



Testimony to the Senate Finance Primary and Secondary Education Subcommittee on Sub HB166
May 14, 2019

Chairman Terhar, Ranking Member Fedor, members of the subcommittee:

Thank you for the opportunity to testify today on Substitute House Bill 166. My name is Ann Sheldon, and I am the Executive Director of the Ohio Association for Gifted Children (OAGC).

Gifted education funding in Ohio has gone through multiple revisions over the last decade. With each change, gifted identification, services, staffing, and funding accountability has degraded a little more. The current gifted funding component, which has been in place since 2014 provides, at least on paper, about \$73 million in district funding through a formula that is calculated inside the foundation funding formula. (In the old gifted unit funding system, gifted funds were allocated outside the formula.) No state share is applied to the current gifted funding formula. In addition, **\$3.8** million is allocated to ESCs (Educational Service Centers) for gifted coordinator and intervention specialist units.

In Substitute HB166, the gifted education funding formula from the last biennium is retained along with the **\$3.8** million in ESC funding. *(The current formula allows **\$5.05** per ADM for the identification of gifted students. In addition, one gifted coordinator unit of funding is allocated for every **3,300** students in a district's gifted unit ADM, with a minimum of **0.5** units and a maximum of **8** units allocated for the district, plus one gifted intervention specialist unit is allocated for every **1,100** students in a district's gifted unit ADM, with a minimum of **0.3** units allocated for the district. Each unit is valued at **\$37,750**. The value of each unit is very low, which would suggest that the formula does not provide an adequate level of funding particularly for smaller, rural districts.)* Unfortunately, many school districts report that they are not spending the current allocated amounts of state gifted funding on gifted students. Under-spending on gifted education is a particular problem in smaller, rural districts. In part, this is due to the cut in gifted ESC unit funding in 2014 from **\$8.1** million to **\$3.8** million. Smaller districts depend heavily on ESCs to provide gifted services.

Gifted Cost Study/Fair School Funding Recommendations

In HB49, the 2018/2019 budget bill, ODE was required to conduct a gifted cost study. This study was completed in May of 2018. Unfortunately, it was released around the time of the last meeting of the Fair School Funding subcommittee that was working on special education, gifted and English learner funding. There was almost no subcommittee discussion about the gifted cost study. OAGC did outline a list of our concerns regarding the cost study, which were not incorporated into the Fair School Funding plan.

When fully funded, the proposed gifted formula under the Fair School Funding Plan *should* provide more gifted funding to districts as the plan uses up-to-date salary figures for gifted coordinators and intervention specialists. (Unfortunately, there are no simulations currently available of the various components of the plan, so it is difficult to know how the formula affects gifted funding at the local level.) This is a significant improvement over the current formula, which is based on a decades-old teacher salary schedule. However, unlike the current formula, the Fair School Funding formula would apply state share to the gifted component, which results in a formula where much of the burden for providing funding to

serve gifted students is shifted to local districts. Or it would, if gifted services were mandated, which they are not. This makes the issue of funding accountability for the state share of gifted funding especially important.

Major Concerns Regarding the Fair School Funding Plan

Lack of Accountability for State Gifted Funds

As critical as funding is, accountability for the use of gifted funds is equally as important. Despite the fact that ORC 3317.40 states that districts are intended to use student sub-group funding for that specific sub-group, **273** districts are spending below their allocated gifted funding formula amount. **Eighty-two** districts report serving no gifted students or too few to report. Licensed gifted staff employed by districts and ESCs has declined **36%** since 2009. Only **54%** of Ohio's gifted students are reported as being served.

The Fair School Funding plan recommended a study committee composed largely of treasurers and EMIS coordinators to develop gifted funding transparency recommendations. OAGC supports this study committee but only if there is more gifted representation. However, we also strongly believe there is no reason to wait to require districts to spend state gifted funds on gifted students. There are five accounting codes that adequately cover the gifted funding formula elements. ODE has required districts to submit gifted funding expenditure data for several years now. While OAGC would prefer that districts be required to serve gifted students, we believe, at a minimum, it is reasonable to request that state gifted funds be spent on gifted students without further study. **OAGC requests the following provisions be enacted to improve this situation regardless of the gifted funding formula:**

1. ***Increase the level of accountability for gifted funding by requiring all districts to spend state gifted funding on the elements included in the gifted cost study formula.***
2. ***Require ODE to collect and post data on gifted services offered by each district by grade band as well as the number of licensed gifted personnel employed or contracted by the district.*** This data is already collected by ODE and would allow parents to determine the types and levels of services provided to gifted students.

High Gifted Student to Gifted Intervention Specialist Student Ratio

The other major concern OAGC has regarding the Fair School Funding gifted formula is the ratio between gifted students to gifted intervention specialists in grades K-6 which is 140:1. This ratio stretches gifted intervention specialists to a level that will degrade services to gifted students. While there are many ways to serve gifted students, some of which are lower cost, this ratio goes well above the recommended level in the gifted operating standards at 80:1 for students in self-contained or cluster-group settings. ***The 140:1 Gifted Student/Gifted Intervention Specialist ratio needs to be reviewed and reduced to a more reasonable level. OAGC recommends the ratio of 100:1. The approximate cost of this change would be \$16.6 million. (This amount is based on the gifted cost study simulations.)***

ESC Gifted Funding

The best way to provide support to gifted students in rural districts is to leverage the services at Ohio's ESCs. Students in rural areas are the possibly the least well-served student population in Ohio. ***OAGC requests that gifted ESC funding be increased back to the 2013 level of \$8.1 million. ESCs supporting smaller, lower-wealth districts should be given priority in funding.***

Ohio, in general, has an excellence gap between gifted students who are economically disadvantaged versus those who are not. While urban districts appear to be increasing efforts to address this issue, Ohio's gifted rural students on almost every measure are falling behind. ***OAGC supports the Ohio House plan for JEOC (Joint Education Oversight Committee) to study gifted rural incentives.***

OAGC requests that the funding accountability, ESC, and rural taskforce recommendations be incorporated into Sub HB166 regardless of the school funding system ultimately adopted.

Other Concerns with the Gifted Cost Study/Fair School Funding Plan

OAGC has a few other concerns regarding the ratios and minimums used in the gifted cost study/Fair School Funding Plan. These include:

1. Using a 3300:1 ADM/Coordinator Ratio & Imposing a Funding Cap on the Number of Coordinators

The use of the 3300: 1 ratio of ADM to coordinators comes from the current funding formula. The formula was based on the 2008 operating standards which called for a 3000:1 ratio. The formula uses 3300:1 merely to reduce the funding level for coordinators. Capping the number of coordinators at eight merely serves to hurt our largest districts. There is no basis for the cap. The ADM to coordinator ratio should be restored to 3000:1 and no cap on the number of coordinators should be applied. The additional cost for these changes is approximately \$2.2 million.

2. Using a Lower Minimum in the Gifted Intervention Specialist Formula

Reducing the minimum level of gifted intervention specialist support from the current formula level is not justified. It simply reduces funding to smaller districts and is really not supported by best practice. The minimum level of gifted intervention specialist should remain at .3 not reduced to .2. The cost of maintaining the .3 minimum gifted intervention specialist level is about \$300,000.

3. Assuming that Gifted Professional Development for General Education Teachers is Temporary

The gifted cost study calculates a level of funding for professional development for classroom teachers, but they assume that the funding can be eliminated or reduced in four years. This is not realistic nor is it best practice. Classroom teachers serving gifted students will need to have sustained levels of professional development beyond the minimal levels for four years. Additionally, there will always be teacher turnover in districts – especially in terms of which teachers will have gifted students placed in their classrooms. Gifted professional development needs to be an on-going cost.

It is important to note that the gifted component as outlined in the gifted cost study (hopefully with OAGC's suggested changes) can be incorporated into the current formula or the Fair School Funding plan.

Other Non-Funding Related Issues

Report Card Changes

The House made some changes to report card calculations that are very concerning. In particular, OAGC is troubled by the change to the composite grade to reflect the better of the performance index or the value-added grade – leaving the other report card components out of the calculation. This move would

devalue all the other report card components, which are still critically important to students, parents, and the public at large. If the goal is to de-emphasize the composite grade, then perhaps it is better to just eliminate it altogether. But this House change, which has not been vetted, seems to infuse the performance index and the value-added measure with oversized importance relative to the other report card measures.

Non-Public School College Credit Plus Opt-Out

Another change the House included in the substitute bill is to allow accredited non-public schools to opt out of the College Credit Plus program. OAGC believes that all students regardless of their school setting should be allowed to access College Credit Plus. Allowing some non-public schools to opt-out will negatively impact students in these schools whose public-school options do not meet the majority of their needs. Regardless of setting, parents should be able to ultimately decide what is best for their children.

Graduation Requirements

Finally, OAGC supports the plan for graduation requirements that has been developed by the Alliance of High Quality Education, Fordham Foundation, and Ohio Excels. It appears to be a reasonable compromise.

We hope that sub-committee members will consider some of our concerns as they move forward. Thank you for the opportunity to testify. I would be happy to answer any questions you have.

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