



The OEA will lead the way for continuous improvement of public education while advocating for members and the learners they serve.

OHIO EDUCATION ASSOCIATION

November 1, 2017

House Government Accountability and Oversight Committee House Bill 87 - Proponent Testimony

Chair Blessing, Ranking Member Clyde and members of the committee, I am Matthew Dotson with the Ohio Education Association's (OEA) Government Relations Division. On behalf of OEA's 124,000 members, thank you for this opportunity to provide proponent testimony in support of HB 87.

HB 87 is a good government bill that strengthens accountability for public education funds.

First, if the auditor of state issues a finding for recovery that results from an audit of charter school enrollment records (e.g. over-reporting enrollment), HB 87 requires the Ohio Department of Education (ODE) to credit any recovered funds to the districts from which the funds were initially deducted. Current law does not provide specific guidance regarding the distribution of funds recovered by the state in this scenario.

For example, Auditor of State Dave Yost released a special audit in June 2015 announcing that officials at the now-closed General Chappie James Leadership Academy (Montgomery County) padded attendance rolls by nearly 50 percent. Findings for recovery exceeded \$1.1 million.

Second, if the auditor of state issues a finding for recovery that is based on an audit of charter school records other than enrollment records (e.g. misused funding, unsupported expenditures, etc.), HB 87 requires ODE to redistribute any recovered funds in an amount proportional to each school district's share of the charter school's total enrollment at the time the finding for recovery was issued. Current law requires funds recovered by the state in this scenario to be deposited in the Ohio General Revenue Fund.

For example, Auditor Yost released a series of audits in February 2014 identifying a total of \$627,486 in Findings for Recovery against Greater Heights Academy (Cuyahoga County). According to the audit, a former board member of the now closed school demanded and accepted more than half of a million dollars of improper payments.

In the news release regarding the audit of Greater Heights Academy, Auditor Yost stated: "This is a different type of greed. No matter how many audits we release with findings like this, I'll never understand what motivates people to steal from children."

HB 87 alone will not solve this problem. However, the bill has the potential to reduce some of the adverse impact this conduct imposes on Ohio's students.

OEA encourages the committee to pass this sensible accountability legislation. Thank you.