

PERFORMANCE AUDIT

Work in progress: Audit description

Oversight of Special Education Contractors

Public school districts are required to provide a free, appropriate public education to students with disabilities who are eligible for special education services. To serve each student appropriately, district staff work with the child's family and teachers to develop an Individualized Education Program (IEP). If the student's resident district cannot meet that student's specific special education needs, the IEP team may decide that a private school or facility is better suited to do so.

In such a case, state law allows the school district to provide special education and related services by contracting with private schools or other organizations. Occasionally, the school or facility with both the ability and the capacity to meet this student's needs is located in another state. The arrangements through which students are placed with a service provider outside the district are known as "contracted placements," and the providers are also known as "authorized entities" and "nonpublic agencies."

While school districts enter into contracts for special education placements directly, the state's Office of Superintendent of Public Instruction (OSPI) is responsible for approving providers and ensuring they meet state and federal requirements. In 2023, the Legislature passed a law assigning new oversight responsibilities to both OSPI and the school districts holding the contracts. This law also requires the State Auditor's Office to conduct a performance audit of OSPI's oversight.

Preliminary scope and objectives

This audit will evaluate how well OSPI has delivered on the expectations of the 2023 law. It will also examine the processes for oversight of any organization providing "contracted placement" services at a selection of school districts. The audit seeks to answer the following questions:

1. To what extent has OSPI implemented a process to authorize, monitor and investigate contractors providing special education services?
2. To what extent have selected school districts contracting for special education services adopted the new oversight requirements?
3. Are there significant gaps or overlap between OSPI and school districts in their respective oversight responsibilities concerning these contractors?
4. Why do school districts place students with contractors located outside the state? What barriers exist to having more options for in-state placements?



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