

Division of Academics– Department of Special Education – Budget Summary

Overview of the Division

The Department of Special Education (DSE) is in the Division of Academics. The role of this Department is to ensure students with disabilities, birth to age 21, receive high-quality services within their homes, community, and/or school settings to improve outcomes for learners who receive early intervention and special education services.

The services of this Department are delivered through the budgets of the following programs:

- Countywide Services
- Speech, Language, and Hearing Services
- Special Education School-Based Services
- Birth-Five Early Intervention Services
- Cedar Lane
- Special Education Summer Services
- Special Education Compliance and Nonpublic Services
- Special Education–Central Office

The Department of Special Education (DSE) role is to ensure that students with disabilities receive a free, appropriate public education that meets individual learner needs in the least restrictive environment. The DSE is committed to providing high-quality early intervention and special education services to improve outcomes for learners, birth to age 21. DSE leaders value and promote open, transparent, and accessible communication so that all stakeholders become partners in the work.

Over the past few years, the Department has reduced spending on materials, and worked toward maximizing staffing allocations, increasing professional learning opportunities, and decreasing case management workload through a variety of approaches. While striving to address all legal service hour requirements under the Individuals with Disabilities Education Act (IDEA), the DSE continues to experience constraints in creating comprehensive programs and supports that could address more complex student needs and may reduce the potential for rising nonpublic placement costs due to lack of options within the existing continuum of services.

Summary of Major Budget Changes for FY 2026

The budget for the Department of Special Education is increasing by a total of \$71.3 million or 40.54 percent compared to the current budget. This total change in budget is for budget additions and budget realignments. The amount of change for each is:

- Budget additions equal \$16.2 million, a 9.21 percent increase and 38.5 FTE positions.
- Budget realignments equal \$55.1 million and the realignment of (0.8) net FTE positions.

More specific information on these budget changes is explained below which are followed by schedules summarizing the Division budget and changes by program.

Budget changes are grouped as Mandates, Commitments, Priorities, and Realignments.

Division of Academics– Department of Special Education – Budget Summary

- Mandates are budget changes necessary to meet a specific legal requirement. The mandated cost changes in this year's budget support the continued implementation of the Blueprint for Maryland's Future.
- Commitments are changes made in the budget to support the costs for existing obligations such as contracts and prior negotiated pay and benefits.
- Priorities represent those budget items to support existing policy, Superintendent or Board defined goals and objectives, and specific issues.
- Realignments represent transfer of funds between programs, state categories and/or spend categories to support existing requirements. Realignments are budget neutral, although there can be significant changes between programs and accounts. The FY 2026 budget includes a significant movement of budget authority for budgetary realignments that have been done for three purposes:
 - Realignments to meet Blueprint Minimum School Fund reporting requirements. For FY 2026, employee benefits (Social Security, Medicare, pension, and health insurance) have been realigned from the Fixed Charges budget (Program 8001) into each program budget. As a result, all program budgets with positions will show a significant increase in budget reflecting the cost of the employee benefits in the program.
 - Realignments for the Superintendent's reorganization of divisions and programs done in July 2025.
 - Realignments of existing budget authority to meet budgetary needs and properly classify expenditures by state category, division, program, and/or account.

Budget additions for Mandates, Commitments, Priorities, and Realignments are sub-grouped for clearer understanding of the reason(s) for the budget changes in the division and programs. Each division summary section provides a narrative explanation of budget changes and schedules that present the changes in budget dollars and full-time equivalent (FTE) positions from the current budget. The Factors Influencing and Summary of the Budget in the Executive Summary section of the budget book provides the combined summary of budget changes for all divisions and by state category.

A summary of budget changes for this division is provided below.

Mandates

- \$340,140 – Blueprint requirements for National Board Certification pay for teachers.

Commitments

- \$822,662 - Benefit costs for new positions, wages, and stipends included National Board Certification pay for teachers.
- \$21,000 - To meet projected contract increase.
- \$2.7 million – Health Insurance cost increases based on preliminary actuarial estimates.
- \$238,235 – For financial obligations related to position reclassifications.
- \$327,658 – Estimated change in retirement costs for positions included in this division.

Division of Academics– Department of Special Education – Budget Summary

- (\$2.0) million – Year-over-Year Personnel Cost Change. This adjustment will appear in all program budgets that have budgeted personnel. A complete explanation for these changes is included in the Factors Influencing in the Executive Summary section of the budget book.

Priorities

- \$7.6 million – Placeholder for employee compensation increases subject to collective bargaining.
- \$931,124 – To meet projected contract cost increases for various contracts including private duty nurses, translation services, temporary employees, and software systems.
- \$1.7 million and 35.0 FTE positions – To meet the increase in the number of students with IEPs and IEP service hours due to the complexity of student needs . This includes additional the expansion of regional classrooms for students accessing the Maryland Alternate Education Framework.
- \$3.2 million – A net increase for Nonpublic Services and Compliance consisting of increasing the budget for non-public transfer tuition by \$4.5 million; adjusting delivery model to decrease use of temporary wages and contracted labor by (\$1.1) million; and decreasing transportation budget by (\$175,000). The costs for special education student transportation is included in the Transportation Department's budget in the Operations Division.
- \$15,000 – For supplies for Extended School Year.
- \$296,120 – 3.5 FTE positions (Occupational Therapist 0.5, Speech Pathologist 1.0, Nurse 1.0, and Special Education Teacher 1.0) transferring from federal grants to the General Fund to maintain services levels.

Realignments

- \$55,241,403 – Realignment of Employee Health Insurance, Social Security, Medicare, and Retirement from Fixed Charges to the programs in the Special Education department.
- (\$99,292) – Realignment of existing budget authority to meet budgetary needs and a realignment of (0.8) net FTE position.

Summary schedules of these changes are presented in the following pages.

Division of Academics– Department of Special Education – Budget Summary

SUMMARY OF FY 2026 PROPOSED BUDGET									
Program	Program Number	Approved Budget FY 2025	Total Additions	Total Realignments	Net Budget Changes	Net Budget Changes FTE	Superintendent Proposed FY 2026	\$ Change From FY 2025	% Change from FY 2025
Countywide Services	3320	\$ 11,864,326	\$ 1,082,691	\$ 3,374,613	\$ 4,457,304	2.20	\$ 16,321,630	\$ 4,457,304	37.57%
Special Education - School-Based Services	3321	84,242,467	7,907,879	32,738,107	40,645,986	32.00	124,888,453	40,645,986	48.25%
Cedar Lane	3322	6,134,435	(7,543)	2,245,911	2,238,368	(2)	8,372,803	2,238,368	36.49%
Birth-Five Early Intervention Services	3324	31,052,793	2,804,411	11,279,776	14,084,187	3.50	45,136,980	14,084,187	45.36%
Speech, Language, and Hearing Services	3325	14,512,263	856,134	4,212,090	5,068,224	3.00	19,580,487	5,068,224	34.92%
Special Education Summer Services	3326	2,272,816	175,350	195,700	371,050	-	2,643,866	371,050	16.33%
Special Education Compliance and Nonpublic Services	3328	22,872,855	3,196,466	296,918	3,493,384	-	26,366,239	3,493,384	15.27%
Special Education - Central Office	3330	3,025,106	189,106	798,996	988,102	(1.00)	4,013,208	988,102	32.66%
Academics-Special Education Total		\$175,977,061	\$ 16,204,494	\$ 55,142,111	\$ 71,346,605	37.70	\$ 247,323,666	\$71,346,605	40.54%

Division of Academics– Department of Special Education – Budget Summary

SUMMARY OF FY 2026 BUDGET CHANGES BY PROGRAM AND SUMMARY GROUPINGS									
General Fund		3320	3321	3322	3324	3325			
PROGRAMS		Countywide Services	Special Education - School-Based Services	Cedar Lane	Birth-Five Early Intervention Services	Speech, Language, and Hearing Services			
		FTE	FTE	FTE	FTE	FTE			
MANDATES									
Blueprint-National Board Certification		17,550	170,640	10,100	141,850	-			
Subtotal Mandates		17,550	170,640	10,100	141,850	-			
COMMITMENTS									
Benefit Cost-New Positions		30,143	665,107	1,243	134,894	-			
Contractual Obligation		-	-	-	-	-			
Health Insurance		150,256	1,722,037	115,142	534,167	-			
Reclassifications		127,886	10,410	-	58,574	-			
Retirement		18,080	150,365	35,432	68,422	-			
Year over Year Personnel Cost Change		300,731	(1,622,729)	(457,598)	(82,099)	-			
Subtotal Commitments		627,096	925,190	(305,781)	713,958	-			
PRIORITIES									
Employee Compensation		399,541	4,558,263	288,138	1,540,629	-			
Special Education- Contracts		-	931,124	-	-	-			
Special Education-Enrollment Service Levels		-	1,244,120	31.00	228,900	2.00			
Special Education Compliance and Nonpublic Services		-	-	-	-	-			
Special Education-Other		-	-	-	-	-			
Other Grants-Transition		38,504	78,542	1.00	179,074	2.00			
Subtotal Priorities		438,045	6,812,049	288,138	1,948,603	4.00			
SUBTOTAL BUDGET ADDITIONS		1,082,691	7,907,879	(7,543)	2,804,411	4.00			
Budget Realignments		3,374,613	32,738,107	2,245,911	11,279,776	(0.50)			
DIVISION TOTAL		4,457,304	40,645,986	2,238,368	14,084,187	3.50			

Division of Academics– Department of Special Education – Budget Summary

SUMMARY OF FY 2026 BUDGET CHANGES BY PROGRAM AND SUMMARY GROUPINGS						
General Fund		3326	3328	3330		
PROGRAMS		Special Education Summer Services	Special Education Compliance and Nonpublic Services	Special Education - Central Office	FTE	FTE
MANDATES		FTE	FTE	FTE	FTE	FTE
Blueprint-National Board Certification		-	-	-	-	-
Subtotal Mandates		-	-	-	-	-
COMMITMENTS						
Benefit Cost-New Positions		4,111	(61,562)	-	-	-
Contractual Obligation		-	21,000	-	-	-
Health Insurance		1,272	8,906	18,670	-	-
Reclassifications		-	-	19,238	-	-
Retirement		278	3,468	15,970	-	-
Year over Year Personnel Cost Change		(70)	20,591	2,445	-	-
Subtotal Commitments		5,591	(7,597)	56,323	-	-
PRIORITIES						
Employee Compensation		8,193	33,243	132,783	-	-
Special Education- Contracts		-	-	-	-	-
Special Education-Enrollment Service Levels		146,566	-	-	-	-
Special Education Compliance and Nonpublic Services		-	3,170,820	-	-	-
Special Education-Other		15,000	-	-	-	-
Other Grants-Transition		-	-	-	-	-
Subtotal Priorities		169,759	3,204,063	132,783	-	-
SUBTOTAL BUDGET ADDITIONS		175,350	3,196,466	189,106	-	-
Budget Realignments		195,700	296,918	798,996	(1.00)	(0.80)
DIVISION TOTAL		371,050	3,493,384	988,102	(1.00)	(0.80)
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