

WITNESS INFORMATION FORM

Please complete the Witness Information Form before testifying:

Date: 2/20/2020

Name: Scott Gainer

Are you representing: Yourself Organization

Organization (If Applicable): Cleveland Hts - University Hts Schools

Position/Title: CFO/Treasurer

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Do you wish to be added to the committee notice email distribution list? Yes No

Business before the committee

Legislation (Bill/Resolution Number): HB 9

Specific Issue: Conference Committee

Are you testifying as a: Proponent Opponent Interested Party

Will you have a written statement, visual aids, or other material to distribute? Yes No

(If yes, please send an electronic version of the documents, if possible, to the Chair's office prior to committee. You may also submit hard copies to the Chair's staff prior to committee.)

How much time will your testimony require? 5 minutes

Please provide a brief statement on your position:

EdChoice vouchers are significantly impacting our school district. We are advocating for direct funding of vouchers by the state rather than deductions from public schools.

Please be advised that this form and any materials (written or otherwise) submitted or presented to this committee are records that may be requested by the public and may be published online.

Chairman Jones, Ranking Member Robinson, and members of the Conference Committee for House Bill 9 – I sincerely thank you for the opportunity to speak here today. My name is Scott Gainer, and I'm the CFO/Treasurer of the Cleveland Heights – University Heights City Schools. I've been with our district for 25 years. I know you've heard from our Board members, students, and the Superintendent of our district, so I'll try not to repeat too much what they've already shared with you. The advocacy Cleveland Heights is showing on EdChoice is an indication of the significant impact this program has on our district.

We're an inner-ring suburb of Cleveland with a fairly stable enrollment of approximately 5,100 students. We're primarily residential – 84% of our property taxes come from homeowners. We don't have a significant commercial or industrial tax base as many of our surrounding districts in Cuyahoga County do. We're considered a wealthy district based on the funding formula (our state share is only 36%), but our student body is high-poverty and we have significant mobility as most first-ring districts do. We have a high special needs population at nearly 20% and offer a significant number of AP classes, as well as a robust arts program and many other academic and extracurricular opportunities for our students.

The EdChoice deduction from our district state funding for the current 2019-2020 school year is \$7.1 million. This is the 6th highest deduction in the state (behind the large urbans – Columbus, Cincinnati, Toledo, Dayton and Akron). When one considers that we receive \$21 million in foundation funding, we're losing 33% of our funding, which is the highest in the state.

As I mentioned, our enrollment is relatively stable, but our EdChoice deduction is increasing at an alarming rate. In 2017, we had 476 vouchers with a \$2.3 million deduction. In 2018, we had 680 vouchers with a \$3.2 million deduction. In 2019, we had 884 vouchers with a \$4.2 million deduction. And in 2020, 1416 vouchers with a \$7.1 million deduction. All the while, our enrollment remains at just under

5,100 students. 94% of the EdChoice voucher users have never attended our schools. We're not losing students to EdChoice; we're losing dollars.

Exacerbating the funding drain is the fact that even though our state share is only 36%, this sharp annual increase in ADM due to EdChoice I just described actually drove us off of the formula in 2017 and put us under the cap for 2018 and 2019 – and, of course, frozen at that level of funding for the current biennium – so we're not even receiving our full state share.

We stretched our last operating levy in 2016 a year longer than it was intended to last, primarily through staff reductions – and expected to go on the ballot this year at relatively low millage, all the while fighting an uphill battle against this growing EdChoice drain on our funding. Then the high school was designated EdChoice this year due to graduation rate and 350 new vouchers were deducted – and only 12 of those students previously attended Heights. Costs for school districts are step-fixed – a district needs to lose a substantive number of students to cut costs. Students lost across multiple grade levels and multiple buildings generally don't allow for a district to cut a teacher, stop running a bus, stop heating a building... but for our district they aren't even students lost. They are students who never attended, nor did they intend to.

The fact that we were previously receiving less than \$2,000 in state funding per student yet had \$4,650 or \$6,000 deducted – and this year receive no additional state funding for 600 new voucher students yet still have \$4,650 or \$6,000 deducted for every one of these new EdChoice vouchers – doesn't make sense to residents. It defies logic, so they choose to believe it isn't true even when they're shown data from ODE. On top of that, with our levy this year in March, residents are being told by our critics and the media that they should vote no because the legislature is going to fix this and that the district could receive all of that money back that is being deducted.

HB 9 does remove many of our buildings from EdChoice status – but 3 would remain. It also doesn't help with this ongoing deduction that's currently happening. We can't afford to continue to have these significant deductions and while just waiting for these students to matriculate.

Our community is inclusive and diverse – that's why we have so many nonpublic school options. We celebrate that. We don't want to vilify families for the choices they make, but having dollars intended for public school students being taken is untenable, and makes even many of our supporters unwilling to pass levies when they know it is to fill the hole for tax dollars that are going to religious and private schools who aren't held to the same standards as we are and can choose who they want to educate. This dynamic is divisive and unsustainable for all parties involved. It is the mission and privilege of the Cleveland Heights – University Heights City School District to educate any and all students who come to us, regardless of circumstance, disability, or socioeconomic status. That is costly. We respectfully ask that the state fund all EdChoice vouchers directly and end deductions of money from the public schools.

Thank you.