



# Madison-Champaign Educational Service Center

*We Work to Serve*

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Dr. Daniel Kaffenbarger, Superintendent  
Matthew Ketcham, Treasurer

## Ohio Senate Finance Committee *Wednesday, May 29, 2019*

### Testimony on Am. Sub. H.B. 166, the FY 2020-2021 Biennial State Operating Budget *Matthew Ketcham, Treasurer, Madison-Champaign Educational Service Center*

Chair Dolan, Vice Chair Burke, Ranking Member Sykes, and members of the Senate Finance Committee, my name is Matthew Ketcham and I am the Treasurer of the Madison-Champaign Educational Service Center. I want to thank you for the opportunity to testify before you today on Am. Sub. H.B. 166, the FY 2020-2021 biennial state operating budget.

#### **The Madison-Champaign Educational Service Center**

The Madison-Champaign ESC is a smaller ESC serving 9 districts in Madison and Champaign Counties. The total number of students in our two-county area is just over 13,000 students. This year alone, our small, rural ESC has DIRECTLY served over 712 students in 1 alternative school classroom serving at-risk students, 2 classrooms serving students with autism, 10 preschool classrooms, 12 classrooms serving students with multiple disabilities, and 19 classrooms serving students with emotional disabilities. We also provide a number of related services and support services reaching hundreds of more students in our districts. 712 students is more students than 12% of the school districts in our state and we are one of the smaller ESCs.

#### **State Funding**

To operate, our ESC only receives about \$340,000 in funding. That amount is down nearly \$80,000 in the last 5 years and down nearly \$115,000 from when I started at the ESC in FY2006. All of this while costs continue to rise and expectations continue to steepen.

A study was recently completed of ESCs of varying sizes. The ESCs were tasked with calculating true operational costs for the last 3 fiscal years. Since we are funded based on the ADM of the districts we serve, the operational costs were then divided that ADM. The Madison-Champaign ESC calculated our operating cost to be \$81.95 per student. The median cost of the ESCs sampled was \$43.23 per student. Our current support from the State? \$26.00 per student. We have to make up the difference by charging administrative fees on the services we provide.



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### **Am. Sub. H.B. 166**

The Ohio House found ways to support ESCs by including language that would:

- Require ODE to use funds for Report Cards, Education Preparation, Academic Standards, Literacy Improvement and School Improvement to partner with ESCs to provide professional development, technical assistance and support.
- Require ODE to submit an annual report to the General Assembly describing the manner in which they partnered with ESCs.
- Provide a role for ESCs in assisting students with FAFSA Completion Program.
- Recognize ESCs as school districts for the purpose of applying for grants.
- Allow ESCs to participate in the Ohio Medicaid School Plan.
- Exempt ESC services from competitive bidding under certain conditions.

While I would respectfully urge the Senate to retain these provisions, I would also encourage you to increase the amount of funding directed to ESCs.

Each year, Educational Service Centers across the state are required to submit an application to be considered a high-performing ESC. We are required to choose five primary service areas and demonstrate savings to the districts we serve in those areas. In the application process at the beginning of this year, our ESC was able to demonstrate a 20.48% cost savings over the five service areas we selected. This amounted to over \$1.15M in savings. Overall, ESCs were able to show a 33.74% savings or \$63.9M.

### **Why Invest in Educational Service Centers**

I believe that an investment in Educational Service Centers will accomplish two main objectives. An investment in ESCs will provide for continued high quality service while allowing us increased responsiveness to our districts and to the State. I also believe that an investment in ESCs will allow us to provide increased economies of scale and shared services that will ultimately save our district money in the end.

Thank you for the opportunity to testify here today and for your consideration. I would be happy to answer any questions you may have.