

House Finance Primary and Secondary Education Subcommittee

House Bill 64 Testimony

March 19, 2015

J. Chris Pfister, Superintendent, Waynesfield-Goshen Local School District

Good morning Chairman Cupp, Vice Chairman Derickson, Ranking Member Phillips, and members of the House Finance Primary and Secondary Education Subcommittee.

I appreciate the opportunity to speak to you today regarding House Bill (HB) 64. My name is Chris Pfister, and I am the superintendent of the Waynesfield-Goshen (W-G) School District in Auglaize County.

W-G is a center of the community, small rural district, consisting of 63 square miles in eastern Auglaize County (12 miles southeast of Lima, Ohio) serving 575 students Pre-K-12. W-G is in the bottom 20% of districts statewide in real property wealth. 36% of our students are free and reduced lunch; property values in our two small villages (850 and 300 residents) are very low. There is no industry. Agricultural CAUV factors have been the only positive.

This is my fourth school year at W-G. The district was under financial pressure (four consecutive years of deficit spending FY08-FY11) when I was hired. To establish and maintain fiscal stability a **buy-out and two reduction-in-force plans were implemented and the district continues to operate very lean, with fewer opportunities for students and extreme pressure on support personnel to try to do an almost impossible task of meeting all of the new state mandates in a quality manner. As you know there is very little local control; all districts must meet the same state mandates regardless of local capacity, and regardless of state support.**

State Funding

The Governor's new funding formula rationale is again very perplexing.

W-G state funding is down \$207,632.82, actual FY10 through FY14

Governor's Proposed Budget, 7-1-2015 through 6-30-2017: Minus \$109,993

Number one: I was surprised to learn we would lose state funding; we are very lean, with fewer opportunities for students. We push hard to break even on an annual basis.

Number two: the governor said local taxpayers need to do their share; at W-G they are:

46.2 voted mills and 41.66 effective (authorized) mills, plus a 1% income tax.

1.2787 Local Tax Effort Index

State share has dropped 7% to 58%.

It is clear the state has increased the tax burden on local real property owners and residents and the governor's plan will widen the gap even further. We have a state system of winners and losers; educational opportunities are contingent on where a student lives.

When you look carefully at the districts receiving additional state funding, the common driving factor is district size, not wealth or need. Larger districts receive additional state funding. Small rural districts do not.

One month prior to the release of the governor's proposed budget, a county seat superintendent shared with me that he was happy to report that they were now in very good shape and they were adding staff. It made sense, the county seat district received a substantial amount of new state money in the current biennium, has a lot of agricultural land (big increase), solid residential values, and business and industry in the district. I was very happy for them...great news...but W-G was still nowhere close to adding back positives for students previously cut...limited resources and still lean. One month later the new budget is announced and it shows an almost \$2,000,000 increase for the county seat district and a \$109,993 cut for W-G; a smaller, leaner, and lower wealth district. Additionally, I noted that the two highest wealth districts in the region, suburban districts, would get another \$1,000,000 each.

From Aaron Raush's 2-26-2015 testimony, representing ODE, "...75.2 percent of students in FY16 and 77.6 percent of students in FY17 live in school districts poised to receive increased foundation formula funding under the executive proposal." The lower wealth, rural districts must be in the 25% of districts being cut...it is very perplexing if the goal is equity and wanting to ensure a fair system for all.

Dr. Howard Fleeter's summary from his March 5, 2015 testimony may include the best analysis of why (my bold and underline):

"Rural, poor rural and small town districts receive the smallest increases (with rural districts actually going down). The discrepancy between the rural and suburban districts from FY15 to FY17 is particularly interesting. In FY15, the rural districts \$18 below the suburban districts in total resources. However, **in FY17, the rural districts are \$445 per pupil below the suburban in total resources.** This pattern reveals that **despite having the largest increase in property valuation, the rural districts actually lost ground compared to the other typology groups.** So **even if many rural districts are at the 20 mill floor** (meaning that they would in fact get additional local revenue as a result of their increase in property values - even increases from CAUV). Table 7 shows that **after the effects of the proposed state aid formula occur they are worse off on average than they are now.** A final consideration from examining Table 7 is that perhaps the state aid formula needs to be further modified. **Rural districts clearly have less total resources at their disposal than do the other school districts in Ohio.** An Ohio Education Policy Institute analysis from last year also showed that **rural districts offer fewer courses overall and fewer advanced courses than do other school districts.** Additional funding would help to close this opportunity gap. One option would be to provide an additional funding component geared to districts that can raise less revenue from a mill of taxation than can other

districts. In some districts in Ohio a mill of property taxation raises less than \$40,000. That is not even enough to hire a single teacher when the cost of benefits is included. Such a component could be considered another category of Targeted Assistance.

Another option would be to use an alternate method of computing the state share. **There is some evidence that the valuation per pupil method used currently in the SSI and also included in the Governor's proposed formula works to the disadvantage of smaller districts.**

This is because the SSI and proposed State Share Percentage both rank districts on a value per pupil basis and smaller districts sometimes rank higher than expected in this methodology.

Using a local contribution formula that is based on total property valuation adjusted by income avoids the problem of ranking districts against one another and just bases the state/local share calculation on a district's own ability to pay. An additional advantage of this approach is that over time a district's funding is altered only by how its own local revenue capacity changes and not how it changes in comparison to other districts. This is likely to be both more stable and easier for districts to predict for forecasting and planning purposes."

Funding Summary:

On behalf of all of the residents of the Waynesfield-Goshen Local School District we would greatly appreciate your consideration to adjust the current formula or develop a funding model that is equitable. A formula that allows for opportunities for our children and the capacity to carry forth all of the new mandates in state law, rule, and regulation.

Thank you.

Other Policy Issues: I would also like to take this opportunity to briefly address four policy issues tied to the proposed budget or are tied directly to financial issues for our district.

Guidance Counselor Standards and Duties

On two occasions I heard the governor state that schools need to quit assigning counselors lunch duty, hall duty, etc. and “chasing basketballs in the gym”. Further the governor said that the counselor should be counseling students, building a passion for a career pathway or for college. I agree 100%. That is what a counselor needs to be doing. However, the reason given, at least in our district, and probably most small, low wealth districts, is incorrect.

Our one Pre-K-12 counselor for 575 students expends 90% of her time on state mandated testing, state data, and other state bureaucracy. The work with setting up the many PARRC, AIR, End-of-Program, third grade reading OAAs, and other tests was massive. If our counselor didn't spend countless hours on her own at home in the evening digging through the PARRC and AIR web sites, to figure out how to accurately administer the new tests, she would have spent almost 100% of her time on state mandated tests from the end of November to early March. The information changed repeatedly. ODE was not helpful, could not answer questions. No blame; it is new, and it is an outside company and ODE debating on how it should work. Now we need to get ready for the next two months of testing. No one has any idea of how massive the backend work is for her and others in the district.

To use an analogy-

State legislators create law...but actually voting on legislation only takes about 2% of their time in a year. So 2% is no big deal...what do they do with the other 98% of their time? Clearly we know the actual vote is just the culminating pin point of a massive ice berg of prior work. Same with testing; seat time 2%; prep for, scheduling, and administering testing massive.

To make it work for students I need to hire a second guidance counselor. But should I add staff when the governor recommends cutting limited funding while adding unlimited cost under the new College Credit Plus and other mandates? Go back into deficit spending?

Counselor Summary:

Correcting the funding formula would go a long way to help small, rural districts to put in place what the governor wants and what is needed for students. The world is perfect; level of input will determine output, and at what level of quality.

College Credit Plus

W-G has offered effective dual enrollment classes in the past. For example, for a number of years we have had students report that all of their college English was complete at the start of college. We want rigor, we teach students to write in seven different styles, and have had state winners in essay writing for eight consecutive years. We have been very supportive of college credit opportunities for students and will continue to do so. The dual credit system worked fairly well.

The state has now extended options to all grade 7-12 students. More students will take advantage of the opportunity, a good thing. **The issue with College Credit Plus is exposing the district to unlimited cost to be taken from limited (proposed to be reduced) existing state funding.** At the default rate of \$160 per semester hour and if 50 students attend nine semester hours of college classes each semester off campus,, plus books, it would cost the district a deduct of \$50,000. College classes at W-G it will cost another \$30,000 (much expense in textbooks and materials on top of the state deduct). Our expense, our total deduction, is unknown. **The best guess for 2015-16 is approximately an \$80,000 deduct versus the \$20,000 deduct this past year. The amount could go much higher contingent on enrollment.**

College Credit Plus Summary:

Small rural districts like W-G cannot afford a cut in state funding and then be exposed to unlimited cost at the will of another state mandate. **The initiative is noble, great for students and parents, and we want our residents to have those opportunities. We would greatly appreciate it if the legislature could earmark an amount exclusively for College Credit Plus payments to colleges and universities, versus taking from limited existing local school funding. Or possibly establish a set-aside for cost sharing with low wealth districts.**

State Testing

I addressed the time commitment previously in the guidance counselor section. We all know that the time away from teaching and student learning is significant and will increase.

What I would like to share here is a perspective on the value, or lack of, of state testing and what really works in raising student achievement. How we moved up 230 positions on the performance index (490 to 260) and achieved the fifth greatest academic gain in the performance index in Ohio (of the 614 traditional districts) between 2010 and 2014.

As Albert Einstein said “everything should be as simple as possible, yet no simpler”. In layman’s terms, it’s this simple, teach the kids, assess to determine who learned and who didn’t learn. Then intervene until all have learned. Teach the kids to standards. Use Rubrics. Stay focused on the important; student learning; help all children to move from wherever they are to wherever they need to be. Focus on powerful, engaging instruction and assess in real time. Also use the formative assessment data to plan additional, challenging enrichment projects that help the top 1% keep progressing to higher levels. Help every child, every day, learn, and grow, and feel like a real human being. Our teachers use NWEA MAP (Measuring Academic Progress), Pro Core, the ODE Success Site, and excellent teacher made instruments to assess in real time. **The important point is that formative assessment informs instruction in real time and allows the teacher to work with each child now, in real time, at the teachable moment.** Forget what the state is doing, the complexity, forget value added, it is old data. Teach the children to the standards today; get significant learning gain now...not incremental ...significant.

With the State Tests the students take the test, they are sent somewhere, we get the results back from the state after the students are gone and there is nothing the teacher can do to work with a child that was unsuccessful. Not real time, not much value to anyone. This year we are told the results will come back in the fall; the word is maybe November 2015.

The only thing for sure is that the state tests have incremental value for improving student learning and the formative assessments given in real time with students almost on a daily basis have tremendous, meaningful value.

So what is the state response? Let’s keep almost all state tests, but limit to 2% seat time; and let’s only allow 1% seat time for formative assessments; the proven, meaningful tool that teachers use to inform instruction and use to effectively to increase student learning on a daily basis in the classroom.

State Testing Summary:

Again if we continue down the current testing path, please allow local control of all formative assessments. What teachers do in the classroom on a daily basis should not even be a part of the issue or discussion.

The issue is the amount of state mandated tests that contribute very little to increasing student learning...the tests that are primarily used for other purposes.

Reducing Regulations for School Districts

I give our sincere appreciation to Senator Faber and Senator Hite for introducing Senate Bill 3.

I would suggest one modification to the bill...that all districts be relieved of state regulation that takes time away from teaching, student support, and student learning.

I know setting criteria for a high performing district would be a nice reward, but not sure it makes sense to ask most of the districts in Ohio to continue to expend considerable time on activity that contributes little to student learning.

I wonder what we could do if we didn't expend so much of our limited resources (personnel) on implementing state mandates and regulations and focused all effort on teaching the kids.

Thank you for your consideration.

Thank you very much for your time and for the opportunity to offer brief remarks and to provide written testimony on funding and policy issues important to our district.