

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

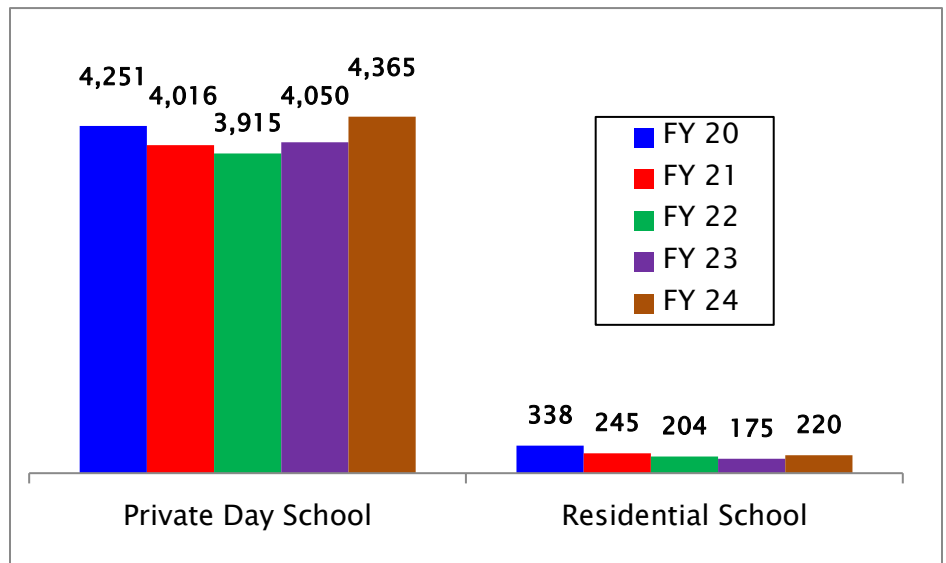
Annual Report to the General Assembly, December 1, 2024

In accordance with the Appropriation Act Chapter 2, Item 268 (K)(2)

Item 268K.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 in approved private school educational programs based on the student's Individualized Education Program (IEP) are a significant component of the Children's Services Act (CSA) population. 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.

Figure 1: Number of Youth Served by Placement Type Special Education Services (FY2020 – 2024)



FY2024 unduplicated count of youth who received services resulting from an Individualized Education Program (IEP) requiring a private school placement = 4,505

Figure 2: Net CSA Expenditures by Placement Type Special Education Services

	FY2022	FY2023	FY2024
Private Day School	\$195,078,016	\$214,034,041	\$240,291,578
Private Residential School	\$9,437,088	\$8,744,410	\$9,777,794
Total	\$204,515,104	\$222,778,451	\$250,069,372

Figure 3: Average Annual CSA Expenditure Per Child
Private Day Special Education Services (FY2020 – 2024)

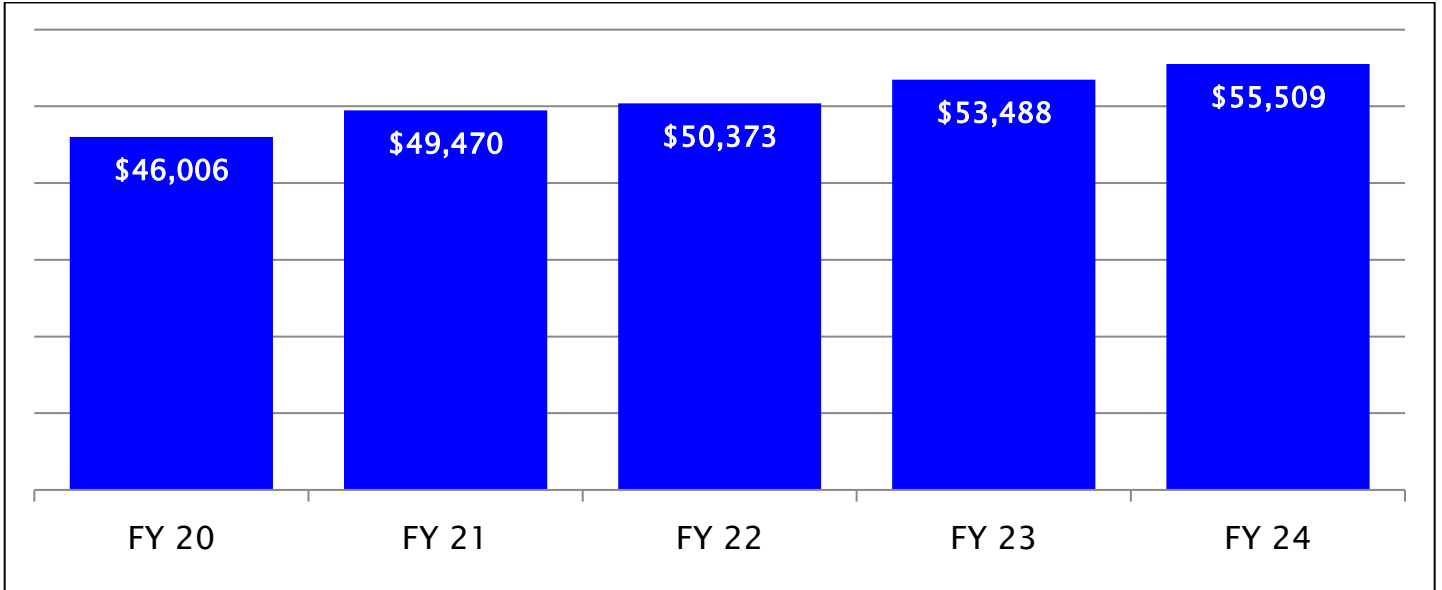
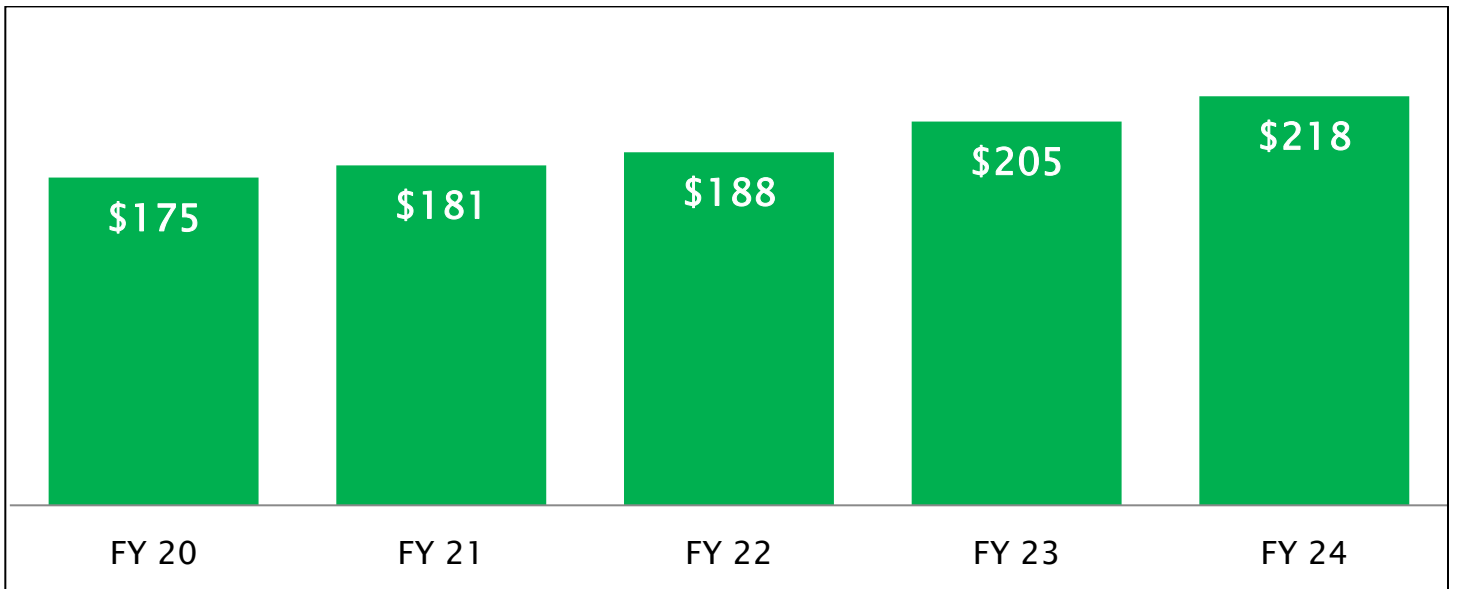
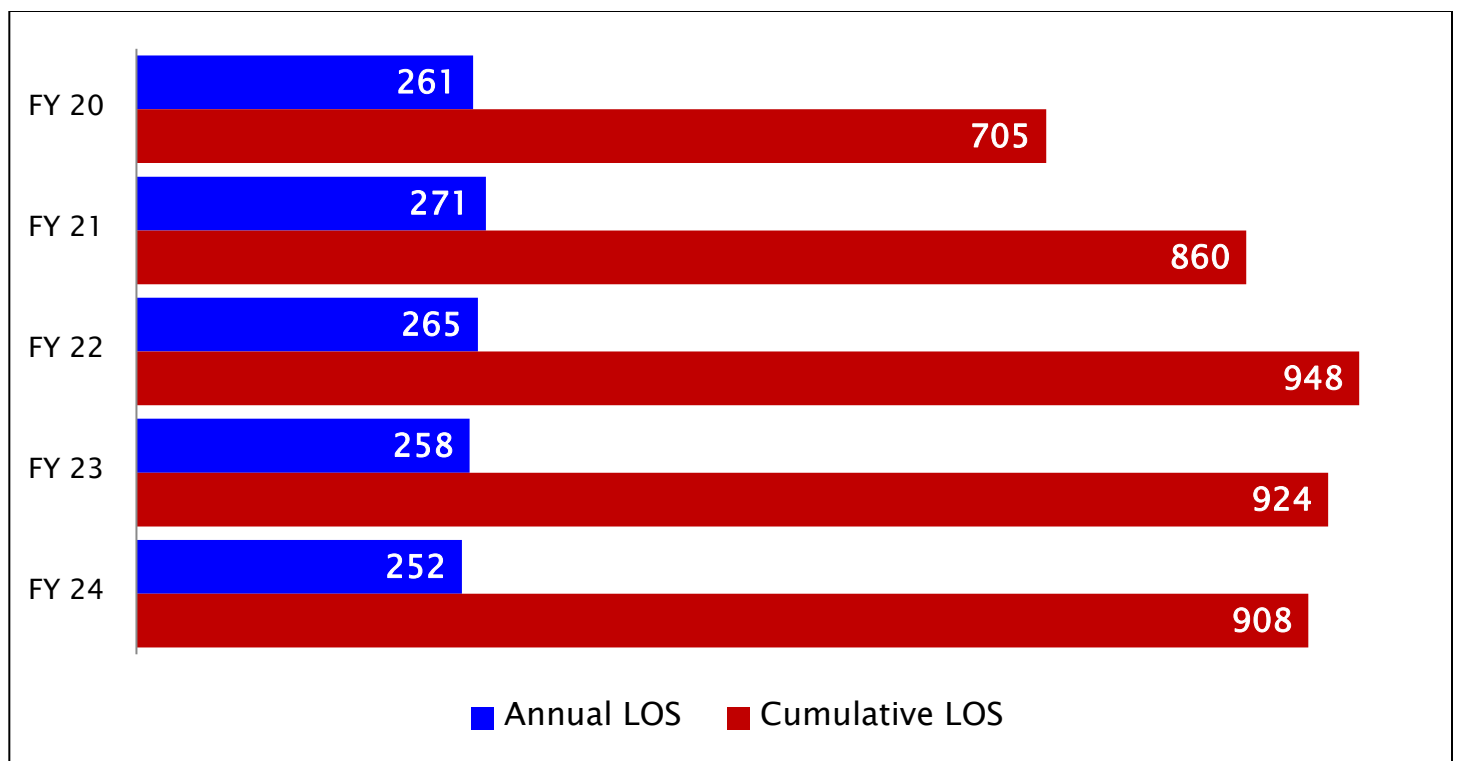


Figure 4: Average Daily Cost per Child for Private Day Placements (FY2020 – 2024)



**Figure 5: Average Annual and Cumulative Length of Stay (Number of Days per Year)
Private Day Placements (FY2020 – 2024)**



Discussion

The growth in private special education placements, especially private day schools, has received extensive attention in recent years. CSA expenditures for private day special education placements account for the most significant proportion of overall CSA growth since 2015. In FY2024, private day special education placements accounted for 44% of net CSA expenditures, including state general and local matching funds. The number of students served in such placements as required by their IEP rose 24% (3,416 to 4,251 between FY2015 and FY2020) and after a temporary decline over the years of the COVID-19 pandemic has, in FY2024, risen to its highest level ever (4,365 students), an increase of 7.7% from FY2023 (See Figure 1). This accounted for 23% of the children served through the CSA. As the number of students served has increased, per-student daily tuition expenditures also evidence significant growth (6.3% from FY2023 to FY2024) (see Figure 4). The length of stay (number of days served in the current fiscal year) has remained generally stable, averaging 261 days. The cumulative length of stay across multiple years has risen over the past five years (see Figure 5) and now averages between three and four years 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 FY2024, 24 localities (vs. 25 in FY2023) accessed this transitional funding, supporting 57 students (a 12% increase from FY2023) with net expenditures of \$1.4 million (an increase of 68% from FY2023). The Office of Children’s Services is reviewing its data to

determine the outcomes of these transitional services, specifically how many students remained in public school and did not return to the private day setting.

The Virginia Department of Education submits to the General Assembly an “Annual Report on the Outcome Data Measuring Student Progress for Students with Disabilities Enrolled in Special Education Private Day Schools.” The most recent iteration of that report is RD94 (2024) and can be found at:

<https://rga.lis.virginia.gov/Published/2024/RD94/PDF>.

The 2023 session of the General Assembly rescinded its directive that the Office of Children's Services (OCS) implement a rate-setting model for private day special education programs. Consequently, rates are established through negotiation between the providers and localities as called for by §2.2-5214 of the *Code of Virginia*. The General Assembly also directed OCS to transfer funds previously designated to assist with implementing a 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, the Appropriate Act (Item 269.B.) 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, OCS and the Department of Education entered into a Memorandum of Agreement (MOA) to complete the requirements detailed in the Appropriation Act. The required data was posted on the OCS website in early 2024

(www.csa.virginia.gov/content/doc/Utilization_of_Private_Day_Special_Education_Placements_2022-2023_School_Year.pdf). The appropriation was included in the FY2025-2026 biennial budget and the MOA between OCS on VDOE was renewed in June 2024. The 2023-2024 school year data will be available after January 1, 2025.