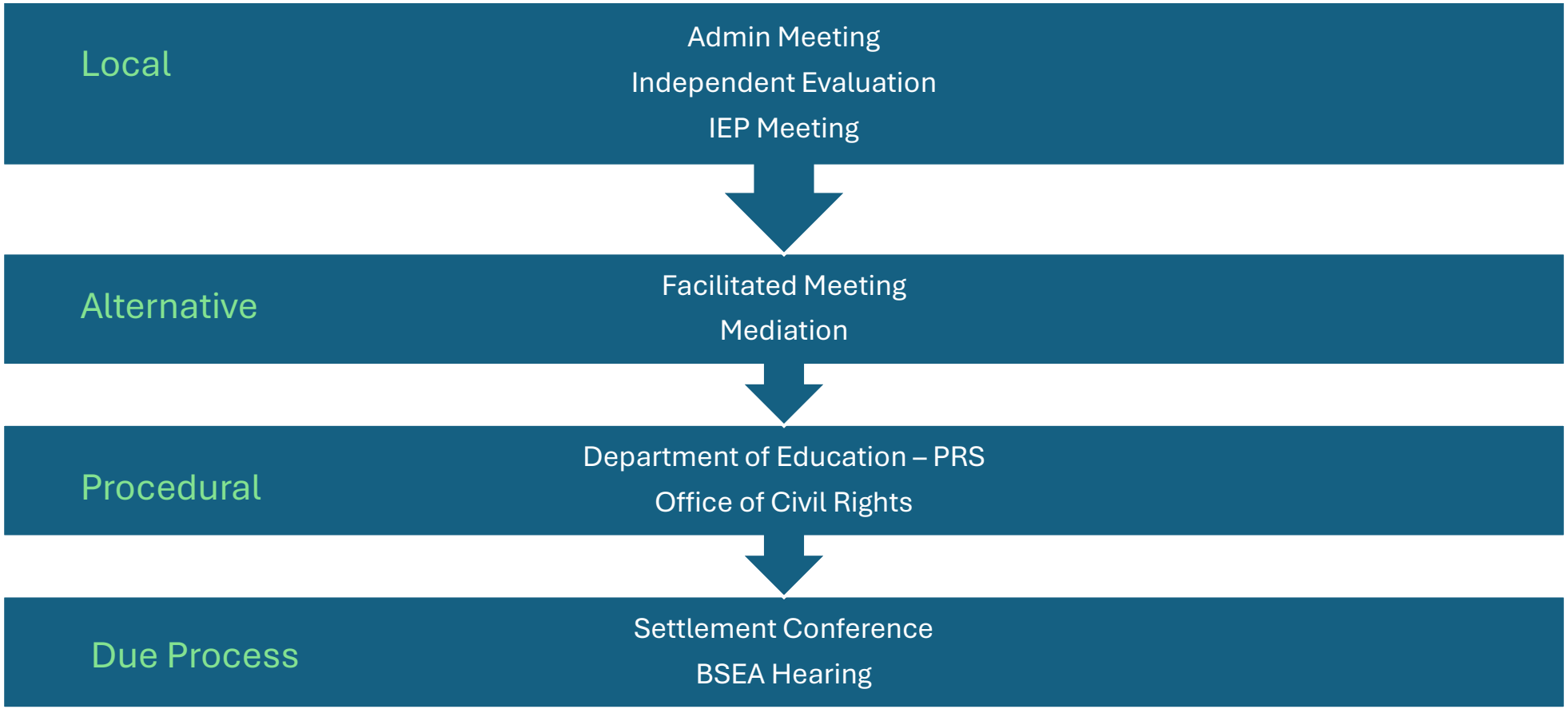
603 CMR 28.00

- Massachusetts special education law
- Last updated in 2022
- Mass special education laws in effect since 1972

Parent Rights under the IDEA

- Prior written notice
- Consent
- Active participation
- Annual IEP meetings and three-year reevaluations
- Independent evaluation
- Access to student record
- Observation of proposed program by parent or designee
- Dispute resolution and due process
- “Stay put” pending appeal

What is dispute resolution?



Special education eligibility criteria

Student has a disability

Lack of effective progress as a result of the disability

Requires specially designed instruction

How do we determine services?

- Team of parents and educators
- Student evaluation, observation, and progress data
- Discussion of disability related needs
- Goal of meaningful educational benefit and effective progress

Special Education in MERSD

Eligibility Data and Trends

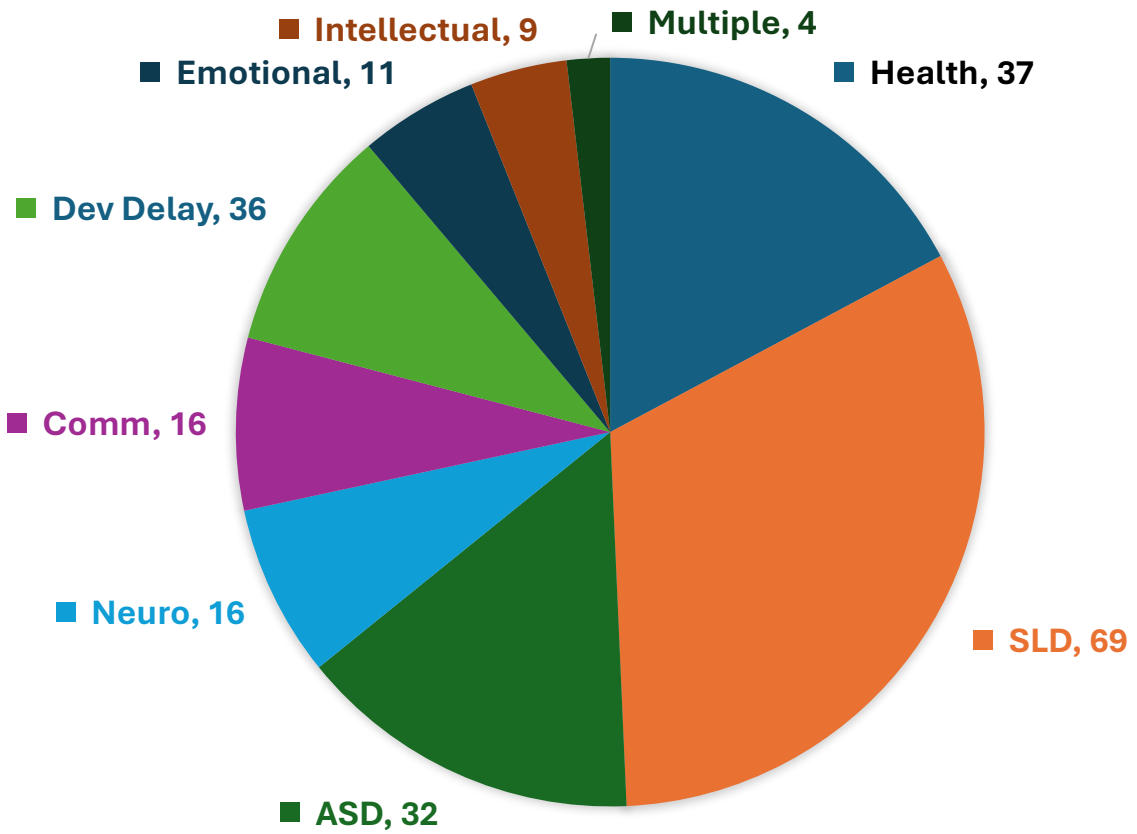
MERSD Eligibility Trends

School Year	Students with Disabilities (SWD)	Percent SWD
25-26	231	19.6
24-25	237	19.6
23-24	232	19
22-23	230	18.5
21-22	225	17.7
20-21	230	18.0
19-20	238	17.1

Eligibility: Cape Ann Comparables (FY25)

District	Percentage Eligible
Amesbury	25.4
Danvers	23.0
Hamilton Wenham	19.4
Gloucester	25.2
Lynnfield	19.3
MASCO	20.5
MERSD	19.6
Newburyport	20.9
North Reading	20.8
Pentucket	23.6
Rockport	24.8
Triton	22.3
Massachusetts	20.6

MERSD Eligibility Categories (FY26)



MERSD Eligibility Trends

Year	Health	SLD	ASD	Neuro-logical	Comm	Dev Delay	Emo-tional	Mult.	Intellec-tual
25-26	37	69	32	16	16	21	11	4	8
24-25	36	72	30	17	21	35	13	4	7
23-24	39	63	27	20	16	36	18	4	6
22-23	39	60	28	21	13	39	18	4	5
21-22	59	56	27	20	12	26	18	4	2
20-21	63	59	26	24	20	18	16	3	0
19-20	65	61	25	22	23	20	18	2	0



Health, Emotional
Communication
Neurological



Autism, SLD,
Multiple, Intellectual

Preschool Enrollment Trends

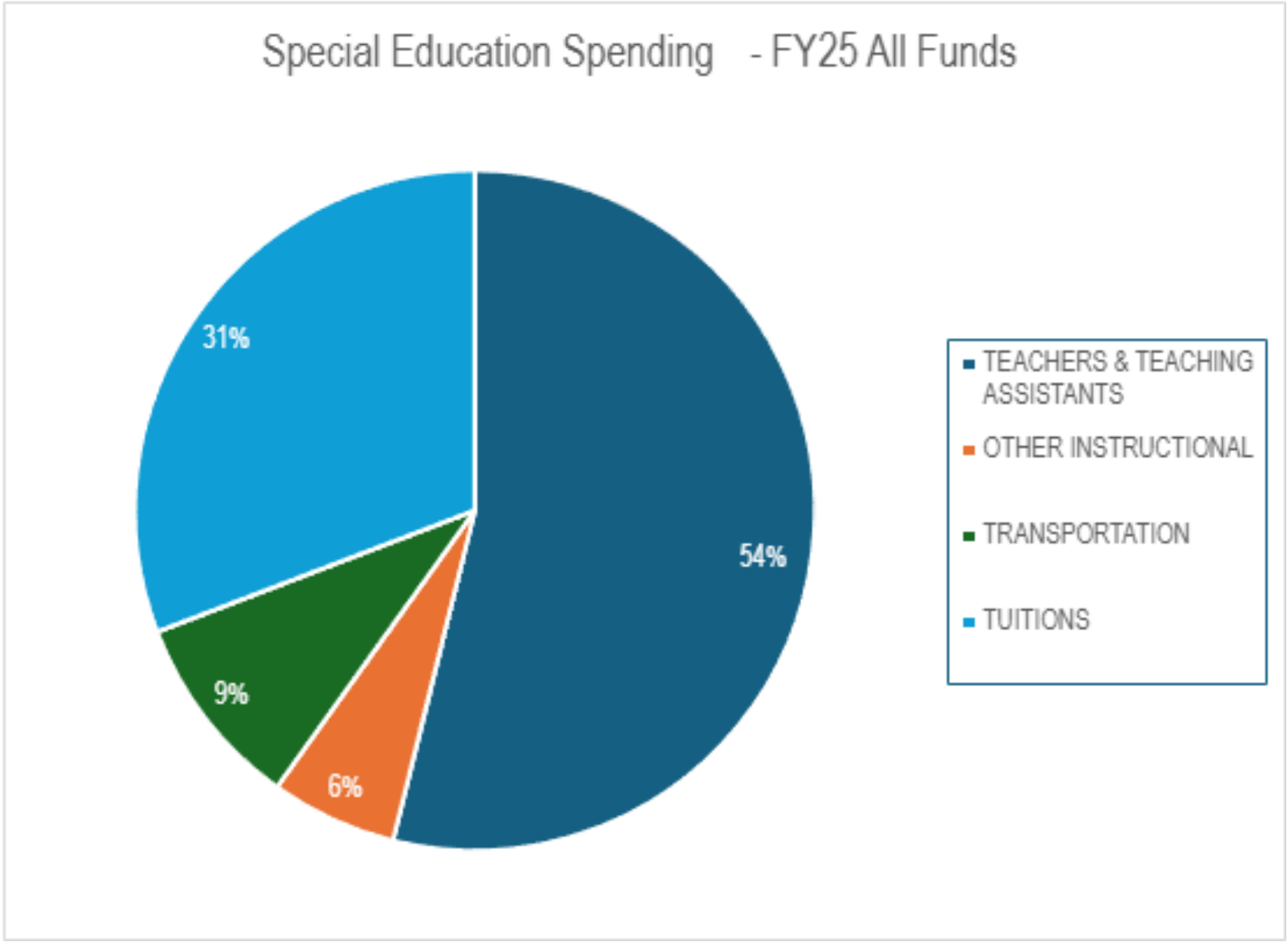
	FY21	FY22	FY23	FY24	FY25	FY26
Total SPED PK	6	5	12	11	13	16
PK SWD with Autism	1	2	3	6	9	6

Special Education Finance

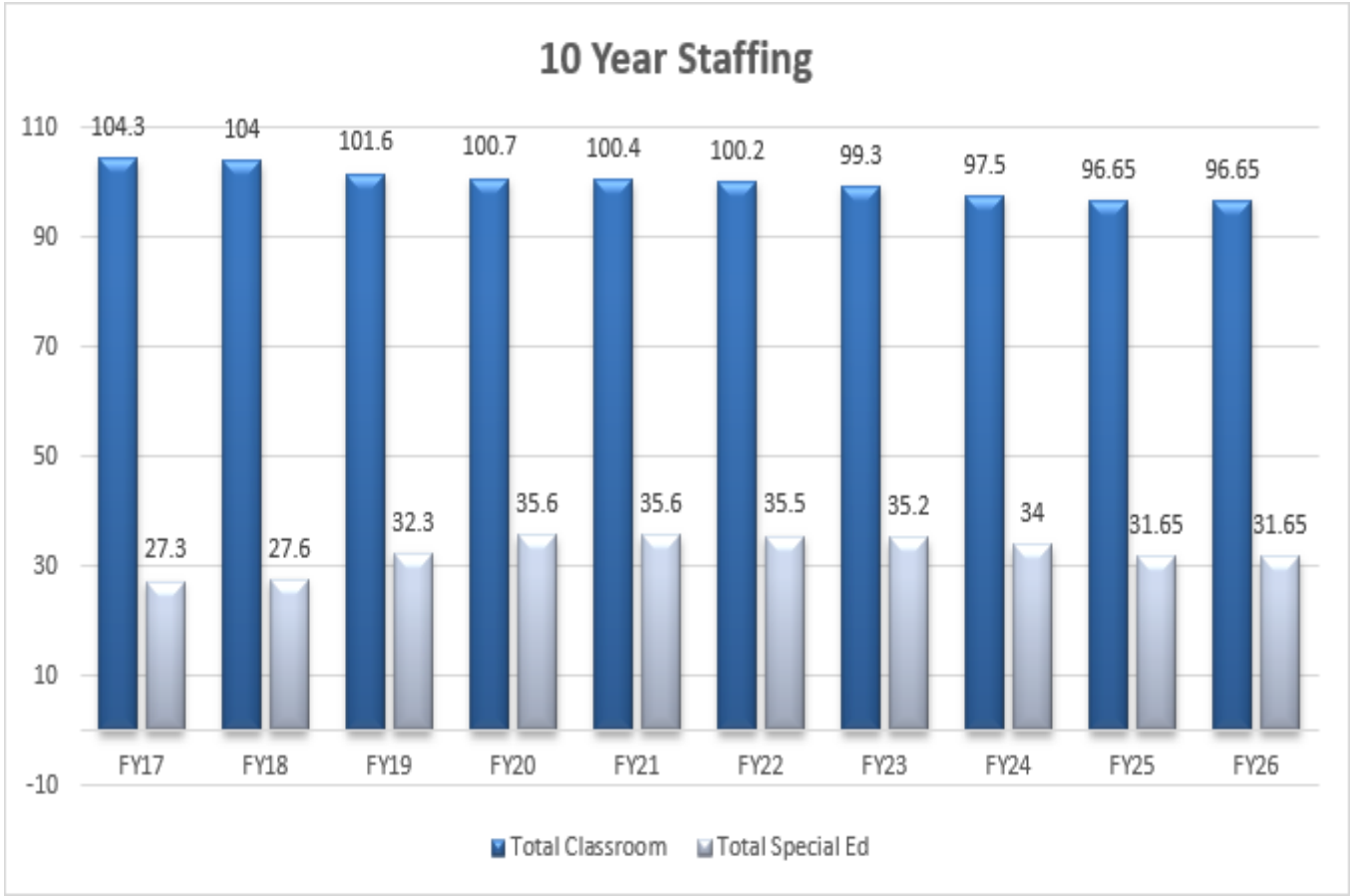
Budgeting Process

- Zero based budget
- Student IEPs and individual needs
- Specialized program enrollment
- Students entering and exiting
- Transitions
  - Early intervention to preschool
  - Preschool to K
  - Post-high school (18-22)

FY26 Special Education Spending

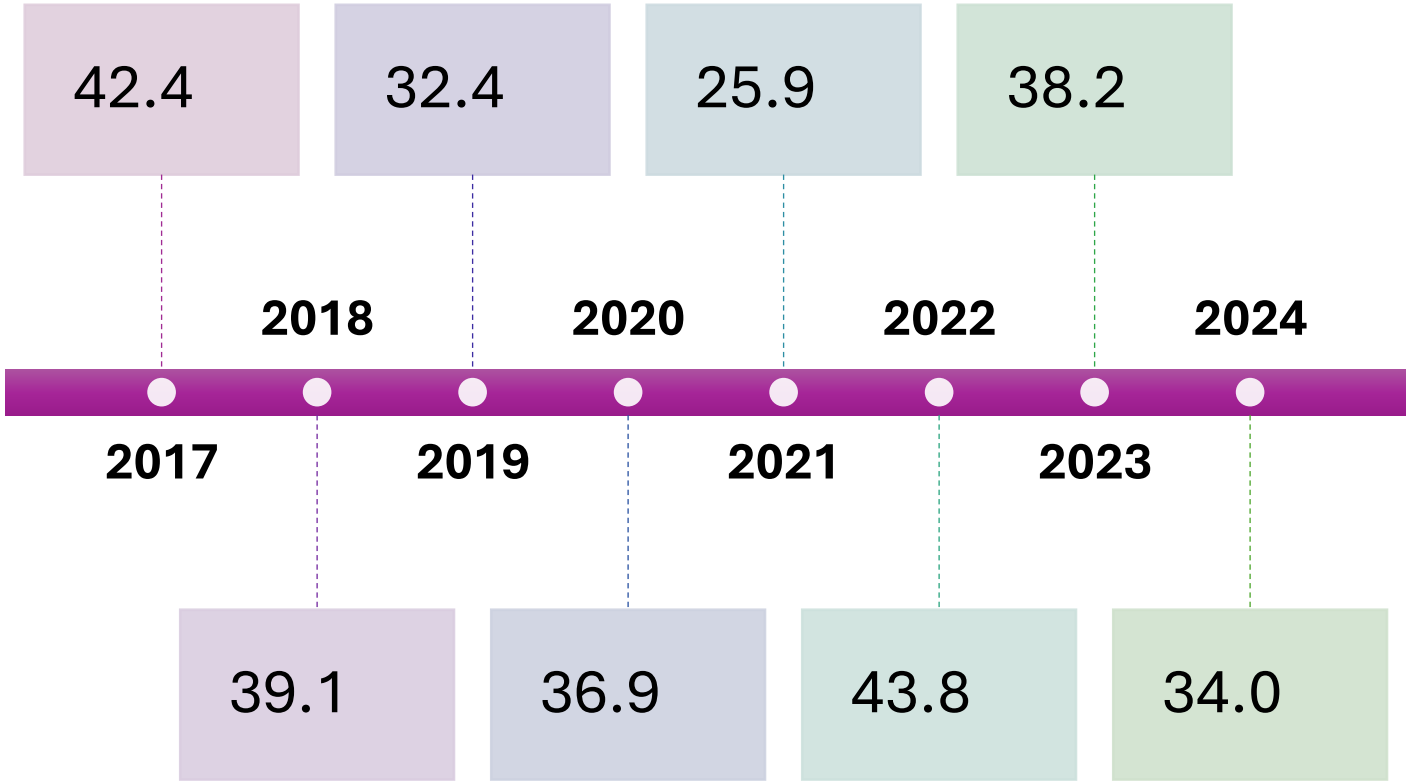


Special Education Teacher Staffing Trend



**Staffing Carried in the Operational Budget Excludes Grant Funded Positions*

Teaching Assistant Trend



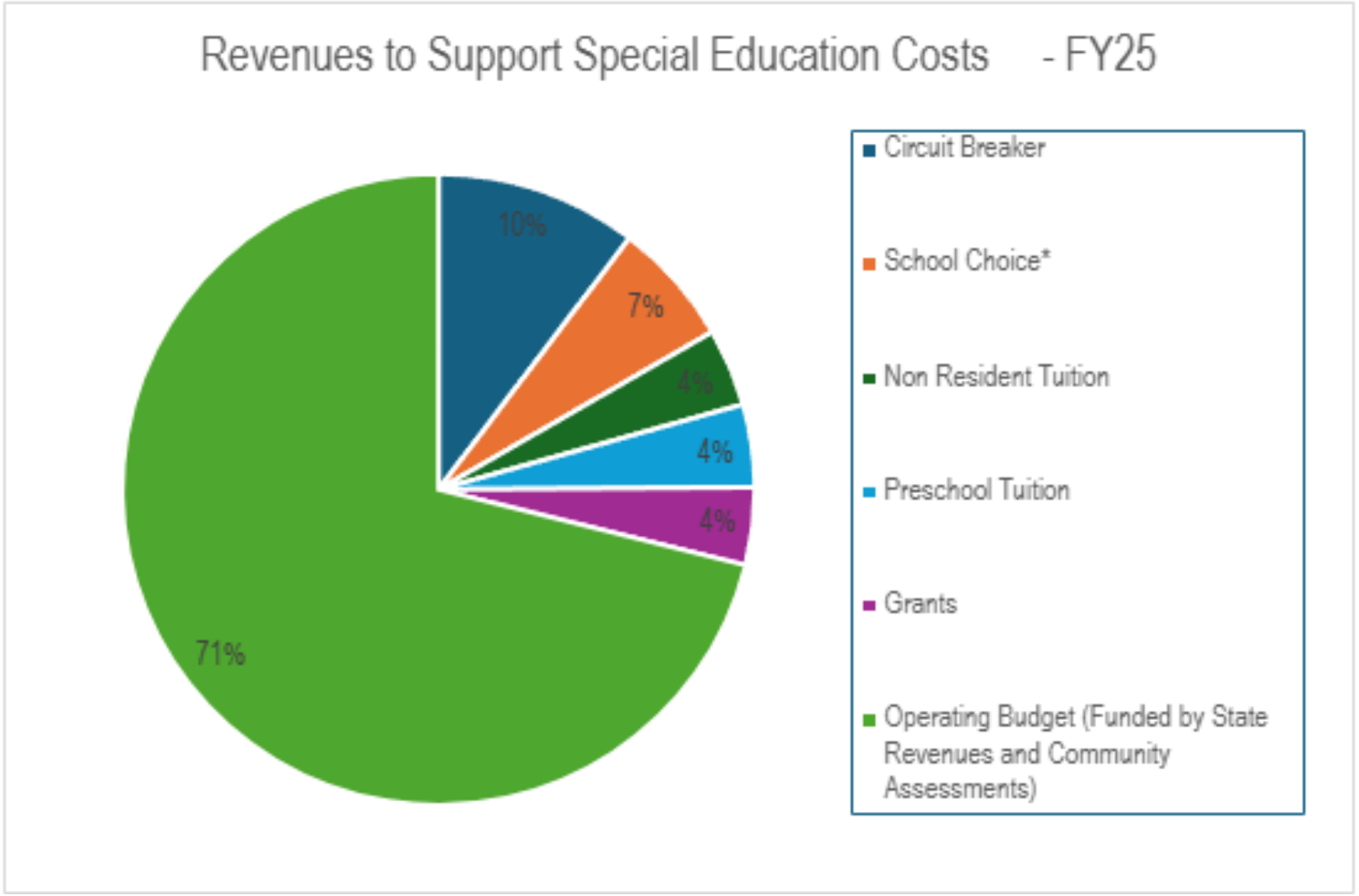
Sources of Revenue

Preschool

Special Education Tuition

Circuit Breaker

Sources of Revenue



Revenue from tuition students (FY26)

Tuition Students	Tuition Amount
SAIL	$75,271
ACE HS (3)	$205,062
Total	$280,333

Current revenue from preschool

28 Peer pals

FY26 Tuition
$400,395

Circuit Breaker

Partial funding of placements above claim threshold

- FY 26 threshold = $53,431

Up to 75% reimbursement for tuitions above threshold

Example

- $100,000 Tuition
- Subtract $53,431 threshold, multiple remaining amount by 75%
- Reimbursement (one year later) = $34,926.75

Out of District

Trends, Analysis, Cost Avoidance

OOD Programs
Funding for Day v. Residential FY26

Program Type	# Students	% of Tuition Costs
Day	17 Students	57%
Residential	4 Students	43%

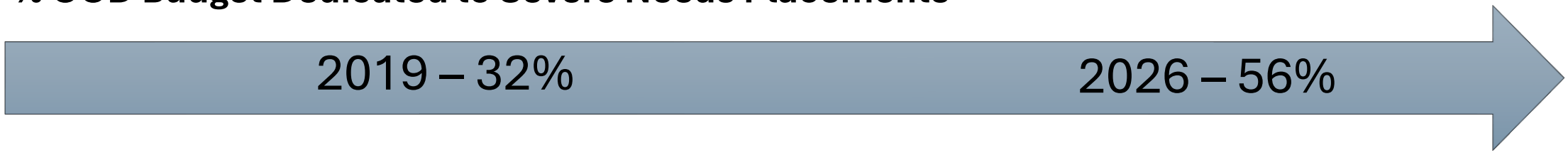
OOD Programs
FY 26 Spending by Disability Type

Disability type	# Students	% of Tuition Costs
Learning disability	24% 5 Students	9%
Mental and behavioral health	28.5% 6 Students	23%
Developmental and severe disabilities (excluding 18-22)	28.5% 6 Students	45%
18-22 programs	19% 4 Students	23%

Changing Cost of a Severe Needs Placement

School	FY2019	FY2026	% Increase
Cotting School	$78,381	$119,501	52.5%
Children's Center for Communication	$90,949	$129,205	42.0%
Hopeful Journeys	$117,340	$160,486	36.8%
Nashoba Learning Group	$108,388	$148,243	36.8%

% OOD Budget Dedicated to Severe Needs Placements



Students attending 18-22 programs

FY20	• 4 Students
FY22	• 5 Students
FY24	• 6 Students
FY26	• 4 Students
FY28	• 8 Students



School Choice and Out of District

District obligated to educate all students accepted via School Choice through graduation

District receives tuition and transportation from sending districts for students who require OOD placements

Specialized programs and OOD cost avoidance

In District vs. OOD

In District Specialized Programs

- Staff salaries
- Benefits
- Tuition revenue

OOD Programs

- Tuition
- Transportation
- Circuit breaker funding

OOD Net Cost – In District Net Cost = Savings from OOD programs

In District Programs FY26

Program	Grades Served	# Students
RISE	K-3	4
SAIL/Transitions	K-12	22
ACE	4-12	24
IRWL	3-12	23
Total Students	K-12	73

Special Education Cost Avoidance Example

- Ms. Sartell's RISE classroom currently has 4 students K-2 requiring intensive, individualized instruction
- One teacher, four assistants

Option 1:

Salary and benefits costs for RISE staff

1 Teacher, 4 Teaching Assistants

$391,687

Option 2	Placement Options	Transportation
Hopeful Journeys	$160,486	225 days x $284/day $63,900
Melmark	$155,772	225 days x $380/day $85,500
KOG	$171,104	225 days x $284/day $63,900
Nashoba Learning Group	$148,243	225 days x $385/day
Average	$158,888	$78,695
Average Tuition and Transport x 4	**$950,332**	

Difference between OOD and In District Costs = $558,645

Anticipated FY27 reimbursement = $316,371

Cost avoidance by program 2026

Program	Grades Served	# Students	Cost Avoidance
RISE	K-3	4	$558,645
SAIL/Transitions	K-12	22	$2,234,299
ACE	4-12	24	$2,556,925
IRWL	3-12	23	$1,224,732
Total		**73**	**$5,023,155**

Estimated Circuit Breaker Reimbursement (FY 27): $2,405,246

OOD and Cost Variability Factors

In-District Programs	Tuition	Transportation	Circuit breaker
• Tuitions and enrollment fluctuate • Must maintain programs for students remaining in District	• Unpredictable, determined annually by OSD • Restructuring	• Rising costs • Personnel shortages • Shared vs. solo runs	• Threshold and percent reimbursement determined annually by state

Cost of Long-Term Placement

- Student with severe special needs
- Enters program grade 2 - FY26
  - Attends local OOD placement with a 1:1 teaching assistant
  - District provides mandated transportation
- Student remains in placement until age 22
- Est. annual cost increase of 4.5%
- Total cost Grade 2 – Program Completion: $5,248,675

Grade	Tuition and Transport	Grade	Tuition and Transport
2	$231,873	9	$315,547
3	$242,307	10	$329,747
4	$253,211	11	$344,585
5	$264,605	12	$360,092
6	$276,513	13	$376,296
7	$288,956	14	$393,229
8	$301,958	15	$410,924
		16	$429,416

Special Education Next Steps

Adapting to changing enrollment

Future Needs and Goals

1

EES building project

- Distribute specialized programs between both buildings
- Preschool, RISE, ACE will be in Essex

2

Student Achievement

- Strengthen Tier 1 instruction
- Prereferral decision making process
- Continue to implement specially designed instruction to close skill gaps

3

Specialized Programs

Maintain high quality in district programs

Expand RISE to prepare for children with autism and developmental disabilities moving through preschool