

**Testimony on Ohio Fair School Funding Proposal,
FY 2020-21 Biennial Budget**

**Ohio House of Representatives
Finance Subcommittee on Primary and Secondary Education
Representatives Robert R. Cupp and John Patterson, Co-chairs
April 4, 2019**

**Jenni L. Logan, Treasurer
Lakota Local School District**

Co-chairmen Cupp & Patterson and members of the House Finance Subcommittee on Primary and Secondary Education, thank you for the opportunity to speak to you today regarding the Ohio Fair School Funding proposal, specifically regarding special education, gifted and English language learners. My name is Jenni Logan and I am the Treasurer of the Lakota Local School District in Butler County. I am here with my co-chair, Michael Barnes, the Superintendent of the Lakewood City School District in Cuyahoga County.

For the past year and a half, I have had the honor to serve as a member of a workgroup charged with finding solutions to our broken school funding formula. We believe this new funding model offers a more modern, comprehensive, and fair plan for all Ohio's school children. We have taken the time to dig deep into our current formula, other state's funding, and expert's ideas. I would like to specifically thank the Ohio Coalition for the Education of Children with Disabilities and the Ohio Association for Gifted Children for their engagement and insight throughout this process. Additionally, Howard Fleeter of the Ohio Education Policy Institute (OEPI) and Aaron Rausch with ODE were constant resources our sub-committee relied on tremendously. We are very excited to review with you the items we included in the plan for our special education, gifted and English language learners.

Last week you heard from our workgroup first on the base cost concepts and then we moved on to the add-ons, the items outside the base cost. This afternoon we would like to conclude the add-ons and cover the specific items included in the plan related to our subgroup beginning with our special education students, which account for approximately 14-15% of the students we serve. We have four we would like to review with you today.

Our current funding model is a per pupil dollar amount for six categories of disabilities. These categories range from speech only (category 1) @ \$1,578, to deaf-blind, autism, and traumatic brain injury (category 6) @ \$25,637. Prior to 2014 these six categories were funded based on a multiplier of the base cost instead of a stand-alone dollar amount which exists today. Since that time, we have seen changes in funding for our special education students which has not been consistent with our base aide amount. For example, during the 2016-17 biennium special education increases were at 2% while the base cost increased by 1.7%. And, conversely, the most recent biennium showed an increase in the base cost while the special education funding remained flat. To remove possible parity issues and to be fair, we recommend returning to a multiplier of the base for the six categories of special education students.

Next, our plan includes the funding and authorization of a special education cost study by the Ohio Department of Education to take into consideration changes in technology, remedial best practices and other advances to determine the accuracy of the funding levels for the six categories. The last complete

study was done in 2001 with updates in 2006 and 2014 which were sponsored by the Ohio Coalition for the Education of Children with Disabilities.

You heard from our poverty and preschool subgroup last week regarding our recommendations for every economically disadvantaged four (4) year old to have access to a high-quality preschool. Currently, our special education preschool students are funded at half-time even though some students are receiving instruction less than or in excess of this. We recommend funding special education preschool students based on their percent of time being instructed just as we do with all other K-12 students.

The final recommendation for special education is full funding. Currently, this funding level is at 90% and has been since FY 2004. We recommend the additional ten percent (10%) be set-a-side for catastrophic costs. Currently, if the cost for a student in category 2-5 (speech only is not eligible) exceeds a threshold amount of \$27,375 or if a category six student (i.e. autism) exceeds \$32,850 a district can file to receive additional monies for these more significant student needs. The current amount available state-wide is approximately \$45 million. Claims for last years catastrophic expenses exceeded \$116 million. That's a coverage of less than 40%. The additional 10% being set-a-side would more than double the amount available currently.

The next add-on we would like to cover is gifted funding. The most recent biennial operating budget 2018-19 included a charge to the Ohio Department of Education to complete a cost study for gifted education. That study was completed in May 2018. The three areas relative to gifted that are included in the Fair funding plan are related to findings within this report.

The first concerns financial transparency. Currently, the way we report our investment in gifted education is limited. This is based on very few options for coding expenditures directly to gifted. One example is our Advanced Placement (AP) courses within our high schools. In Lakota, we offer over 20 AP in each high school which have a mixture of students, including but not exclusive to gifted. The instructional expenses for these courses are not segmented showing the portion which should be identified as gifted expenditures on Lakota's books. But, it is an example of how we serve our secondary gifted students. The gifted cost study specifically mentioned more than forty (40) districts who reported \$0 gifted expenditures in 2017. This disconnect between financial reporting and actual district investment needs to be addressed. Therefore, we recommend the legislature direct the Ohio Department of Education, in cooperation with the Auditor of State, to establish a work group to recommend improvements in financial reporting. This work group should be comprised of five (5) Treasurers/CFOs, two (2) EMIS professionals and one (1) representative of the Ohio Association for Gifted Children. The Treasurer/CFO representatives should be a mix of rural, urban and suburban districts as well as regions, with one (1) specific to ESC (Educational Service Center) districts.

At this time, I would like to turn it over to my co-chair Michael Barnes who will continue with gifted and finish up with English language learners.