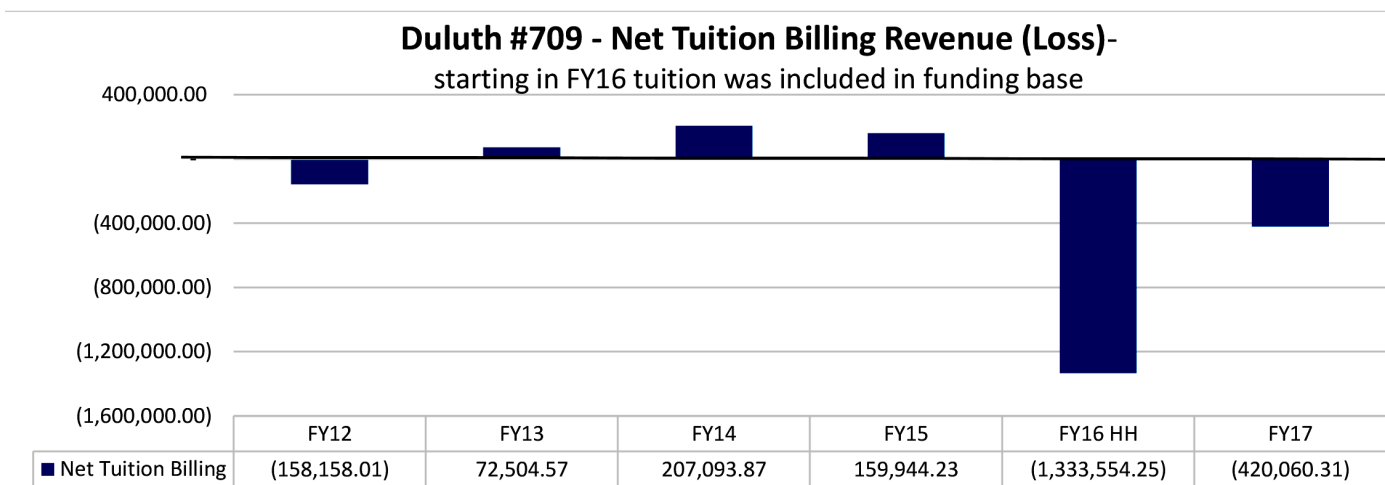


Special Education Funding Correction

Duluth Public Schools continues to seek a formula adjustment and a one-time payment to correct an artificially low state special education revenue base. The low base has resulted in lost revenue of over \$4.3 million in 4 fiscal years using FY15 as an alternate base. The district is asking for a correction of \$2 million.



District Impact of FY16 Special Education Formula Changes

- Spent limited district fund balance reserves resulting in a negative unreserved fund balance at the end of FY17.
- Special Education reductions including staff and critical programming.

The district is also asking this year for the state to fully fund the special education cross-subsidy, which is about \$11 million in Duluth.

Duluth Public Schools is committed to working with Legislators and the Department of Education to create equitable Special Education funding for all districts in the state.