



**State Representative
Kristina Roegner**

**HB87 Sponsor Testimony
March 29th 2017**

Chairman Blessing III, Vice Chair Reineke, Ranking Member Clyde and members of the Government Accountability and Oversight Committee: Good Morning. Thank you for the opportunity to provide sponsor testimony for HB87. This straightforward piece of legislation deals with public money returned to the state as a result of a Finding for Recovery issued pursuant to an audit of a charter school.

HB87 addresses two types of Finding for Recoveries resulting from an audit of a charter school:

1. Enrollment
2. Everything else

Enrollment: if the finding for recovery resulted from an audit of the *enrollment records* of the charter school, the funds will be returned in their entirety to the school district from which the funding was originally deducted. It should be noted that currently when ODE performs an FTE review of a community school, they are able to reconcile their findings and return the funds to the traditional school districts, however, the process of what to do with the findings from an audit is not spelled out in code. HB87 will provide that needed clarity.

Everything else: if the finding for recovery resulted from an audit of anything EXCEPT enrollment records, then the funds shall be redistributed proportionally to the school districts whence the students came. There is already a process in place for ODE to do this as they are already required to redistribute funds proportionally when there is a permanent closure of a school (ORC3314.074). Currently these returned funds are deposited in our General Revenue Fund; HB87 would rightfully return the funds to the respective school districts, as this money was intended for public education.

I would like to thank Mark Curtis, the President of the Twinsburg City School Board, who brought this issue to my attention at the end of the last General Assembly. I would also like to thank Sean Busken from Auditor Yost's office as well as Devin Babcock and Erin Rausch from the Ohio Department of Education for their input into the bill and for providing helpful background and perspective. Finally, I would like to thank my Legislative Aide, Jimmy Shamblin and John Rau from LSC for their patient tenacity as we worked through several rounds of drafting.

In the prior General Assembly, we lead on charter school reform; HB2 was nationally recognized for its significant reforms that drove accountability, and transparency for Ohio's community (charter) schools. HB87, which has a robust list of bi-partisan cosponsors, continues in the spirit of ensuring that every single tax payer dollar is effectively deployed and in the unfortunate event of a "Finding for Recovery" is appropriately returned to the traditional school district

I would be happy to entertain any questions that the committee might have at this time.