Fair School Funding Plan

Regional Presentation

A comprehensive, fair school funding plan for Ohio

Sponsors: State Representatives Bob Cupp & John Patterson

Making School Funding Fair…. and Getting it Right

A New, Fair Funding Formula...

- Rational, Understandable & Transparent
- Based on Actual Costs of Ohio Education
- Eliminate Artificial “Caps” on Formula-Driven Increases
- Reduce the Number of Districts on Artificial “Guarantees”
- Respect Local Control

...to Address Critical Needs

- Provide Basic Instructional Resources
- Add Funds for Poverty and Mental Health
- Help Special Needs, Gifted, English Learners
- Improve Security and School Bus Safety
- Invest in Career Tech Education, STEM, Educational Service Centers

Current

4/5 of Districts on Cap or Guarantee

The Formula Doesn’t Work

Base Cost Breakdown

60%
20%
15%
5%

District Leadership & Financial Accountability
School Operations
Classroom Instruction
Instructional & Student Supports
**FY 19 State Aid - Wide Variance in Foundation Aid**
*For Students Being Educated in the District*

Third through eleventh districts with the least capacity measured by Targeted Assistance Wealth

<table>
<thead>
<tr>
<th>County</th>
<th>District</th>
<th>Current TA Wealth per Pupil</th>
<th>Estimated Foundation Aid per Pupil</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lorain</td>
<td>Lorain City SD</td>
<td>$67,008</td>
<td>$10,124</td>
</tr>
<tr>
<td>Franklin</td>
<td>Whitehall City SC</td>
<td>$67,711</td>
<td>$7,105</td>
</tr>
<tr>
<td>Mahoning</td>
<td>Campbell City SD</td>
<td>$67,771</td>
<td>$12,469</td>
</tr>
<tr>
<td>Lake</td>
<td>Painesville City Local SD</td>
<td>$67,887</td>
<td>$9,289</td>
</tr>
<tr>
<td>Allen</td>
<td>Lima City SD</td>
<td>$68,042</td>
<td>$10,385</td>
</tr>
<tr>
<td>Athens</td>
<td>Trimble Local SD</td>
<td>$68,496</td>
<td>$12,952</td>
</tr>
<tr>
<td>Cuyahoga</td>
<td>East Cleveland City SD</td>
<td>$69,396</td>
<td>$14,597</td>
</tr>
<tr>
<td>Trumbull</td>
<td>Warren City SD</td>
<td>$70,159</td>
<td>$10,284</td>
</tr>
<tr>
<td>Cuyahoga</td>
<td>Maple Heights City SD</td>
<td>$71,939</td>
<td>$5,697</td>
</tr>
</tbody>
</table>

**Current Distribution Doesn’t Work**

**Fair Base Funding Distribution**

- Unlike the current formula, which is too dependent on property values, the new plan uses both property values and resident income to identify each community’s capacity to pay their fair share.
- A district’s state and local share will be determined by its capacity to generate local dollars.
- Only a change in a district’s resident income, property value or enrollment would cause a change in that district’s local capacity.

**OLD DISTRIBUTION**
- 60 to 100% Based on Property Values
- 0 to 40% Based on Resident Income

**NEW FAIR SCHOOL FUNDING DISTRIBUTION**
- 60% Based on Property Values
- 40% Based on Resident Income

**Simulation Results**
*By Capacity Quintile For the Fair Funding Plan*

<table>
<thead>
<tr>
<th>Capacity Quintile</th>
<th>FY 2021 Average Per Pupil Aid</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lowest Capacity</td>
<td>$8,799</td>
</tr>
<tr>
<td>Quintile 2</td>
<td>$8,806</td>
</tr>
<tr>
<td>Quintile 3</td>
<td>$5,852</td>
</tr>
<tr>
<td>Quintile 4</td>
<td>$4,672</td>
</tr>
<tr>
<td>Highest Capacity</td>
<td>$2,593</td>
</tr>
</tbody>
</table>

**With New Fair Funding Plan**

- 84% of Districts funded at their calculated formula amounts

**New Plan**
- 84% of Districts on Formula by 2021
Ohio Needs Comprehensive, Fair School Funding Now

- Unfortunately, Ohio's school funding system is not tied to any type of determination of what it takes for students to succeed in the 21st century – diminishing our future workforce and economy.
- The Fair School Funding Plan will allocate base costs tied to the actual needs of students, resident's income, and its property values.
- It will help students with special needs and mental health concerns, make all students more safe and secure, update technology, provide essential services for high poverty districts, provide expanded quality preschool, and reflect the real cost of operating public schools.
- Fair School Funding will prepare our state and local workforce for the challenges ahead.

Fair School Funding

We ask our legislators and all Ohioans to consider our plan in its entirety, as an essential roadmap to guide school funding decisions.

Together, we strive to ensure that Ohio's children will have the quality educational opportunities.

And together, we can adopt a comprehensive, fair school funding plan that meets the needs of Ohio's children, future workforce, and economy.

Thank You for Your Interest and Action for Ohio's Future

Ohio Fair School Funding Plan Resources

Website: https://sites.google.com/view/ohiofairschoolfunding

Twitter: @OHschoolfunding

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