

# 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
- Early Childhood Special Education: Birth–Five
- Cedar Lane
- Special Education Summer Services
- Special Education Compliance and Nonpublic Services
- Special Education–Central Office
- Bridges

The Department of Special Education (DSE) promotes Equity in Action by ensuring 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 meet more complex student needs and 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 2027

The budget for the Department of Special Education is increasing by a net change of \$27.9 million or 11.0 percent and increasing by 82.10 FTE positions compared to the current budget. This total change is the composite of budget additions for existing service commitments, employee compensation and benefits, and realignments. The specific amounts for each major budget grouping are:

- Existing Service Commitments – \$12.6 million and an increase of 54.10 FTE positions
- Employee Compensation and Benefits – \$11.8 million
- Priorities - \$27,716
- Realignments – \$3.4 million and net increase of 28.0 FTE positions

These budget groups are used to explain why the budget is changing by organizing adjustments into major categories and subcategories. Definitions of each major group, along with associated subgroups, are provided below. Note, some divisions will not have budget changes in every major group or subgroup.

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Existing Service Commitments reflect budget changes necessary to continue the provision of current services. These changes include, but are not limited to:

- Blueprint for Maryland's Future
  - Collaborative Time Per Pupil
  - Multilingual Learners
  - Prekindergarten Expansion
- Staffing changes based on enrollment fluctuations
- Special education service levels, contract costs, compliance requirements, and non-public placements
- Student transportation
- Financial and contractual obligations
- Position reclassifications
- Utilities
- Year-over-year personnel cost changes
- Other cost changes required to maintain existing services

Employee Compensation and Benefits include budget changes that support employee pay and benefit obligations and projected cost increases, such as:

- Employee compensation placeholders for negotiated labor contracts and contracts under negotiation
- Costs associated with previously negotiated pay and benefits
- Employee health insurance changes based on actuarial projections and centrally determined rates
- Blueprint-related National Board Certification and maintenance pay
- Other employee benefit cost adjustments

Priorities represent budget changes that support existing policies, Superintendent or Board-defined goals, and Strategic Plan priorities, including:

- Strengthen Learning & Instruction
- Cultivate Student Belonging & Well-Being
- Foster Staff Growth & Engagement
- Enhance Systemic Planning & Procedures
- Partner with Families & Community

One-Time Funding Items consist of non-recurring budget costs that have been specifically approved by the Maryland State Department of Education as one-time expenditures.

Base Budget Reductions are reductions to existing services funded in the base budget (FY 2026 Approved Budget) that are implemented to align expenditure growth with available revenue. These reductions are categorized as:

- School-Based Reductions, which directly affect school instruction and operations; and
- Non-School-Based Reductions, which impact Central Office services and systemwide costs that support students, staff, and school operations.

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Realignments represent transfers of funds between programs, state categories, and/or expenditure categories to support existing requirements. While realignments are budget neutral overall, they may result in significant changes among programs and accounts. The FY 2027 budget includes realignments for two primary purposes:

- Adjustments related to the reorganization of divisions and programs; and
- Redistribution of existing budget authority to address budgetary needs and ensure expenditures are properly classified by state category, division, program, and/or account.

This Division Summary section provides a narrative explanation of budget changes, accompanied by supporting schedules that present changes in budgeted dollars and full-time equivalent (FTE) positions relative to the current budget. A consolidated summary of budget changes for all divisions and by state category is provided in the ***Factors Influencing and Summary of the Budget*** section of the Executive Summary in the budget book.

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

## Special Education Strategic Plan

In July 2025, the Superintendent initiated the implementation of a multi-phased Special Education Strategic Plan designed to *Strengthen Learning and Instruction* and to better meet the needs of students with Individualized Education Programs (IEPs). This plan was developed in response to the Board of Education's strategic review conducted by RTI. The FY 2026 budget allocated \$1.75 million to begin the increased investment required to support this work. Reorganization of services and staffing commenced in fall 2025. This initiative remains dynamic and adaptive, as the new leadership team continues ongoing assessment and evaluation. The proposed FY 2027 budget includes the fiscal actions necessary to fully implement the staffing changes initiated in FY 2026, as well as a \$4.0 million funding placeholder to support the continued development and implementation of process improvements.

## Existing Service Commitments

- \$5.5 million – To support the continued implementation of the Special Education Strategic Plan and other Special Education Costs
  - \$4,000,000 – Placeholder to support the Strategic Plan. The specific budget plan for these funds will be defined before the final adoption of the FY 2027 budget.
  - \$1.5 million– To optimize the use of existing positions by converting position types to better manage special education programs and meet student needs including the conversion of:
    - 108.0 FTE Instructional Team Leader positions from 10 months to 11 months
    - 4.0 FTE Crisis Teachers to Board Certified Behavior Analysts
    - (2.0) FTE Physical Therapist positions to 1.0 10-month Teacher and 1.0 Speech Language Pathologist
    - 1.0 FTE 11-month Teacher to Facilitator (Autism Specialist)
- \$4.5 million – For nonpublic placement tuition costs to meet projected enrollment and tuition growth and to meet the added expense for the state cost shift enacted in FY 2026.

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- \$3.5 million net cost and 43.10 FTE positions – To support staffing needs as outlined in the Special Education Strategic Plan. These positions were created in FY 2026 utilizing the \$1.75 million placeholder approved in the FY 2026 budget and by reallocating 20.0 positions and \$2.2 million from the Division of Schools. The positions are included in the FY 2027 budget to formally relocate dollars and approve the total funding needed.
- \$853,634 and 11.0 FTE positions – For the continued implementation of Blueprint Prekindergarten Expansion.
- \$65,867 – To meet contractual cost increases for various licenses and subscriptions.
- \$35,802 – For reclassification of positions.
- \$27,224 – For additional transportation need related to enrollment.
- \$(742,673) – Contract interpreter funds have been reallocated from Special Education School-based Services (3321) to Communications and Engagement (0302) as part of restructured approach to consolidate and improve interpreter services.
- \$(1.1) 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 and Summary of the Budget in the Executive Summary section of the budget book.

### *Employee Compensation and Benefits*

- \$6.9 million – Placeholder for employee compensation increases subject to collective bargaining.
- \$4.6 million – Health Insurance cost increases based on preliminary actuarial estimates.
- \$220,140 – National Board Certification (NBC) teacher pay.

### *Priorities*

- \$27,716 – *To Strengthen Learning and Instruction*
  - For Woodcock Johnson digital licenses, Special Education School-Based Services (3321)

### *Realignments*

- \$2.8 million and 24.0 existing FTE positions – Realignment of Bridges (3323) from Homewood (3402) in Division of Schools to Department of Special Education.
- \$598,135 and 5.0 existing FTE positions – Realignments into Special Education School-Based Services (3321).
  - \$422,780 and 5.0 FTE positions – Transfer of Special Education pooled teaching positions from Division of Schools, Program Support for Schools (3201) to Department of Special Education, Special Education – School-based Services (3321)
  - \$100,000 – Transfer of contracted labor from Special Education–Central Office (3330) to meet budgetary needs
  - \$70,000 – Transfer of wages workshop from Academic Support of Schools (3202) to meet budgetary needs
- \$200,000 – Transfer of budget authority from Transportation (6801) to Special Education Compliance and Nonpublic Services (3328) for special education transportation costs.
- \$(4,000) – Transfer from Speech Language, and Hearing Services (3325) to \$4,000 Countywide Services (3320) to meet budgetary needs.

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- \$(82,013) and (1.0) existing FTE position – Transfer of Interpreter position from Speech Language and Hearing Services (3325) to Employee Labor Relations (0306) to meet ADA budgetary needs.

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

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SUMMARY OF FY 2027 SUPERINTENDENT'S PROPOSED BUDGET										
Program	Program Number	Approved Budget FY 2026	Budget Additions and Base Reductions	Total Realignments	Net Budget Changes	Net Budget Changes FTE	Superintendent Proposed FY 2027	\$ Change From FY 2026	% Change from FY 2026	
Countywide Services	3320	\$ 16,645,065	\$ 699,484	\$ 4,000	\$ 703,484	(0.50)	\$ 17,348,549	\$ 703,484	4.23%	
Special Education - School-Based Services	3321	124,902,215	14,097,252	598,135	14,695,387	35.00	139,597,602	14,695,387	11.77%	
Cedar Lane	3322	8,426,216	322,923	-	322,923	-	8,749,139	322,923	3.83%	
Bridges	3323	0	127,561	2,804,250	2,931,811	24.00	2,931,811	2,931,811	0.00%	
Early Childhood Special Education: Birth-Fiv	3324	45,262,112	3,756,092	-	3,756,092	14.00	49,018,204	3,756,092	8.30%	
Speech, Language, and Hearing Services	3325	19,830,324	1,378,249	(86,013)	1,292,236	2.60	21,122,560	1,292,236	6.52%	
Special Education Summer Services	3326	2,572,440	9,971	-	9,971	-	2,582,411	9,971	0.39%	
Special Education Compliance and Nonpublic Services	3328	29,762,342	4,577,032	200,000	4,777,032	-	34,539,374	4,777,032	16.05%	
Special Education - Central Office	3330	5,793,783	(531,791)	(100,000)	(631,791)	7.00	5,161,992	(631,791)	-10.90%	
<b>Academics-Special Education Total</b>		<b>\$253,194,497</b>	<b>\$ 24,436,773</b>	<b>\$ 3,420,372</b>	<b>\$ 27,857,145</b>	<b>82.10</b>	<b>\$ 281,051,642</b>	<b>\$ 27,857,145</b>	<b>11.00%</b>	

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SUMMARY OF FY 2027 BUDGET CHANGES BY PROGRAM AND SUMMARY GROUPINGS										
General Fund										
PROGRAMS	3320		3321		3322		3323		3324	
	Countywide Services	FTE	Special Education - School-Based Services	FTE	Cedar Lane	FTE	Bridges	FTE	Early Childhood Special Education: Birth-Five	FTE
EXISTING SERVICE COMMITMENTS										
Blueprint-Multilingual Learner (MSF 75%)	\$	-	\$ (742,673)	-	\$	-	\$	-	\$	-
Blueprint-Prekindergarten Expansion		-		-		-		-	853,634	11.00
Reclassifications-Requested		-		-		-		-	35,802	-
Special Education Compliance and Nonpublic Services		-		-		-		-		-
Special Education-Contracts		-	65,867	-		-		-		-
Special Education-Enrollment Service Levels	49,939	0.50	3,437,765	30.00		-		-	435,654	3.00
Special Education-Other	(135,893)	(1.00)	5,044,718	-	17,151	-	12,167	-	404,436	-
Year over Year Personnel Cost Change	62,598	-	(632,679)	-	(123,285)	-	(21,508)	-	(181,687)	-
Subtotal Existing Service Commitments	(23,356)	(0.50)	7,172,998	30.00	(106,134)	-	(9,341)	-	1,547,839	14.00
EMPLOYEE COMPENSATION AND BENEFITS										
Blueprint-National Board Certification	\$	1,663	\$	144,379	\$	-	\$	8,314	\$	65,784
Employee Compensation-Placeholder	478,040	-	3,816,102	-	248,962	-	80,828	-	1,344,582	-
Health Insurance	243,137	-	2,936,057	-	180,095	-	47,760	-	797,887	-
Subtotal Employee Compensation and Benefits	722,840	-	6,896,538	-	429,057	-	136,902	-	2,208,253	-
PRIORITIES										
Strengthen Learning & Instruction	-	-	27,716	-	-	-	-	-	-	-
Subtotal Priorities	-	-	27,716	-	-	-	-	-	-	-
SUBTOTAL BUDGET ADDITIONS										
	699,484	(0.50)	14,097,252	30.00	322,923	-	127,561	-	3,756,092	14.00
REALIGNMENTS										
	4,000	-	598,135	5.00	-	-	2,804,250	24.00	-	-
DIVISION TOTAL										
	\$ 703,484	(0.50)	\$ 14,695,387	35.00	\$ 322,923	-	\$ 2,931,811	24.00	\$ 3,756,092	14.00

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General Fund									
PROGRAMS	3325		3326		3328		3330		Total FTE
	Speech, Language, and Hearing Services	FTE	Special Education Summer Services	FTE	Compliance and Nonpublic Services	FTE	Special Education - Central Office	FTE	
EXISTING SERVICE COMMITMENTS									
Blueprint-Multilingual Learner (MSF 75%)	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ (742,673)
Blueprint-Prekindergarten Expansion	-	-	-	-	-	-	-	-	853,634
Reclassifications-Requested	-	-	-	-	-	-	-	-	35,802
Special Education Compliance and Nonpublic Services	-	-	-	-	4,529,356	-	-	-	4,529,356
Special Education-Contracts	-	-	-	-	-	-	-	-	65,867
Special Education-Enrollment Service Levels	307,557	2.60	-	-	-	-	(698,024)	7.00	3,532,891
Special Education-Other	120,693	1.00	-	-	-	-	-	-	5,463,272
Year over Year Personnel Cost Change	(179,191)	-	(341)	-	6,758	-	(30,610)	-	(1,099,945)
Subtotal Existing Service Commitments	249,059	3.60	(341)	-	4,536,114	-	(728,634)	7.00	12,638,204
EMPLOYEE COMPENSATION AND BENEFITS									
Blueprint-National Board Certification	\$ -	-	\$ -	-	\$ -	-	\$ -	-	\$ 220,140
Employee Compensation-Placeholder	796,157	-	8,322	-	26,988	-	141,123	-	6,941,104
Health Insurance	333,033	-	1,990	-	13,930	-	55,720	-	4,609,609
Subtotal Employee Compensation and Benefits	1,129,190	-	10,312	-	40,918	-	196,843	-	11,770,853
PRIORITIES									
Strengthen Learning & Instruction	-	-	-	-	-	-	-	-	27,716
Subtotal Priorities	-	-	-	-	-	-	-	-	27,716
SUBTOTAL BUDGET ADDITIONS									
	1,378,249	3.60	9,971	-	4,577,032	-	(531,791)	7.00	24,436,773
REALIGNMENTS									
	(86,013)	(1.00)	-	-	200,000	-	(100,000)	-	3,420,372
DIVISION TOTAL									
	\$ 1,292,236	2.60	\$ 9,971	-	\$ 4,777,032	-	\$ (631,791)	7.00	\$ 27,857,145
									82.10