



Catholic Conference of Ohio

Interested Party Testimony/March 9, 2015
HB 64: Biennium Budget – FY2016-2017
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Introduction

Good afternoon Chairman Cupp, Ranking Member Phillips and members of the Subcommittee on Primary and Secondary Education.

My name is Larry Keough. I am the associate for education at the Catholic Conference of Ohio and the legislative advocate for 385 Catholic schools enrolling nearly 123,000 students.

Each of you should have a copy of my written testimony. I will refrain from reading the testimony and summarize our legislative priorities as they relate to the Budget Bill.

We would first like to thank the Governor and his Administration, Chairman Ryan and his staff and each of you for your thoughtful consideration of this encouraging budget bill heretofore. There is much to like in this budget for Catholic schools and students.

This budget continues Ohio's commitment to help parents choose the education their children need.

Catholic Schools

As each of you may know, Catholic schools are reputed in Ohio and nationally for having a proven track record in providing a faith-based, quality education for more than 100 years.

Parents choose Catholic schools for their children based on many reasons. One of those reasons is our schools are academically accountable to parents. If parents were dissatisfied with our schools, they would not pay tuition from their hard-earned dollars for a Catholic school education.

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Catholic schools are also accountable to the state. Our schools are chartered by the State Board of Education and accredited by the Ohio Catholic School Accrediting Association in accordance with Operating Standards for Ohio schools.

State Aid for Catholic and other Chartered Nonpublic Schools

In Ohio, what crosses the boundary of Church and State is the pupil in accordance with the Child Benefit Theory.

As each of you know, state aid is appropriated through two line items – GRF 200 511 – Auxiliary Services – and GRF 200 532 – Administrative Cost Reimbursement. Auxiliary Services are funds from the state to school districts in which chartered nonpublic schools are located. Auxiliary Services provide students with student resources such as remedial math and reading tutors, special learning therapists and services for other students with special needs. These funds also are used to purchase instructional resources such as secular books, materials and computers.

Through the Administrative Cost Reimbursement Program, chartered nonpublic schools may receive direct reimbursement for some of the costs associated with complying with state, federal and local mandates.

We are appreciative that the proposed increases in Auxiliary Services and Administrative Cost Reimbursement – 5.7 percent in 2016 and 4.8 percent in 2017 – comports with the proposed increase in Foundation Funding under GRF 200 550. This is consistent with the longstanding tradition known as the parity principle in Ohio to treat the percentage increase or decrease for Auxiliary Services and Administrative Cost Reimbursement in the same manner as that for traditional public K-12 school students receiving state aid.

Raising the Cap in ACR (this is not a funding increase)

We are requesting that the cap in the Administrative Cost Reimbursement Program be raised from \$360 per pupil to \$395 in 16' and \$420 in 17'. This would not be a funding increase. It would simply allow chartered nonpublic schools to access the full appropriation by multiplying the cap by the number of students. Our enrollment has remained steady for the past two years.

But our costs have increased. The ACR appropriation covers half our reported reimbursable costs.

Ed Choice Scholarship Program

Approximately 70 percent of the students who participate in the traditional Ed Choice Scholarship Program are Catholic school students. Our schools participate in Ed Choice based on mission and to reach out to students in need.

But many of our schools are struggling to remain in this program because scholarship amounts have not kept pace with the cost to provide a quality education. Over the past seven years, the gap between the amount of the scholarship and tuition has widened. At the high school level, the average tuition for a participating Catholic student is \$9,020 while the scholarship amount is \$5,000. We refer to the difference between tuition and the scholarship amount as unfunded tuition.

For the elementary level, the Ed Choice Scholarship of \$4,250 is the amount it was in 2007, when the program began. The average Catholic elementary school tuition is now \$5,000.

Unfunded tuition is not sustainable.

For example, 100 Ed Choice Scholarship students are enrolled in a Catholic high school in which tuition is \$9,000. The total in unfunded tuition would be \$4,000 (\$9,000-\$5,000) per pupil multiplied by 100 students, or \$400,000 in one year.

We are grateful for favorable passage of a provision in last year's MBR session that is an incremental step to addressing this problem. The provision allows participating schools to charge scholarship families whose household income is over 200 percent of poverty the difference or partial difference between the amount of the scholarship and tuition.

We also appreciate the proposed incremental increase in HB 64 of \$5,700 at the high school level.

For our school participation to be sustained, we propose an increase of \$8,500 for Ed Choice high school students and \$5,000 for K-8 Ed Choice students.

Ed Choice Income-based Program Expansion

The program was established two years as a separate line item from the Ohio Lottery Profits Funds as opposed to a deduction from the student's resident school district. Under HB 64, program funding would come directly from the state general revenue fund.

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In year one – 2013 – the program provided funding for Kindergarten students and then for kindergarten and then added funding for first grade students the following year. HB 64 would continue the phase-in of this program by adding two additional grades over the next two years – third grade in the 2015-2016 school year and fourth grade in the 2016-2017 school year.

We recommend that the phase-in be accelerated such that second and third grade students would be added for the 2015-2016 school year and fourth and fifth grade students for the 2016-2017 school year. Given that most parents who wish to send their children to a Catholic school enroll them in kindergarten or first grade, and that the appropriation has not been fully utilized, we believe little or no additional money would be needed to accommodate incoming third grade students, as well as students in kindergarten, first grade and second grade in 2015-2016 and incoming fourth grade students, as well as students in kindergarten, first, second and third grade in 2016-2017.

Cleveland Scholarship Program

In the ORC – 3313.975 – there is a “50 percent rule” that states:

“In no case shall more than fifty percent of all scholarship awarded by used by students who were enrolled in a nonpublic school during the school year of application for a scholarship.”

The ramification of this is available funding to award scholarships could not be used for students already enrolled in private schools unless the cap is adjusted or lifted.

The Ohio Department of Education has informed us that the percentage of students who were awarded scholarships while already in a nonpublic school is at the 50 percent threshold.

We recommend that the “50 percent rule” be deleted.

Early Childhood

Literacy-based programs place children on a progressive track to read by third grade.

Research shows when at-risk children do not get off to a good start educationally, the learning gap widens by third grade. When that occurs, most of them fall so far behind academically, they have little or no chance to catch up, which leads to such social ills of illiteracy, dropping out of school and juvenile crime.

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Over the past few years, Catholic early childhood programs in impoverished areas participated in the Early Learning Challenge Grant Program. We look forward to participating in fixed funding of grants in FY 2016 and 2017.

We also look forward to participating in the Step Up To Quality Program in which all participating programs have to be minimally at a three-star tiered quality rating.

Step Up To Quality is a great example of a collaborative faith-based-public partnership for as many at-risk children as possible. We also want children – especially low income children educated in state approved early childhood programs – to have equal access to new opportunities for funding and mental health counseling.

College Credit Plus

College Credit Plus, much like its predecessor – Post Secondary Education Options – provides opportunities for student to participate in dual enrollment courses to earn college credit. There is much to like about this program. However we do have concerns that hopefully can be addressed during this session.

State Testing

It may not be a good use of our time to delve too much into state assessments at this time as testing is in the throes of uncertainty.

But we do appreciate efforts for HB 7 to be ratified by the House tomorrow and become law as soon as possible.

We look forward to working with each of you and Rep. Brenner as HB 74 moves through the House. The Conference, as well as several other representatives of chartered nonpublic schools, served on the Graduation Requirements Committee that rendered a recommendation a few weeks ago. It is our understanding that the recommendation is under consideration.

I have included a power point attached to this testimony that underscores the importance for all students, particularly special needs students, to have as much instructional time as possible. The Power Point includes a recommendation to exempt special needs students from select assessments when the accommodations or alternative tests do not offset the child's disability for the assessment to accurately measure the student's academic level.

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Transportation

We are aware that not all districts are following the law for school bus transportation. We have been told that families are receiving a payment in lieu of transportation and not following the proper steps to determine whether transportation for Catholic school children is practical.

*Payment should be the exception and transportation should be the rule –
ODE/transportation and services for chartered nonpublic and community schools*

We are recommending checks and balances such that there is recourse if a district does not follow the proper steps and thereby denies transportation for our students.

Conclusion

Thank you for providing me an opportunity to summarize our priority issues in education. At this time, I would welcome any questions.