

November 18, 1991

SUMMARY OF: A Report on the Special Education Service Agency, November 13, 1991.

### PURPOSE OF THE REPORT

In accordance with the intent of Title 24 and 44 of the Alaska Statutes (sunset legislation), we have examined the activities of the Special Education Service Agency (SESA) for the past fiscal year. Our examination was conducted to determine if SESA has been operating in an efficient and effective manner and whether SESA should be reestablished. The law now specifies that SESA will terminate June 30, 1992.

### REPORT CONCLUSION

In our opinion, the Special Education Service Agency should be reestablished. The need to provide adequate education to low-incidence handicapped students in the least restrictive setting is mandated. SESA provides this service by furnishing itinerant resource services to school districts where the students are enrolled. SESA assures that the target population of students is being served through training and services for special education instructors, other local school district personnel, and parents in addition to working with students.

### FINDINGS AND RECOMMENDATIONS

#### Recommendation No. 1

The Department of Education and SESA should work together to develop formal procedures to identify when a school district is no longer eligible to receive SESA services and to provide a proper transition for its students.

#### Recommendation No. 2

The SESA Board of Directors should amend the agency's by-laws to make the Administrator of Special and Supplemental Services within the Department of Education a permanent member of the Board.

#### Recommendation No. 3

The Department of Education and the SESA Board should continue to look at more efficient methods of providing related services to low-incidence handicapped students.

November 18, 1991

Members of the Legislative Budget  
and Audit Committee:

According to the provisions of Titles 24 and 44 of the Alaska Statutes, the Division of Legislative Audit is required to conduct a "Sunset" review of the Special Education Service Agency.

Since fiscal year 1988, the sunset review function has been assigned to the Division of Legislative Finance.

As a result, the audit of the Special Education Service Agency was conducted and this report has been prepared by the Legislative Finance Division. We feel this report discharges the Committee's responsibility under Titles 24 and 44. The report is submitted for your review.

Randy S. Welker, CPA  
Legislative Auditor  
Division of Legislative Audit

November 18, 1991

Members of the Legislative Budget  
and Audit Committee:

In accordance with the provisions of Titles 24 and 44 of the Alaska Statutes (sunset legislation),  
the attached report is submitted for your review.

A REPORT ON THE  
DEPARTMENT OF EDUCATION  
SPECIAL EDUCATION SERVICE AGENCY

November 13, 1991

Audit Control Number

05-1397-92R

Mike Greany, Director  
Legislative Finance Division

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## PURPOSE AND SCOPE OF THE REPORT

### Purpose

In accordance with the provisions of AS 24.20.271(1) and AS 44.66.050, a review of the Special Education Service Agency (SESA) was conducted to determine whether there is a demonstrated need to continue delivery of educational programs for low-incidence handicapped students in the form it is presently provided.

Alaska Statute 44.66.010(a)(13) specifies that SESA will terminate on June 30 1992, and have one year from that date to conclude its affairs. This report shall be considered during the legislative oversight function to determine whether SESA should be reestablished and, if so, in what form.

### Scope

The functions reviewed included board activity, administration, and program delivery. Our review consisted of analyzing and evaluating the following:

1. Applicable statutes and regulations.
2. Interviews with staff members.
3. Agency policies and procedures.
4. Quarterly and annual statistical reports.
5. Interviews with related service providers.
6. Interviews with Department of Education personnel.
7. Discussions with Board members.
8. Minutes of Board meetings.
9. Revenue and expenditure reports.

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## ORGANIZATION AND FUNCTION

The Special Education Service Agency (SESA) was created by CH. 112, SLA 1986 and formed as a private, not-for-profit corporation in August 1986. It is governed by a board of directors comprised of five to seven members of the Governor's Council for the Handicapped and Gifted and three members appointed by Alaska Association of Administrators of Special Education, National Education Association, Alaska, and the Alaska Association of School Administrators.

The purpose of SESA's creation was threefold: to assist districts and REAAs to make more special education and related services available to exceptional children; to encourage cooperation between districts and education agencies in making special education programs and services available; and to ensure that qualified specialists are available to assist districts in provision of services to exceptional children.

SESA is providing these services through the following programs:

### Low-Incidence Handicapped Outreach Project

SESA aids rural school districts in providing special education needs through itinerant education specialists. SESA's primary target group has been students, ages 3-21 years, with low incidence handicaps: i.e., mentally retarded, hard of hearing, deaf, visually handicapped, blind, seriously emotionally disturbed, orthopedically impaired, other health impaired, and multi- handicapped.

### Blind/Visually Impaired Infant Learning Program

This is an early intervention and parent training program for children throughout the State, from birth to three years, who have visual impairments. This is accomplished by providing specialists for parents and infant learning teachers to assist them in the provision of services to infants who are blind or are at risk of a visual impairment.

### Services to the Deaf/Blind

SESA has obtained federal funds to provide special services to deaf/blind (vision and hearing impaired) children and youth ages 0-21. Services include assistance in obtaining qualified evaluators, coordination of service providers, counseling families and teachers, and individual and group in-service training for staff and family members.

### Transition Services

In fiscal year 1991 the Department of Education and the Division of Vocational Rehabilitation provided grants to assist school districts and adult service providers in improving the transition of severely handicapped secondary youth into adult living and work settings in rural Alaska. Previously funding was provided from the federal government for this program. No additional funds will be available for this program in FY 1992, but transition services will continue to be provided under the low-incidence handicapped program.

### Statewide Evaluation Travel Team

This is an early intervention project that provides comprehensive evaluation and program planning for children in rural Infant Learning Programs. It also provides consultation and support to service providers and families of those children. These services are available to the families of special needs children in Dillingham, Barrow, Cordova, Nome, McGrath and Kotzebue.

Although SESA has only been in existence since September 1986, some of the programs described above were provided prior to that time. Provision of services began in 1971 when federal funding was received by the Easter Seal Society of Alaska for the Alaska State Deaf/Blind program. In 1972, that program helped develop classrooms for Alaska's deaf/blind and severely handicapped students within the Anchorage School District and an outreach model for deaf/blind students in rural communities. The Anchorage School District program has continued providing classroom services as the Alaska State School for the Deaf and outreach services until 1986.

A blind/visually impaired program was established within the South Central Regional Resource Center (SCRRC) in 1977. The next year the Alaska State Deaf/Blind Program was transferred to SCRRC and its name changed to Alaska Resources for the Moderately/Severely Impaired (ARMSI). Services were expanded to include multi-handicapped students statewide. SCRRC closed in 1980 and ARMSI was transferred to the Employment and Training Center of Alaska (ETCA). In 1982, ARMSI received a three-year grant from the Alaska Department of Education to operate an outreach program for all low-incidence handicapped students thus adding severely emotionally disturbed, orthopedically impaired and other health impaired to those students previously served. ARMSI was disbanded and SESA was created in 1986.

SESA is staffed by 30 employees, including an executive director, program supervisor, 16 education specialists, and 5 support positions. In FY 1991, SESA received \$1,447,295 in state Low-Incidence Handicapped Outreach Project funding. Other state and federal grant funds totaled \$604,436 for a total FY 1991 budget of \$2,051,731.

## REPORT CONCLUSION

In our opinion, the Special Education Service Agency should continue to provide itinerant resource services for low-incidence handicapped students in Alaska. The public need which prompted the enactment of CH. 112, SLA 1986, the creation of the Special Education Service Agency, remains unchanged. SESA provides these services through a staff of specialized professionals who perform formal education assessments, evaluate student's progress and recommend intervention strategies, instruct district staff on teaching methods, and perform other duties necessary to assure an appropriate education to this target group.

The Findings and Recommendations Section describes areas where weaknesses exist. We have made recommendations which, if implemented, will improve the efficiency and effectiveness of SESA.

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## FINDINGS AND RECOMMENDATIONS

### Recommendation No. 1

The Department of Education and SESA should work together to develop formal procedures to identify when a school district is no longer eligible to receive SESA services and to provide a proper transition for its students.

Alaska Statute 14.30.285 requires the Department to institute a statewide program for the education of exceptional children. It is therefore the Department's responsibility to assure that the basic educational needs of those exceptional children are being met. Alaska Statute 14.30.640 provides the eligibility requirements for receiving SESA services. School districts may receive services from SESA if it serves children with specific disabilities that occur infrequently, that need specialized services not normally found in the school district, and can not easily be provided because of the low number of students in the district requiring those services. The basic rationale in creating SESA was to provide itinerant services where it is not cost effective for the district to provide services in-house. There is a point once the district has certified enough students of a given disability category to make it more expensive and less practical for SESA to provide the services than for the district.

SESA has had to work with school districts in this manner, to identify a point when a school district should be taking on the responsibility of the services to one or more categories of students, encourage and assist the district in hiring its own staff, and provide for adequate services to the students during any transition periods. No formal process has been established that puts together the skills of SESA staff and authority of the Department of Education in dealing with such situations. We recommend the Board and the Department develop a policy to assure proper assignment of responsibilities for the provision of services.

### Recommendation No. 2

The SESA Board of Directors should amend the agency's by-laws to make the Administrator of Special and Supplemental Services within the Department of Education a permanent member of the Board.

20 United States Code section 1412(6), states that each state is required to have a single state agency that is ultimately responsible for assuring that each handicapped child in the state receives a free and appropriate public education. It further requires that programs of special education administered by other agencies will be under the general supervision of the persons responsible for educational programs for handicapped children in the state educational agency. The Alaska statutes provide no administrative authority to the Department of Education over the services that SESA provides.

Ambiguities in the statutes prevents the Department from exercising any type of supervision over SESA. We have previously recommended, and continue to recommend, that an amendment to the statutes be sought which would specify the Department's responsibilities in relation to the administration of SESA. Those responsibilities were suggested to include monitoring of program files, establishing reporting requirements to the Department, comparing planned to actual service levels, and evaluating SESA's

operations to assure that they are functioning according to established program standards. The Department agreed to seek such clarification through regulations. No such regulations have been promulgated. As an interim measure, we recommend that the Board make the Administrator of Special and Supplemental Services in the Department a permanent member of the Board to assure oversight and a continued working relationship between the Department and SESA.

### Recommendation No. 3

The Department of Education and the SESA Board should continue to look at more efficient methods of providing related services to low-incidence handicapped students.

Alaska Statute 47.80.100 requires that all handicapped students are entitled to comprehensive special education services either through a state-operated program or from an independent agency, dispersed geographically, designed to minimize institutionalization and provided in the least restrictive setting. It is therefore necessary that those services should be provided within the school districts where that student is enrolled. Past sunset reviews have shown that the most cost effective means of providing those services is on an itinerant basis to the rural areas of the state.

SESA was created to provide stability in outreach and consultation assistance to school districts servicing low-incidence handicapped students. Although SESA has provided a great deal more stability, there still may be potential for a more efficient means of using the state's resources. A cursory review of similar services in other states has shown that a form of state agency providing these services to rural areas on a regional basis has been effective. There are various alternatives of program administration that have not been fully explored that could provide a better link with other similar service groups and agencies within the state. Those linkages could be through the Department of Education or through some other type of consortium agreement. We therefore recommend that the Department and the SESA Board review other means of providing these services that may be more efficient and effective in program delivery. We also recommend that the Department prepare a report to the Legislature with its findings.

## ANALYSIS OF PUBLIC NEED

### Limited Analysis

The following analyses of SESA activities indicate both positive and negative factors as they relate to public need as defined in the "sunset" law. These analyses are not intended to be comprehensive, but address those areas pertinent to our review.

- I. The extent to which the board, commission, or program has operated in the public interest.
  - A. SESA attempts to meet the needs of low-incidence handicapped students through an itinerant outreach program as well as through special education instructional support and training to local school district special education personnel. Although program standards defining acceptable minimum services have not been developed, the Department of Education reviewed SESA in fiscal year 1990 providing assurances that the agency is fulfilling its statutory responsibilities.
  
- II. The extent to which the operation of the board, commission, or agency program has been impeded or enhanced by existing statutes, procedures, and practices which it has adopted, and any other matter, including budgetary, resource, and personnel matters.
  - A. Our review did not find SESA legislation restrictive or overly broad. There have been incidences where years have transpired between the time SESA determined that a school district is no longer eligible for its services and when that school district has assumed that responsibility. A clarification of procedures and responsibilities is needed to alleviate confusion and expedite the process (see Recommendation No. 1).
  - B. Since the last sunset review SESA has had difficulties in accounting for the finances of the agency. SESA has worked with their CPA firm in establishing an in-house accounting system and documenting financial policies and procedures. The past financial difficulties appears to have been dealt with in an adequate manner.
  - C. In February 1990 the certified staff requested affiliation with the American Federation of Teachers (AFT). This action has resulted in more representation by staff at board meetings, stability and equality among the certified staff, additional administrative time spent in negotiations, and increasing budgetary needs to meet growing salaries.

- D. Data collection problems have continued to plague SESA. No annual reports were prepared for FY89 or FY90 due to a lack of confidence in the statistical reports. Both the Department of Education and SESA are working on revamping data collection procedures in an attempt to rectify the situation.
- III. The extent to which the board, commission, or agency has recommended statutory changes which are generally of benefit to the public interest.
- A. No statutory changes have been recommended regarding SESA.
- IV. The extent to which the board, commission, or agency has encouraged interested persons to report to it concerning the effect of its regulations and decisions on the effectiveness of service, economy of service, and availability of service which it has provided.
- A. Annually consumer satisfaction ratings surveys are sent to administrators, teachers, paraprofessionals, parents and related services personnel at each site served by SESA. The results of the most recent survey are included in Appendix D to this report. Additionally, the executive director participates in the Alaska Association of Administrators of Special Education and the Alaska Association of School Administrators in an effort to receive feedback on SESA from special education directors and school superintendents.
- V. The extent to which the board, commission, or agency has encouraged public participation in the making of its regulations and decisions.
- A. No state regulations have been promulgated as a result of SESA action. Agency personnel have been involved in reviewing proposed Department of Education regulations affecting either SESA or the special education system. All meetings of the board of directors are noticed and open to the public. Board meetings agendas include a time for public comment.
- VI. The efficiency with which public inquiries or complaints regarding the activities of the board, commission, or agency filed with it, with the department to which a board or commission is administratively assigned, or with the Office of the Ombudsman have been processed and resolved.
- A. There has been one complaint that was presented to the Board. A letter of apology was sent to the school district that made the complaint and SESA administration is developing guidelines that will avoid any similar incidents in the future. SESA is not within the jurisdiction of the Office of the Ombudsman, therefore complaints would be referred to DOE. DOE has received no complaints concerning SESA and its board.
- VII. The extent to which a board or commission which regulated entry into an occupation or profession has presented qualified applicants to serve the public.

A. This point of analysis is not applicable to SESA as it does not regulate entry into an occupation or profession.

VIII. The extent to which state personnel practices, including affirmative action requirements, have been complied with by the board, commission, or agency to its own activities and the area of activity or interest.

A. SESA employees are not in the State service and are not subject to the State Personnel Act. Hiring, termination and grievance procedures are enumerated in the SESA procedures manual and are in compliance with EEO guidelines.

IX. The extent to which statutory, regulatory, budgeting, or other changes are necessary to enable the agency, board, or commission to better serve the interests of the public and to comply with the factors enumerated in this subsection.

A. Please refer to the previous section, Findings and Recommendations.

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APPENDIX

APPENDIX A

DEPARTMENT OF EDUCATION  
SPECIAL EDUCATION SERVICE AGENCY  
SCHEDULE OF REVENUES AND EXPENDITURES

For the Period July 1, 1990 through June 30, 1991

(Unaudited)

(Note 1)

Revenues (Note 2)

State Grants (received to date)	\$1,882,712
Federal Grants (including receivables)	<u>155,773</u>
<u>Total Revenues as of 6/30/91</u>	<u>\$2,038,485</u>

Expenditures (Note 2)

State Grants	\$1,882,508
Federal Grants	<u>155,773</u>
<u>Total Expenditures as of 6/30/91</u>	<u>\$2,038,281</u>

Note 1

The information included in this schedule was obtained from SESA records. This information has not been audited by us and accordingly, we express no opinion on it.

Note 2

SESA has been authorized to receive and expend \$2,051,731 in Federal and State grants for FY 1991.

APPENDIX B

DEPARTMENT OF EDUCATION  
SPECIAL EDUCATION SERVICE AGENCY  
SCHEDULE OF ESTIMATED REVENUES  
For the Period July 1, 1991 through June 30, 1992  
(Note 1)

State Contract	\$1,518,780
Infant learning Program	207,453
Deaf/Blind	134,995
SETT - ILP	315,000
Assistive Technology Grants	<u>74,859</u>
 Total Estimated Revenues for FY 1992	 <u>\$2,251,087</u>

Note 1

The information included in this schedule was obtained from SESA records.

APPENDIX C

SPECIAL EDUCATION SERVICE AGENCY  
LOW-INCIDENCE OUTREACH PROGRAM  
CURRENT STUDENT CASELOAD BY DISTRICT

June 30, 1991

(Note 1)

<u>DISTRICT</u>	<u>B/VI</u>	<u>HI</u>	<u>SED</u>	<u>MH/OH</u>	<u>TOTAL</u>
Alaska Gateway					
Aleutian Region				1	1
Aleutians East				2	2
Annette Island		1			1
Bering Strait	2	2	10	11	25
Bristol Bay				1	1
Chatham	1	1	2	3	7
Copper River			9	6	15
Cordova	1		1		2
Craig	1		3	1	5
Delta/Greely		2	3	4	9
Dillingham			2	11	13
Fairbanks North Star	1				1
Galena		1			1
Haines				8	8
Hoonah				3	3
Hydaburg		2		1	3
Iditarod	1	1		4	6
Juneau		3	1		4
Kake			2	1	3
Kashunamiut	1		2	13	16
Kenai Peninsula	2			1	3
Ketchikan Gateway	1		1	10	12
Klawock			2	3	5
Kodiak Island		2		7	9
Kuspuk	1		1	7	9
Lake & Peninsula		3	1	4	8
Lower Kuskokwim	5	9			14
Lower Yukon	1		4	3	8
Matanuska-Susitna				1	1
North Slope			6	6	12
Northwest Arctic		1	1	9	11
Pelican				1	1
Petersburg				1	1

<u>DISTRICT</u>	<u>B/VI</u>	<u>HI</u>	<u>SED</u>	<u>MH/OH</u>	<u>TOTAL</u>
Pribilof				1	1
Railbelt			1	3	4
St. Mary's				1	1
Sitka	3	1	9	2	15
Skagway		1	1	2	4
Southeast Island	1			1	2
Southwest Region	1	1	5	5	12
Tanana			1	1	2
Valdez	1	1	1		3
Wrangell		1	2	6	9
Yakutat			3		3
Yukon Flats				5	5
Yukon/Koyukuk			4	7	11
Yupit	2		1	4	7
TOTALS	26	33	84	169	312

Note 1

All information obtained from SESA "Annual Report Fiscal Year 1991".

LEGEND

B/VI Blind/Visually Impaired  
HI Hearing Impaired  
SED Seriously Emotionally Disturbed  
MH/OH Multihandicapped/Orthopedically Handicapped

APPENDIX D

SPECIAL EDUCATION SERVICE AGENCY  
CONSUMER SATISFACTION RATINGS

July 1, 1990 through June 30, 1991

(Note 1)

	<u>AVERAGE RATING</u>
A. The contact by this Education Specialist prior to each on-site visit was helpful to establish why the person was coming .....	3.57
B. The assistance provided was helpful in meeting the needs established .....	3.54
C. Assistance provided was helpful to the CST for establishing goals and objectives for the IEP .....	3.57
D. Student service reports sent to me after each visit were:	
1. Clear, concise and easy to follow .....	3.72
2. Received within an appropriate time span after each visit .....	3.68
3. Helpful to my working with the student.....	3.53
E. Materials or other follow-up activities agreed to during the visits were delivered within a reasonable amount of time .....	3.61
F. This Education Specialist:	
1. was sensitive to student and district needs .....	3.62
2. maintained useful contact between on-site visits via _____ .....	3.53
3. was available for contact between visits.....	3.58

- 4. was an effective resource for the educational program(s) for the student(s) served.....3.64
- 5. is someone with whom I have, or expect to develop a good working relationship .....3.72
- G. Overall, the assistance provided by this Education Specialist met my needs to better serve the student(s) .....3.59

Note 1

Data was obtained from SESA "Annual Report Fiscal Year 1991". Various consumers were asked to rate SESA services on a 4 point scale, with 4 being the highest rating. Those consumers responding to the survey included administrators, teachers, paraprofessionals, parents, speech/learning specialists, psychologists and counselors. 151 responses were received.

CST = Child Study Team

IEP = Individualized Education Program

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