Minnesota Department of Education

SPECIAL EDUCATION LITIGATION COSTS FISCAL YEAR 2009

As of June 30, 2009

REPORT TO THE LEGISLATURE

As required by Minnesota Statute, Section 125A.75, Subd. 9

COMMISSIONER:

Alice Seagren

SPECIAL EDUCATION LITIGATION COSTS FISCAL YEAR 2009

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Report To the Legislature

January 22, 2010

As required by Minnesota Statute, Section 125A.75, Subd. 9

Upon request, this report can be made available in alternative formats.

ESTIMATED COST OF PREPARING THIS REPORT

This report provides information that the Department of Education already collects as part of its normal business functions. The cost information reported below does not include the cost of gathering and analyzing the data but rather is limited to the estimated cost of actually preparing this report document.

Special funding was not appropriated for the costs of preparing this report.

The estimated cost incurred by the Minnesota Department of Education in preparing this report is $120.

SPECIAL EDUCATION LITIGATION COST REPORT
FISCAL YEAR 2009

Minnesota Statutes, 2009., Section 125A.75, Subd. 9, states:

> *(a) By November 30 of each year, a school district must annually report the district's special education litigation costs, including attorney fees and costs of due process hearings, to the commissioner of education, consistent with the Uniform Financial Accounting and Reporting Standards.*
> *(b) By January 15 of each year, the commissioner shall report school district special education litigation costs to the house of representatives and the senate committees having jurisdiction over kindergarten through grade 12 education finance.*

This report is notification to legislative committees based upon data complied on January 21, 2010.

Introduction

In response to the statutory requirement, the department created a new Uniform Financial Accounting and Reporting (UFARS) code to monitor special education litigation costs. Entities reporting financial data to the department of education are requested to use object code 306 for special education litigation costs. The definitions of the account code in the UFARS manual is as follows:

> *Include all Special Education expenditures incurred for time spent by legal counsel in consideration of litigation, during litigation and in post-litigation work, including appeals and discussions regarding potential appeals. Costs should include the legal fees associated with a request for a due process hearing whether or not it settles the issue, and any expense incurred when seeking counsel in consideration of filing.*

Fiscal Year 2008 was the initial year of this UFARS code for Special Education Litigation Costs.

Special Education Litigation Cost Summary

Table One shows at the time of this report (January 21, 2010) that 16 districts, 1 charter school reported a total of $380,316.62. After further review of the data provided by the entities it was determined that 3 districts had incorrectly reported litigation costs under the wrong category. Therefore, the special education litigation costs were reduced by $208,209.66. The adjusted total special education litigation costs totaled $172,106.96 for Fiscal Year 2009 (as January 21, 2010).

Table One: Special Education Litigation Cost Summary as of January 21, 2010

DST	TYPE	DESCRIPTION	AMOUNT
11	1	ANOKA-HENNEPIN P	14,926.98
112	1	EASTERN CARVER C	2,103.59
115	1	CASS LAKE-BENA P	37,995.23
271	1	BLOOMINGTON PUBL	68,305.00
279	1	OSSEO PUBLIC SCH	37,286.76
299	1	CALEDONIA PUBLIC	180
347	1	WILLMAR PUBLIC S	3,340.00
621	1	MOUNDS VIEW PUBL	23,007.71
709	1	DULUTH PUBLIC SC	1,892.87
717	1	JORDAN PUBLIC SC	80
719	1	PRIOR LAKE-SAVAG	707
720	1	SHAKOPEE PUBLIC	167,701.00
761	1	OWATONNA PUBLIC	10,185.64
833	1	SOUTH WASHINGTON	110
885	1	ST. MICHAEL-ALBE	2,513.43
2165	1	HINCKLEY-FINLAYS	8,515.57
4011	7	NEW VISIONS CHAR	1,465.84
		TOTAL SPECIAL EDUCATION LITIGATION COST AS REPORTED	380,316.62
		RECONCILING ITEMS PER THE DISTRICT	
		CODED AS SPECIAL ED LITIGATION COSTS IN ERROR	
115	1	CASS LAKE-BENA P	37,995.23
720	1	SHAKOPEE PUBLIC	167,701.00
885	1	ST. MICHAEL-ALBE	2,513.43
		TOTAL ADJUSTED SPECIAL EDUCATION LITIGATION COSTS	172,106.96