

House Bill 9 Testimony

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Elida Local Schools

February 20, 2020

Good afternoon Chairman Jones and the members of the House Bill 9 conference committee. My name is Joel Parker and I am the Treasurer of Elida Local Schools. I want to thank you for allowing folks to have a voice on the EdChoice Voucher topic. This is a complex matter which warrants quality debate and discussion.

Today in Allen county, we have many great educational choices. From public schools to private schools, and from home schools to on-line schools, the freedom of choice is alive and well. I am puzzled as to why we keep calling it a choice issue. The honest debate seems more predicated on the issue of public tax dollars funding religious schools. In the next few minutes I will detail why I am opposed to the expansion of the EdChoice Voucher program.

In last few months we have heard story after story of schools such as Upper Arlington and Mason, who have had schools deemed failing and are now voucher eligible. This narrative has dramatically gone past the tipping point. This narrative is outrageous. To be on the brink of placing a failure label on every student in the state of Ohio is unacceptable. The report card system needs an overhaul! And to think we are going to move large sums of money via vouchers based on a flawed report card system is immoral and unacceptable. To push this type of false narrative and label our public schools as failures, is unfair to the students, the teachers and the parents of our state.

We need a report card system that measures more than poverty. If you review Rich Exner's data (Cleveland Plain Dealer-see attached), it shows the following:

Grade by median household income:

A-\$95,423

B-\$65,307

C-\$54,058

D-\$44,428

F-\$32,658

We need a fair report card that measures academic growth, not just a system that measures, blames and labels teachers based on poverty. We cannot continue to blame teachers and districts for the socio-economic conditions of their students. Education is the only profession in the world where the professional is judged not on their level of expertise, but on the quality of their clients. The world leader Finland by contrast, has very little child poverty and limited high stakes testing (see attached).

Poverty brings many barriers to education. Many times we ignore this fact. It only takes a few of these issues to disrupt the classroom. In our district some common barriers are:

- Food insecurities
- High levels of absenteeism
- No parental involvement
- Clothing needs
- Parent incarceration
- Students being raised by people other than their parents

In many cases, these issues do not appear in the private schools. Within the public school systems, there is a great challenge/burden with accepting all students. Private schools have the choice on which students they accept. As a criteria to accept state tax dollars, all rules need to be followed; from testing, to admission, to licensure, so as not to give EdChoice recipients an unfair advantage.

These barrier issues create stress on the student and stress in the classroom; and can limit the teacher's ability to make academic gains. It takes time, energy and resources to properly address the needs of the whole child.

At Elida, we run a very lean operation. Per the 2019 Cupp Report, Elida spends \$9,772 per pupil, while the state average is \$12,472. Our foundation levels run at \$4,471 per pupil. Thus, a charter/voucher student would take local tax dollars with them. Our local taxes were not passed to flow to a charter/voucher school. We are currently not voucher eligible, but with the current trend, all schools would be there soon. If our local taxes flow to a charter/voucher school, how do we get a seat at the table? This is a form of taxation without representation. In our district, we still fight levy fatigue and are forced to be on the ballot too many times. We have been on the ballot 17 times in 20 years. With the income levels of our district, raising taxes is not always a viable option. The funding formula assumes that with our high property wealth, we also have high income wealth, which is not the case. As a result, the general fund has only had 1 levy increase during the 17 attempts. The campaigning is a distraction to the real work at hand. As a capped district, we get hurt by the flaws in the funding formula. We have lost \$5,000,000 to the cap over the past 5 years. Just think how we could have invested in our students-----maybe preschool, maybe gifted, maybe special ed, maybe addressing social emotional learning.....the list goes on and on.

We were promised, with state takeovers (academic distress commissions) and ECOT, that magical things would happen in the classroom. This did not happen. As a state, we must learn from this, we must do better! The history of the ECOT crime spree cannot be ignored. This was the crime of the century. We lost local dollars and the state lost millions. Without accountability, the ECOT's and the Gulen schools have made millions. This cannot continue. Accountability, audits, certifications and academic standards need to apply to all schools. The flow of money from ECOT to the political parties was corrupt and unthinkable (see attached). With voucher expansion, what safeguards are in place to ensure that history does not repeat itself.

Our founding fathers pushed for religious freedoms and established there would be no state religion. The separation of church and state has been a cornerstone in our country from the beginning. The religious schools do many great things. The Gulen schools are seeking a world-wide Muslim movement. That may be legal under the charter school guidelines, but it should not be funded with tax payer dollars. To allow the vouchers to expand to religious schools goes against the separation doctrine.

As we look back, we have lost the inventory tax, we have lost bus funding, we have had budget reduction orders, we have had flat state aid for a decade (2004-2014), we currently lose millions to the cap and we keep fighting to offer our students the best education possible with the resources available.

There are many items that need funded before voucher expansion, here are just a few:

- High quality preschool
- Special Education
- Gifted Education
- Fund all capped districts
- Transportation funding
- Social/emotional assistance
- Class size reduction

Who are we at Elida?

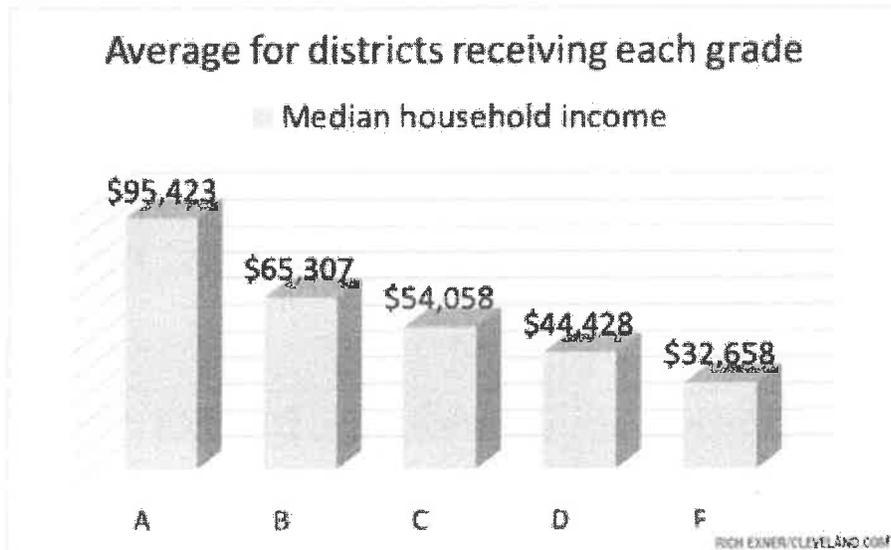
We are not a bad Government School. We are a strong public school that ties the community together. We have sent kids to Harvard, we have had national merit scholars, we pack the stands every Friday night, our musicals rival any school in the state, our band is amazing, our facilities are top notch and our teachers are called to do amazing acts every day!

See how closely Ohio school report card grades trend with district income

Updated Sep 24, 2019; Posted Sep 17, 2019

By Rich Exner, cleveland.com

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CLEVELAND, Ohio - The latest set of Ohio school report cards not only provided a scorecard for each district statewide - they once again drove home the point that wealthier districts do better on such reports.

For example, incomes in the "A" districts were three times higher than those in the "F" districts, and the child poverty rate was 13 times higher in the worst performing districts, cleveland.com found.

To get an idea of how closely report card grades from the Ohio Department of Education follow demographic factors, cleveland.com compared those grades to U.S. Census Bureau community data for household income, child poverty and the education level of the adults.

In nearly every key report card category, the trends followed census data closely.

For example, taking the median household income for each district, the average among those getting "A" overall grades was \$95,423. It was \$65,307 for B-graded districts, \$54,058 for C-graded districts, \$44,428 for D-graded districts and \$32,658 for F-graded districts.

In the A districts, 58.5% of the adults age 25 and older have at least a bachelor's degree. That share drops to 17.1% for D-graded districts and 16.3% for F-graded districts.

There are outliers, of course. They are [highlighted at this link](#), ranking each Ohio school district while factoring in income. But overall, the trends hold true.

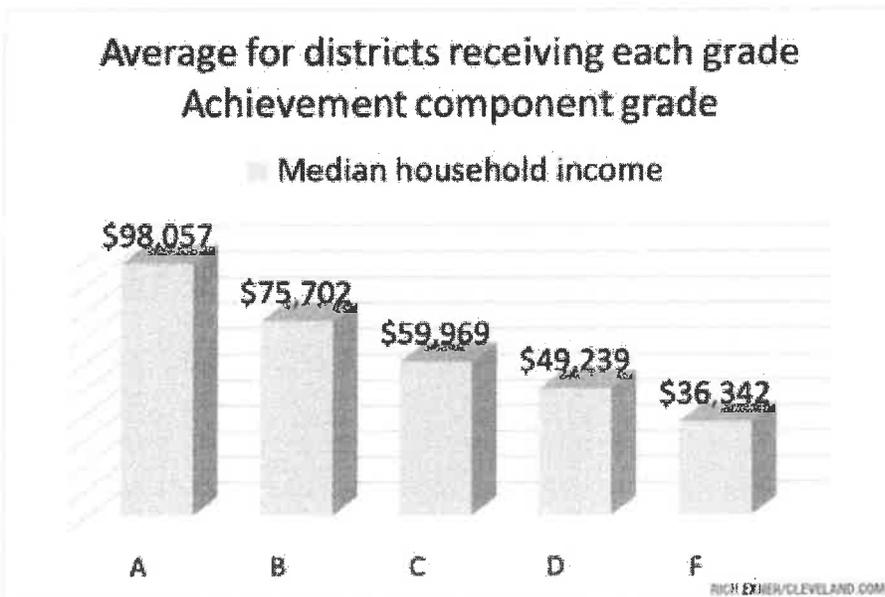
Scroll below to learn more.

The descriptions for each category shown below are from the Ohio Department of Education. The census data [cleveland.com](#) used to make the calculations is from the 2017 American Community Survey.

Grade	Overall grade			Adults living in the district		
	Districts receiving grade	Median household income	Child poverty rate	HS degree or above	Bachelor's degree or above	Graduate or professional degree
A	31	\$95,423	3.7%	96.8%	53.7%	24.2%
B	169	\$65,307	11.6%	91.9%	27.0%	10.1%
C	282	\$54,058	18.2%	89.0%	18.9%	6.7%
D	122	\$44,428	28.1%	86.9%	16.8%	6.1%
F	4	\$32,658	47.5%	83.7%	13.8%	4.9%
Total	608	\$57,221	17.8%	89.8%	22.5%	8.4%

Achievement component grade

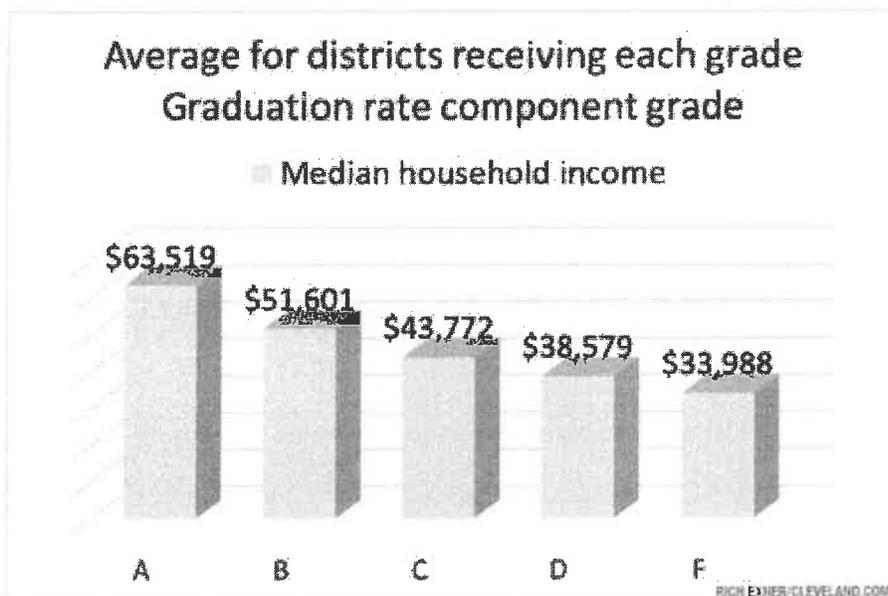
The Achievement component represents whether student performance on state tests met established thresholds and how well students performed on tests overall. A new indicator measures chronic absenteeism.



Grade	Achievement component grade			Adults living in the district		
	Districts receiving grade	Median household income	Child poverty rate	HS degree or above	Bachelor's degree or above	Graduate or professional degree
A	20	\$98,057	3.6%	97.0%	58.5%	28.1%
B	71	\$75,702	6.9%	93.7%	35.9%	13.8%
C	209	\$59,969	14.1%	91.0%	22.4%	8.1%
D	289	\$49,239	22.5%	87.8%	17.1%	6.1%
F	19	\$36,342	42.2%	84.9%	16.3%	5.5%
Total	608	\$57,221	17.8%	89.8%	22.5%	8.4%

Graduation rate component

The Graduation rate component looks at the percent of students who are successfully finishing high school with a diploma in four or five years.

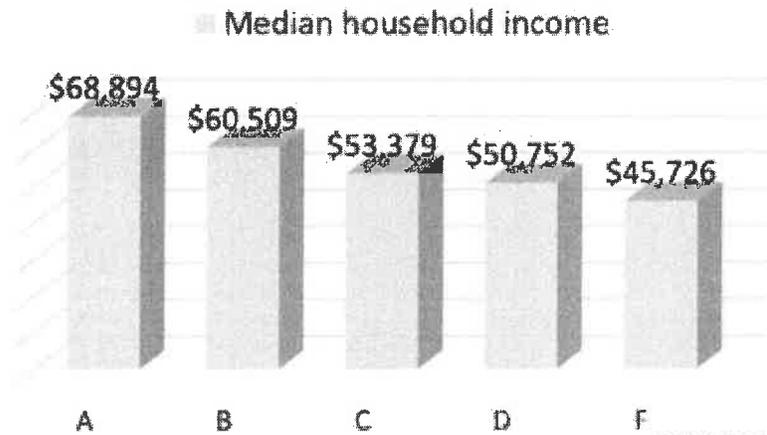


Grade	Graduation rate component grade			Adults living in the district		
	Districts receiving grade	Median household income	Child poverty rate	HS degree or above	Bachelor's degree or above	Graduate or professional degree
A	363	\$63,519	13.4%	91.3%	25.5%	9.7%
B	156	\$51,601	20.0%	88.8%	18.9%	6.8%
C	56	\$43,772	28.9%	86.2%	16.5%	5.9%
D	24	\$38,579	35.2%	84.2%	16.3%	5.5%
F	9	\$33,988	41.6%	84.5%	16.8%	6.2%
Total	608	\$57,221	17.8%	89.8%	22.5%	8.4%

Progress component

The Progress component looks closely at the growth that all students are making based on their past performances.

Average for districts receiving each grade Progress component grade



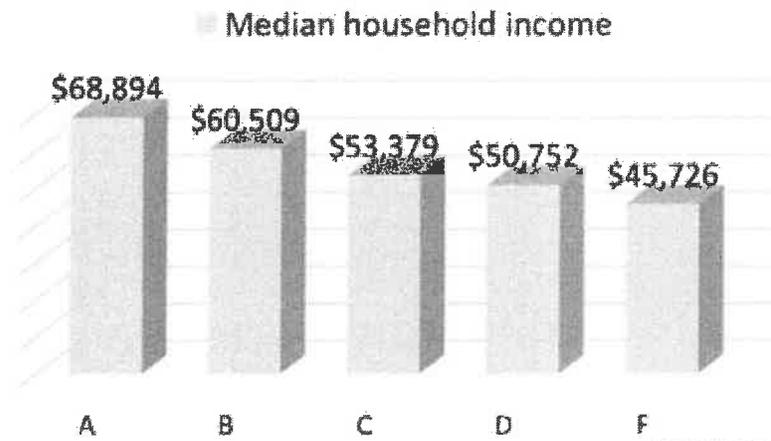
RICH EXNER/CLEVELAND. COM

Grade	Progress component grade			Adults living in the district		
	Districts receiving grade	Median household income	Child poverty rate	HS degree or above	Bachelor's degree or above	Graduate or professional degree
A	111	\$68,894	11.9%	92.2%	31.7%	12.6%
B	196	\$60,509	14.8%	90.9%	23.5%	8.7%
C	83	\$53,379	19.3%	88.4%	18.3%	6.5%
D	176	\$50,752	22.0%	88.2%	17.9%	6.6%
F	42	\$45,726	26.2%	87.6%	20.1%	7.4%
Total	608	\$57,221	17.8%	89.8%	22.5%	8.4%

Gap closing component

The Gap closing component shows how well schools are meeting the performance expectations for our most vulnerable students in English language arts, math, graduation and English language proficiency.

Average for districts receiving each grade
Gap closing component grade



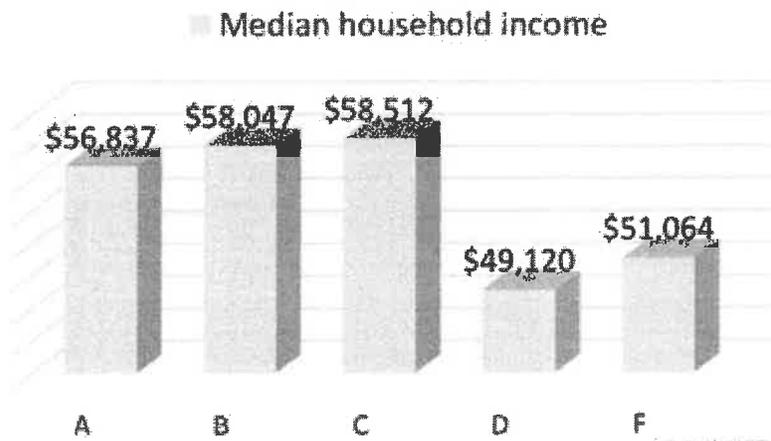
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Grade	Gap closing component grade			Adults living in the district		
	Districts receiving grade	Median household income	Child poverty rate	HS degree or above	Bachelor's degree or above	Graduate or professional degree
A	202	\$67,399	11.6%	91.9%	29.2%	11.5%
B	249	\$55,561	17.9%	89.6%	20.4%	7.2%
C	62	\$49,797	23.7%	88.2%	19.8%	7.5%
D	44	\$46,521	24.0%	88.0%	16.6%	5.9%
F	51	\$43,266	28.9%	85.8%	13.9%	5.0%
Total	608	\$57,221	17.8%	89.8%	22.5%	8.4%

Improving at-risk K-3 readers component

This component looks at how successful the school is at improving at-risk K-3 readers.

Average for districts receiving each grade
Improving at-risk K-3 readers

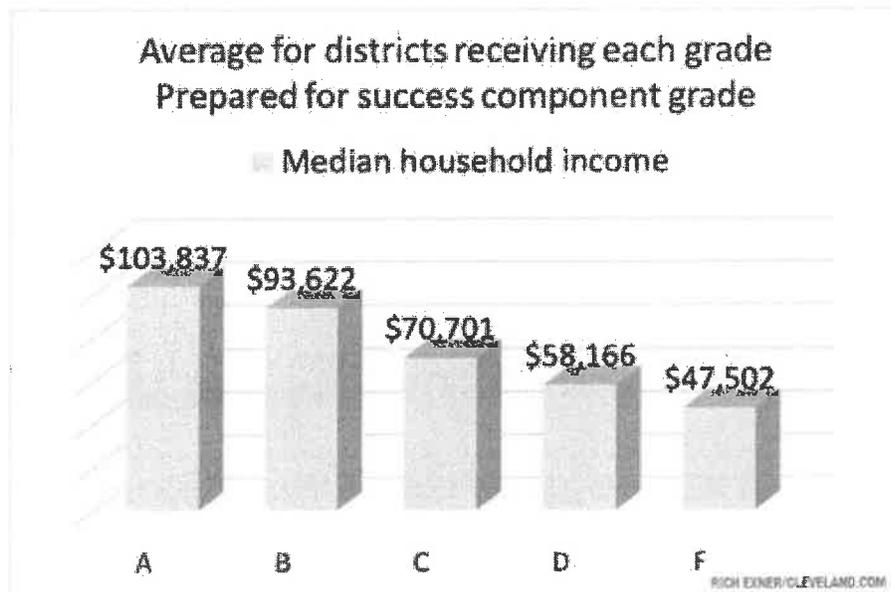


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Improving at-risk K-3 readers component grade				Adults living in the district		
Grade	Districts receiving grade	Median household income	Child poverty rate	HS degree or above	Bachelor's degree or above	Graduate or professional degree
A	11	\$56,837	14.5%	90.4%	22.5%	8.0%
B	71	\$58,047	17.3%	89.3%	20.2%	7.2%
C	293	\$58,512	16.2%	90.2%	22.7%	8.4%
D	163	\$49,120	24.3%	87.9%	18.7%	6.7%
F	8	\$51,064	21.0%	87.4%	16.6%	5.8%
NR	62	\$72,333	9.1%	93.3%	34.3%	14.7%
Total	608	\$57,221	17.8%	89.8%	22.5%	8.4%

Prepared for success component

Whether training in a technical field or preparing for work or college, the prepared for success component looks at how well prepared Ohio's students are for all future opportunities.



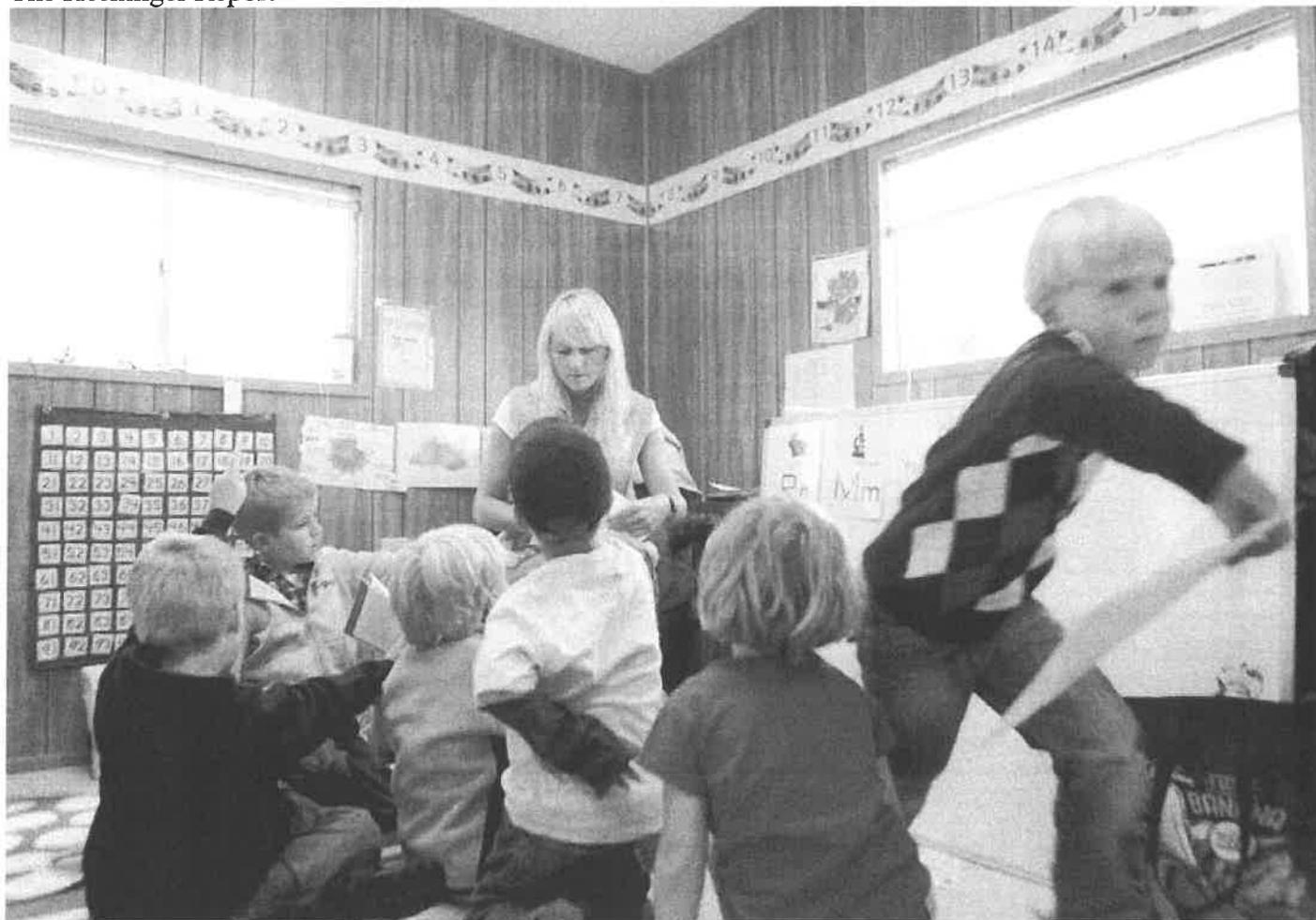
Prepared for success component grade				Adults living in the district		
Grade	Districts receiving grade	Median household income	Child poverty rate	HS degree or above	Bachelor's degree or above	Graduate or professional degree
A	11	\$103,837	2.5%	97.4%	64.3%	31.3%
B	25	\$93,622	4.9%	96.4%	52.6%	22.7%
C	62	\$70,701	8.6%	94.1%	33.4%	13.0%
D	253	\$58,166	15.1%	90.3%	21.8%	7.9%
F	257	\$47,502	24.6%	87.2%	15.7%	5.4%
Total	608	\$57,221	17.8%	89.8%	22.5%	8.4%

Rich Exner, data analysis editor for cleveland.com, writes about numbers on a variety of topics. Follow on Twitter @RichExner. Go to cleveland.com/datacentral for other data-related stories and analysis.

Related report card information

Standardized Testing A Foreign Concept In Finland With World's Top Students

The Hechinger Report



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This piece comes to us courtesy of [The Hechinger Report's Lessons From Abroad blog](#).

As the United States focuses more on using tests as a means of holding educators and school districts accountable, Finland—which is one of the top performers on international tests—has gone in the opposite direction.

In the U.S., states give annual high-stakes exams that determine whether schools must undergo reforms, in some cases whether students can pass to the next grade level or graduate from high school, and increasingly whether teachers can receive tenure and keep their jobs. Yet the U.S. tends to rank in the middle on international tests.

In Finland, by contrast, the few tests students take are low stakes, said Finnish educator, Jari Lavonen in a presentation on Thursday in New York. Assessments are used as a tool for professional development and to help teachers gauge student growth, never for accountability.

Yet, despite a lack of practice, when Finnish students do take standardized exams, they tend to excel. The country ranks consistently near the top in math, reading and science in the Programme for International Student Assessment (PISA), which is a standardized test taken by students in dozens of countries. The Finnish school system has become the envy of less successful nations around the world, including the United States.

Lavonen suggested if the U.S. wants to mimic Finnish success, it should consider adopting the nation's philosophy on testing. "We need more decision making and assessment at the local level. We need less standardization and national testing," said Lavonen, a professor of physics and chemistry at the University of Helsinki who was visiting Teachers College, Columbia University with several colleagues. "We need less test-based accountability."

(Disclaimer: *The Hechinger Report* is published by an independent institute based at Teachers College.)

The Finnish government does occasionally test a random sample of a specific grade and subject in order to insure that the country is meeting its education goals. Lavonen helped design a high school science exam taken by a sample of Finnish students in 2011. The last time high school science had been tested was 2001.

Overall, students answered an average of 58 percent of the questions correctly. While there were some troubling findings, such as a gender gap favoring boys in physics and girls in biology, Lavonen said everyone was generally pleased with the results.

There was an extremely high correlation between a student's score on the exam and the end-of-semester grade he or she received, which Lavonen said indicates that teachers are grading well. The test also included many questions to measure students' attitudes about science - how well they'd learned it and how interesting and relevant it was to them.

And while there are no annual standardized tests there are still ways that the school system checks for quality. Progress is monitored at both the local and municipal level in a variety of ways, including assessments throughout the school year. But the design and timing of any exams are left up to the teacher.

Lavonen, for instance, helped create an online tool for science teachers to develop tests and quizzes as they saw fit. Some might never use it, instead relying on informal checks as they interact with students.

It all comes back to what the Finnish visitors described as a “culture of trust,” where teachers are given flexibility and autonomy.

“Everything they decide themselves; how they teach and what they teach,” Lavonen said. (Finland does have a national curriculum, however, that teachers must work within.)

Lavonen and his colleagues who all work in teacher preparation at Finnish universities said tailoring assessments to individual students is fairer than administering standardized exams. Having children of all levels in the same classroom, like the majority of schools do in Finland, presents challenges for testing, Lavenon said. But he stressed it was necessary to treat students differently in order to encourage them based on their individual progress.



ECOT: How America's Largest Cyber School Collapsed Overnight

In the late '90s, before smartboards or Wikipedia, when electronic learning was nothing more than a futuristic dream, William Lager scribbled out his idea for the Electronic Classrooms of Tomorrow (ECOT) on a stack of napkins at an Ohio Waffle House. New charter regulations had recently passed in 1997, carving a path into the education sector for private management companies.

At the time, Lager wasn't doing so well. His office supply business, Officeworks Inc., had gone bankrupt in the '80s, and he was coming out of a five-year divorce and custody battle for his daughter. "He was flat, busted broke, worse than we were," a former Waffle House waitress, Chandra Filichia, told the Columbus Dispatch. He once reportedly tried to pay for his coffee with photocopied coupons.

Lager's napkin scribbles eventually came to fruition. In 2000, the Lucas County Educational Service Center granted him a charter for his electronic school, allowing him to move his operations out of the Waffle House. Almost immediately, Lager hired Filichia, his former waitress, to recruit students at ECOT. Filichia earned \$5 for every student she enrolled or \$10 before the final enrollment weekend.

Flash forward ten years, and the New York Times reported ECOT enrolling more students than any other school in the country—despite an uncomfortably high four-year dropout rate. Jeb Bush spoke at the school's 2010 graduation. "ECOT provides a glimpse into what's possible by harnessing the power of technology," he told the crowd.

If you aren't familiar with the story, there isn't a happy ending. Filichia, who had worked at the company since its start, finally left after 16 years, unable to stomach the goings-on at the school. She told the Columbus Dispatch, "[Lager's] phrase was, 'It's not about the f—ing kids, Chandra; it's about the money.'"

In January of 2018, the school was shuttered, leaving almost 12,000 students without a school in the middle of the year. One teacher, Andrea Bond, pleaded with the school's sponsor to stay open until the end of the year. "I want to stay here, with my family," she said, looking at other teachers and students at the school's final meeting.

At the time, ECOT's closure seemed abrupt. Local press, however, showed breadcrumbs of an enrollment conspiracy as early as 2000, the year ECOT was authorized. According to the Columbus Dispatch, the school's first superintendent,

Coletta Musick, resigned after only three months on the job. Her departure was allegedly due to the school's attendance claims. She signed a \$124,233 non-disclosure agreement upon leaving—paid for by tax dollars amounting to more than three teachers' salaries.

Around the same time, the state auditor, Jimi Petro, found that only seven of ECOT's 2,270 students had logged on to any of the school's computer systems. Somehow, ECOT remained largely untouched, graduating 21 students in its first year. "Their 21 diplomas will be collector's items someday," Lager wrote in his book, *The Kids That ECOT Taught*. "As the kids might say, 'This is tight!'"

As the school grew, so did two companies supplying its technology and running its day-to-day operations: IQ Innovations and Altair Learning. Lager operated and was heavily affiliated with both companies. Over the years, IQ and Altair billed ECOT for over \$170 million.

For Lager, the relationship paid off. He began amassing real estate in 2002, first purchasing a high-rise condominium in downtown Columbus for \$300,000. Next he spent \$276,900 on another home in Columbus, then in 2010 bought a log cabin by Seneca Lake for \$433,500. Between 2013 and 2014, he went on to spend almost \$5 million on mansions in Upper Arlington and Key West's tourism district. Lager was known to transfer property to family or other companies using Altair lawyers.

While Lager went on his spending spree, ECOT's graduation rates, attendance, and test scores were lacking. The school reported 100% attendance in 2006, but only after expelling 1,946 students for chronic truancy. Becky Higgins, president of the National Education Association, called ECOT "the poster child for the worst of Ohio's struggling charter schools." The Dayton Daily News reported in 2018 that "ECOT consistently ranks near the bottom of Ohio's schools on state test scores, earning five F's and a D on the 2016-17 state report card components." Despite the warning signs, the school continued to operate without interference.

"It took the state almost two decades to figure out that there's a scam going on," said Bill Phillis, a former Department of Education administrator. "It was as if a bear was at the door, but they didn't look out the window."

Besides investing in real estate, Lager was a top political donor in Ohio. According to the Dispatch, Lager "used some of those profits to give \$2.5 million to state candidates and political parties."

Upper-level employees at ECOT or Altair Learning repeatedly donated to political campaigns as well. In 2006, one couple without a prior history of donating gave \$24,500 to a gubernatorial candidate friendly to ECOT. Filichia reported to the Columbus Dispatch that Lager used to ask employees to set aside money for political contributions, which has instigated an FBI investigation.

Lager formed especially strong ties with Dave Yost, Ohio's state auditor from 2011 to 2019. Yost accepted at least \$29,000 in campaign donations from employees associated with ECOT. Pictures of members of the Ohio Department of Education (ODE), including Yost, hung shining in the halls at ECOT's office space. Yost

even spoke at the school's 2014 commencement, giving ECOT the Ohio Auditor of State Award, with distinction. Besides congratulating students for being self-starters, he gave a glowing speech about the school's finances, explaining the award. "We see no problems with their audit," he said. "It means their finances are in good shape." The records that earned Yost's praise showed ECOT paying students to attend graduation ceremonies and take standardized tests.

Sometime over the next year, their cozy connection broke. During the 2015-2016 school year, Yost's office, along with the ODE, challenged ECOT for reporting around 15,000 students, when the school seemed to only have around 6,000 students who were meeting the state's attendance requirements. Thus Ohio began the process of "clawing back" around \$60 million for the 2015-2016 school year, then an additional \$20 million the following year.

As a protest, ECOT's administration scheduled a rally on the steps of the state capitol in May of 2017, which Superintendent Rick Teeters required staff to attend. Lager took the stage in an ECOT baseball cap and blazer. "We had an idea to make the first electronic school in the country," he said, hands in his pockets. Behind him stood a crowd of students holding handmade cardboard signs. He repeated ECOT's boilerplate messaging: an inclusive, personalized online school option. There was no mention of money.

Despite ECOT's best efforts, the protest didn't work. It wasn't until January of 2018 that the charter's sponsor, the Educational Service Center of Lake Erie West, finally shuttered the school, blindsiding thousands of students and teachers. Many families found out about the closure on the news.

"I just feel so lost," a 9-year-old girl told a local news station. She had joined ECOT to escape bullying at her old school. "I'm losing my favorite teacher."

Days before the school's closure, an ECOT staff member stole Yost's picture off the wall at the school's office; some guessed it would become a dart board. At the end of the day, this may have helped

Yost's case. After the schools' closure, politicians have been cutting ties with Lager as quickly as possible. "Deciding the money isn't worth it, the Ohio Republican Party is returning \$76,000 in campaign donations from Electronic Class-

room of Tomorrow founder Bill Lager and one of his top associates," reported the Dispatch.

The ECOT administration has since used nearly \$250,000 of taxpayer money on attack ads against the ODE—billed to Third Wave Communications, which is owned by Lager's daughter.

Outside of the political tussle, students and staff have been left to pick up the pieces. ECOT employees were formally laid off at 10:30 p.m. on January 31, 90 minutes before they would have been credited for the year for their retirement plan.

ECOT's community gradually disbanded, but some teachers and students couldn't find other spaces or positions. By July of 2018, the Cleveland Associated Press reported that "state officials don't know what happened with about 2,300 students" who didn't reenroll in another district.

Today, more than a year after the school's closure, ECOT's story has become largely political. The charter is one of many cyber schools immersed in scandal nationwide—some related to their finances, some related to their effectiveness. The New York Times, NPR, The Washington Post, USA Today, and Edweek have reported issues concerning virtual schools across the nation.

Cyber charters are undoubtedly controversial; even the school choice movement is divided over their support of these schools. Some, like Secretary of Education Betsy DeVos, are strong supporters of cyber charters (DeVos was an early investor in K12 Inc.). Others fear that the schools' academic failure may disrupt the choice movement as a whole.

"Many families find that an online option is really the best or even the only option for them ... There is a fundamental need and desire there that the market of schools needs to meet to ensure that the children are really accommodated."

The rub, however, is that online schools are serving a unique audience base. Many families rely on online education to meet needs that aren't accommodated in brick-and-mortar schools. Anya Kamenetz, NPR's lead education blogger, told

SchoolCEO that she started her work focusing on cyber charters' lobbying organizations, but left with a different interest: the community enrolled in cyber schools.

"Many families find that an online option is really the best or even the only option for them," Kamenetz said. "There is a fundamental need and desire there that the market of schools needs to meet to ensure that the children are really accommodated."

Cyber schools reach a new demographic of students: those incarcerated, chronically ill, highly mobile, or escaping from social pressures at school. At best, cyber management organizations are working to create a space for these students, despite questionable academic ratings. At worst, they're siphoning money off of student enrollment, as we've seen in ECOT's story. Turn the page to find out more about the landscape of online learning in our report on the state of cyber schools.