

OFFICE OF CHILDREN'S SERVICES

ADMINISTERING THE CHILDREN'S SERVICES ACT



The Children's Services Act (CSA, §2.2-2648 et seq) was enacted in 1993 to create a collaborative system of services and funding for at-risk youth and families.

The CSA establishes local multidisciplinary teams responsible to work with families to plan services according to each child's unique strengths and needs and to administer the community's CSA activities.

The Office of Children's Services (OCS) is the administrative entity responsible for ensuring effective and efficient implementation of the CSA across the Commonwealth.

Guiding principles for OCS include:

- Child and family directed care,
- Equitable access to quality services,
- Responsible and effective use of public funds,
- Support for effective, evidence-based practices, and
- Collaborative partnerships across state, local, public, and private stakeholders.



PRIVATE SPECIAL EDUCATION SERVICES UNDER THE CSA

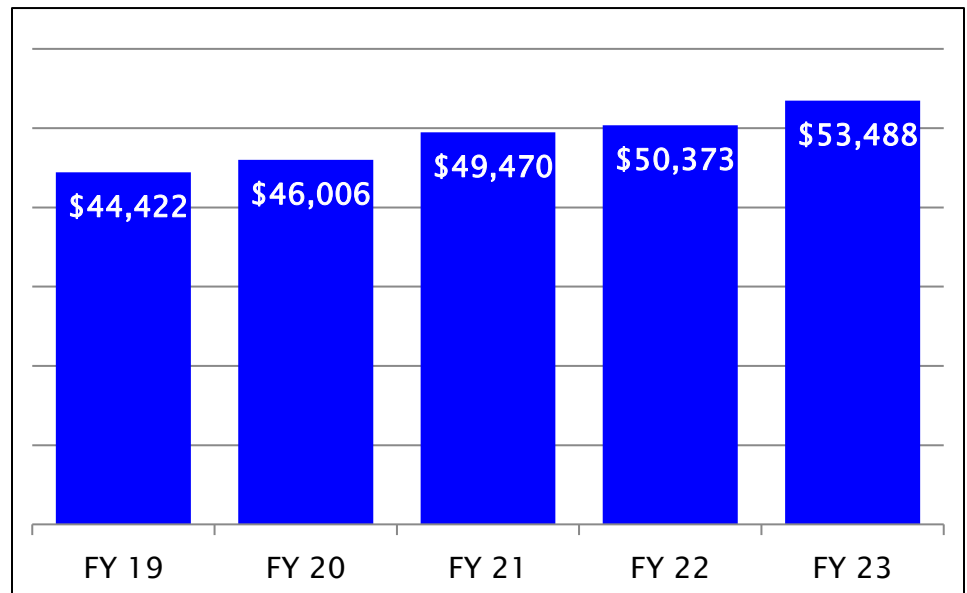
Annual Report to the General Assembly, December 1, 2023

In accordance with the Appropriation Act Chapter 1, Item 284 (K)(2)

Item 284.K.2. The Office of Children's Services shall report on funding for special education day treatment and residential services, including but not limited to the number of children served annually, average cost of care, type of service provided, length of stay, referral source, and ultimate disposition.

Children and youth with educational disabilities placed due to the student's Individualized Education Programs (IEP) in approved private school educational programs are a component of the population served by the Children's Services Act (CSA). These children are eligible for CSA-funded services as specified in the *Code of Virginia*, §§ 2.2-5211 and 2.2-5212. Services are provided in a private day school or private residential school, per the student's IEP.

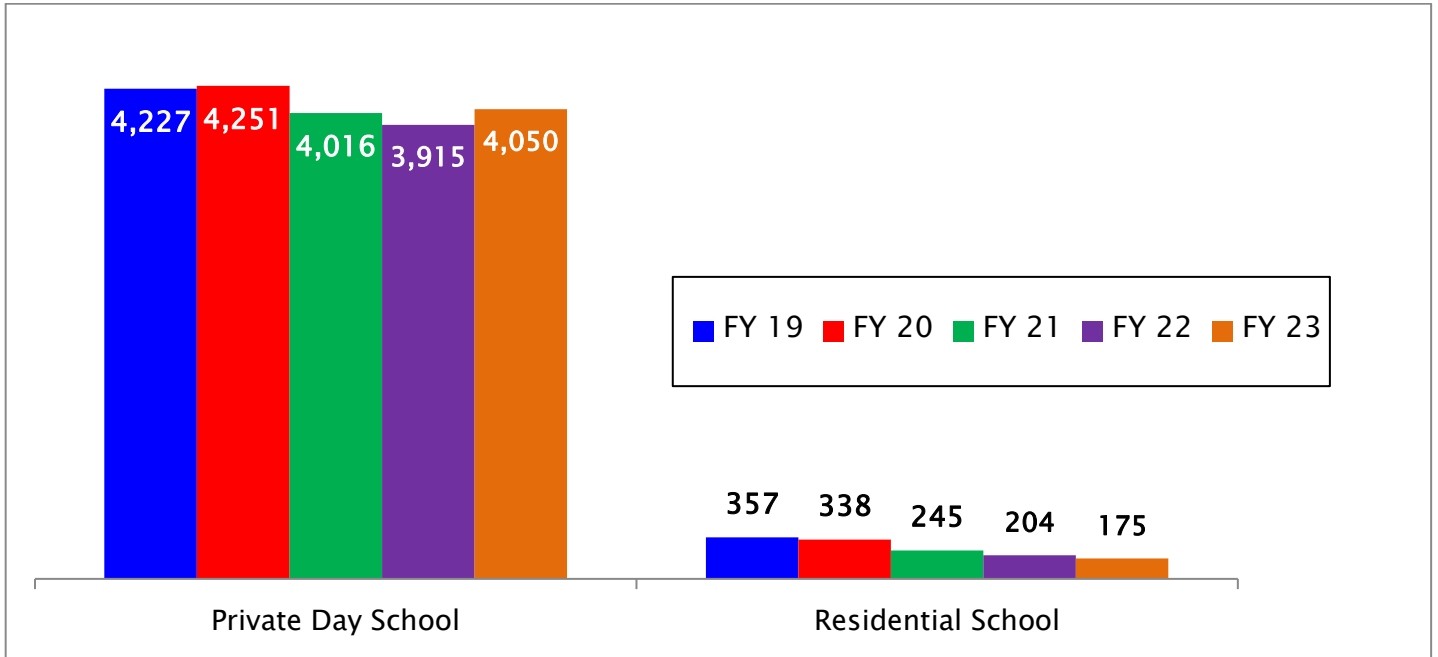
Average Annual CSA Expenditure Per Child Private Day Special Education Services (FY2019 – 2023)



Net CSA Expenditures by Placement Type Special Education Services

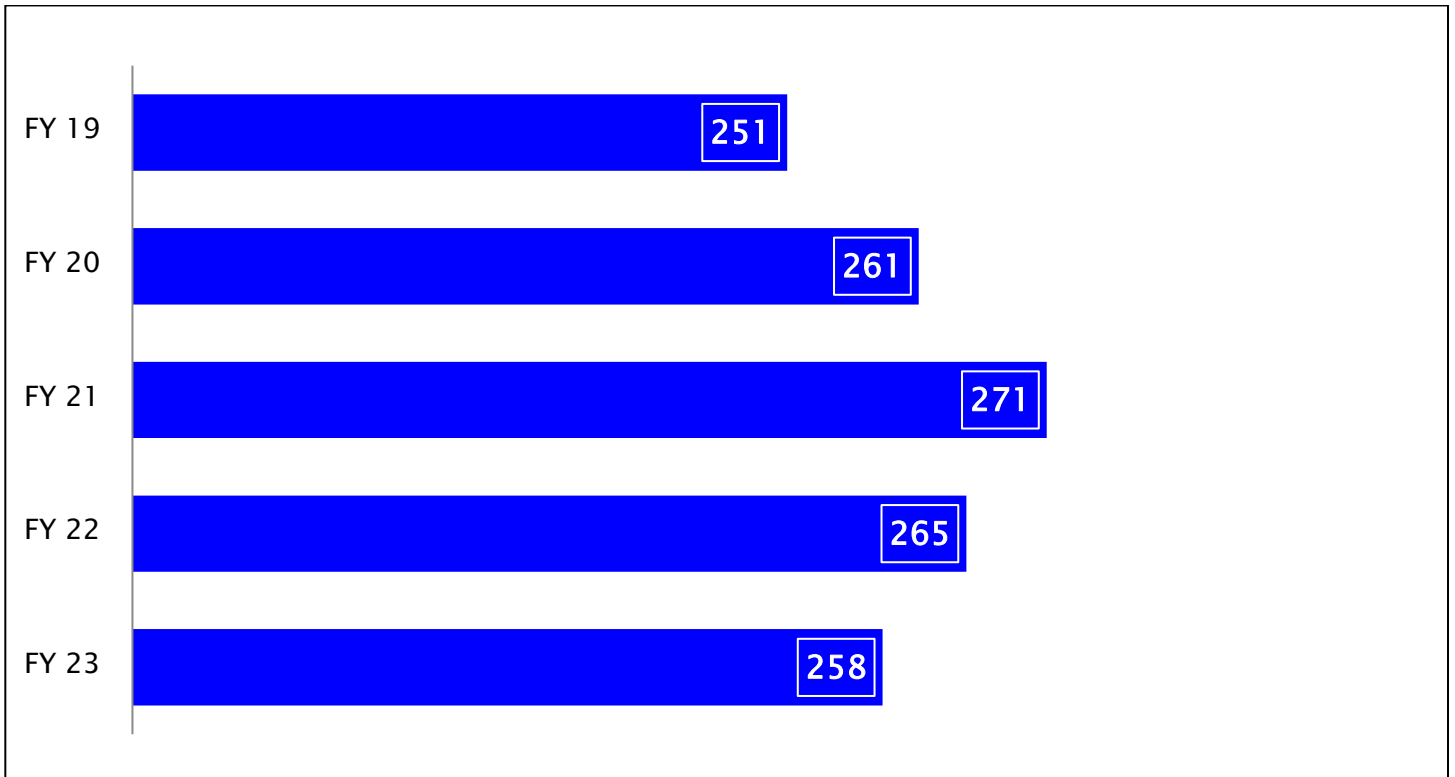
	FY2021	FY2022	FY2023
Private Day School	\$197,281,992	\$195,078,016	\$214,034,041
Private Residential School	\$9,255,269	\$9,437,088	\$8,744,410
Total	\$206,537,261	\$204,515,104	\$222,778,451

Number of Youth Served by Placement Type Special Education Services (FY2019 – 2023)

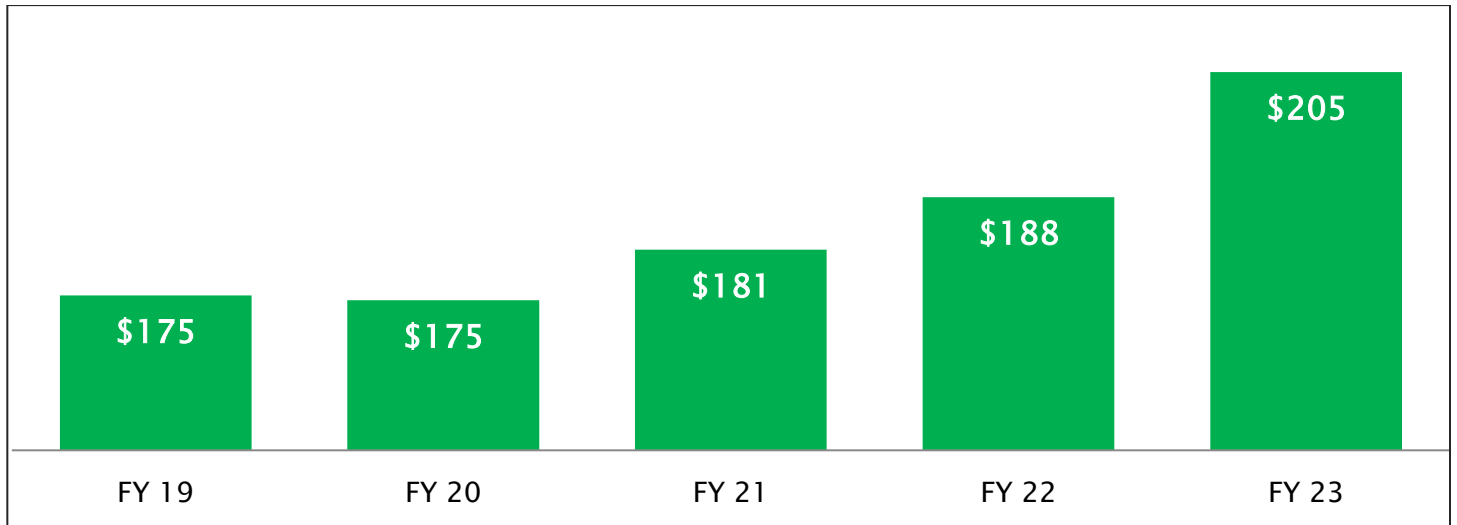


FY2023 unduplicated count of youth who received services resulting from an Individualized Education Program (IEP) requiring a private school placement = 4,165

Average Length of Stay (Number of Days per Year) for Private Day Placements (FY2019 – 2023)



Average Daily Cost per Child for Private Day Placements (FY2019 – 2023)



Discussion

The growth in private special education placements, especially private day schools, has received extensive attention. Children's Services Act (CSA) expenditures for private day special education placements account for the most significant proportion of overall CSA growth since 2015. The number of students served in such placements required by their Individualized Education Programs (IEP) rose 24% (3,416 to 4,251 between FY2015 and FY2020) and has decreased slightly (5%) to 4,050 in FY2023. While the number of youth served has decreased, per-student daily tuition expenditures showed significant growth (9% from FY2022 to FY2023). The increase in cost between FY2022 and FY2023 appears to be a result of an increase in the number of students served (3.4 percent increase) and a higher cost per student, at least partially due to inflation leading to higher daily/annual charges per student.

The 2021 Session of the General Assembly added specific CSA eligibility for students with disabilities receiving transitional services to assist with their successful return from private day to public school settings. Funding for these services was made available to localities on July 1, 2021. In FY2023, 25 localities (51 students, \$841,942) accessed this transitional funding eligibility, a significant increase in both students served and funds expended from the first year of availability (FY2022).

The Office of Children's Services completed a uniform rate-setting model and a fiscal impact study of that model. The 2023 session of the General Assembly removed the rate-setting directive in the Appropriation Act. Currently, rates are being established through the negotiation between the providers and localities as called for by §2.2-5214 of the *Code of Virginia*. The General Assembly also directed the Office of Children's Services to transfer funds previously designated to assist with the implementation of the uniform rate-setting model to the Virginia Department of Education for "conducting a review of private day placement decisions in those localities with higher than average placements and make recommendations to the local education agency."

Specifically, Item 285B. of Chapter 1 states: “*Out of this appropriation, \$100,000 the second year from the general fund shall be provided to the Office of Children's Services (OCS) to contract with the Virginia Department of Education's Office of Special Education to conduct a review of private day placement decisions in those localities with higher than average placements and make recommendations to the local education agency. OCS shall, on its website by October 1 of each year, (i) show the number of students in private day placements by locality; (ii) calculate the ratio of children in private day placements to the number of students in the local education agency (LEA); and (iii) identify the LEAs that exceed the statewide average of private day placements compared to the LEA's enrollment.*”

In October 2023, a Memorandum of Agreement was signed between OCS and the Department of Education to complete the requirements detailed in the Appropriation Act. The required data to be posted on the OCS website will be available after January 1, 2024.