

Re: Request a new comprehensive revenue and expenditure study on the cost of Ohio's Special education programs

Increase and hopefully surpass the 2006 benchmarked funding amount.

Chair Cupp, Chair Patterson, and distinguish members of the Finance Subcommittee on Primary and Secondary Education. My name is Jan Osborn. For the past twenty-six years I have served as the Superintendent of the Putnam County Educational Service Center.

I am here today to provide testimony on proposed special education funding on behalf of the Ohio Coalition for the Education of Children with Disabilities and myself. I want to thank Mrs. Burley and the OCECD Executive Committee for asking to provide testimony.

I want to sincerely thank all of you for overall stellar work listening to interested parties and your development of the Fair School Funding Plan. While we greatly appreciate your tremendous work and effort to development a fair school funding plan. On behalf of the Ohio Coalition, we ask that you go one step further in improving special education funding.

In 1972, I started my teaching career in my home school district of Leipsic where I taught children with intellectual disabilities. I have worked forty-seven years with children with disabilities and their families.

Over the past twenty-five plus years I have made countless trips along with my friend and mentor, Margaret Burley, Executive Director Emeritus, of the Ohio Coalition for the Education of Children with Disabilities to this very building to advocate for adequate funding for special education.

When I speak with people regarding special education funding. I tell them three things.

Special Education funding is complicated.

Special education is underfunded

The ongoing cost burden is pushed onto the individual districts

I remember a conversation Margaret and I had over twenty years ago with a young state senator by the name of Bob Cupp. After a few minutes of conversation, Mr. Cupp asked Margaret and myself what was the annual the cost for providing special education in the public schools of Ohio? We did not have an answer for Senator Cupp. I don't think that anyone truthfully could have given him an answer.

Margaret took Mr. Cupp's question very seriously. She asked for help from the General Assembly, the Ohio Department of Education and others to pay for a study. No one volunteered to help. Margaret then asked her fellow Coalition members to pay for the first study. Dr. Greg Browning of Capital Partners conducted the study and released the findings in June 2001. Stated on page 6 of the study, the author wrote,

"In order to fund these recommendations, the state will have to invest an additional 190 million per year in special education above fiscal year 2001 state appropriations."

The above recommendation was not adopted or implemented. Again, in 2004 the OCECD commissioned Capital Partners to update the 2001 study. On page 2 of the Executive summary of updated report, the author stated,

OCECD completed the first step in the July 2004 Update, resulting in the six recommendations requiring between \$45 and \$327 million in additional state funding in fiscal year 2005.” This recommendation was not accepted nor implemented.

For many years, those of us in the special education community were told by state legislators and leaders at the Ohio Department of Education that the State of Ohio could not afford in any one budget that amount of money it would take to adequately fund special education and services. Those of us in the special education community were also asked to be patient and support state government in their goal to phase in the necessary increase over the next eight to ten year years. We were asked to be patient and trust them.

Those eight years of being patient and waiting have come and gone. Now, almost another eight years of broken promises have past. In reality, Ohio’s public special education funding has never reached the funding promises from 2007.

Today, Humbly, I am here requesting that as soon as possible that the General Assembly commission a new comprehensive study to identify both the actual cost of providing adequate special education programs and services to the current 267,000 students receiving special education.

A great deal has changed since the original study in 2001. The original study was based on 236,200 special education students. In the 2017-16 school year, Ohio schools served 267,000 special education students. Thus in less than twenty years, the number of children receiving special education increased by almost 31,000 students. A higher number of today’s children receiving special education have greater educational and medical needs than the children identified twenty years ago.

There is so much to discuss about special education funding and so little time to share the information in this testimony. So I would like to share some topics with you for future thought and discussion.

Schools experience increased cost due to:

- Increased number of children being identified with Autism thus requiring additional services such as speech, physical, and occupational therapy
- Increased number of preschool children with disabilities being identified who also need numerous related services such as speech, physical, and occupational therapy.
- Professional organizations recommending lower caseloads for their members. Thus the fewer number of students a therapist serves. The higher the cost per student to provide the therapist
- Staff shortages such as school psychologist can create a “bidding war” in order to hire a school psychologist.
- Assistive and Augmentative Communication devices (AAC) are often times very expensive
- Student technology in general is becoming more common place as school districts implement one-to-one devices to students
- Inclusive practices for student done correctly are more costly than operating self-contained classrooms.
- EMIS/Recording Keeping is becoming very complicated and costly.

- Related services that were never part of a special education school funding study include social workers, adaptive physical education, and behavioral therapists.
- In past years classes serving children with multiple disabilities use to have one teacher and one aide. Now many classes for multiple disabled students have two or more aides.
- Salaries and fringe benefits are the major expense.

Since I prepared my testimony I received a copy of the information from Ohio Special Education below. I added this information below for your future reference. The information from HB 59 in 2014. For the sake of time, I just want to refer to the last paragraph of page 5.

Information from Ohio Special Education Profile 2014 and Ohio Coalition for the Education of Children with Disabilities

Disability Category	FY2014 Weight	2014 Base Cost per Pupil	2014 Inflated Special Ed. Marginal Cost Per Pupil	2014 Inflated Special Ed. Cost at 90%	HB59 2014 Special Ed. Cost Per Pupil
II. LD, DH, Other Health Minor	0.9058	\$5,745	\$5,204	\$4,683	\$3,813
III. Hearing, SBH	2.0400	\$5,745	\$11,720	\$10,548	\$9,160
IV. Vision, Other Health Major	2.6901	\$5,745	\$15,455	\$13,909	\$12,225
V. Orthopedic, Multiple Disability	3.6094	\$5,745	\$20,736	\$18,662	\$16,557
VI. Deaf-Blind, TBI, Autism	5.2747	\$5,745	\$30,303	\$27,273	\$24,407

Table 3 provides another illustration of how funding for special education has not kept pace with inflation. Even allowing for the fact the FY 2014 special education cost amounts enacted in HB 59 are only at 90% of the 2006 weighting amounts, they still lag behind FY 2014 inflation-adjusted amounts.

Table 4 provides a comparison of FY 2014 actual funding for special education (according the 2014 April # 2 payment amount on the ODE website) and estimated funding using the FY 2014 inflation-adjusted weights shown above. Because FY 2014 actual funding is based on the current weights funded at 90%, the middle column of Table 4 shows the FY 2014 inflation-adjusted weights at 90% funding while the rightmost column shows the FY 2014 inflation-adjusted weights at 100% funding. Note that the figures shown in Table 4 are based on a simple statewide calculation and not on a district-by-district analysis.

Table 4: Disability Category	FY 2014 ADM	FY 2014 April # 2 ODE Payment Amount	FY 2014 Inflated at 90% Funding	FY 2014 Inflated at 100% Funding
Category I	27,487	\$41,309,587	\$45,304,421	\$50,338,245
Category II	143,574	\$547,442,179	\$672,407,924	\$747,119,916
Category III	16,957	\$155,319,631	\$178,858,874	\$198,732,082
Category IV	1,381	\$16,879,373	\$19,205,289	\$21,339,209
Category V	12,618	\$208,909,414	\$235,472,672	\$261,636,303
Category VI	17,792	\$434,249,883	\$485,242,483	\$539,158,315
Total	219,808	\$1,404,110,07	\$1,636,491,63	\$1,818,324,00
State Share %		50.7%	50.7%	50.7%
State Funding		\$712,506,762	\$830,427,331	\$922,697,035
Difference			\$117,920,569	\$92,269,703

Table 4 shows that if the inflation-adjusted weights are used at 90% strength, then total state weighted funding for special education in FY 2014 would increase by \$117.9 million to \$830.4 million. If the inflation-adjusted weights are implemented at 100% strength, state funding is projected to increase by an additional \$92.3 million to a total of \$922.7 million. This amounts to a FY 2014 shortage of \$210.2 million assuming 100% funding of the weights. If funded, this increase would equate to a percentage increase of 29.5%. If the increase was limited to the current 90% funding level, it would equate to a 16.5% increase for FY 2014.

For comparison purposes, the ODE FY 2013 Bridge Report indicates that state special education weighted funding in FY 2013 was \$537.7 million. Thus, actual special education weighted funding in FY 2014 has increased by \$174.8 million (32.5%) compared to FY 2013. A significant part of this increase is due to the adoption of the State Share Index as opposed to the former millage charge off approach. In FY 2009, the statewide average state share of special education funding was 46.4%. In FY 2014, the statewide average share of special education funding has increased to 50.7%. If the state share in FY 2014 remained the same as in FY 2009, then the state share of special education funding in FY 2014 would have been \$651.2 million. Thus, \$61.3 million (35.1%) of the \$174.8 million increase in special education funding from FY 2013 to FY 2014 is due to the increase in the state share. This means that the remaining \$113.5 million increase in state special education funding from FY 2013 to FY 2014 is due to other factors, most likely the exemption of special education (along with career tech) from the gain cap.

Special Education Funding Policy Implications

As was the case with OCECD's previous special education funding report updates, it is the conclusion of this report that the state of Ohio is not fully funding its own six-weight, cost-based special education weighted funding formula. This is happening at two levels: first, it is not funding its special education weights at 100%; and secondly, it is not keeping pace with inflation, as defined by the CPI-U, at either the 90% or 100% funding level. This approach needs to be changed to full funding in order to meet relevant state and federal special education service standards, all of which are rooted in the construction of appropriate Individualized Education Plans for students with disabilities.

Importantly, OCECD is also in favor of educational system productivity and accountability reforms that will help the nearly 220,000 students with disabilities meet their full potential.

As Rep. Cupp once said, "We have infinite needs and limited resources. Where do you think we should place those resources?" I believe we should add some of those resources to help educate some of our most vulnerable, fragile, and special children.

As my friend Margaret Burley always says. "All Means ALL" with High Expectations.