

Testimony in Support of Senate Bill 376

**Ohio Senate
Finance Committee
Senator Matt Dolan, Chair
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Chairman Dolan, Vice-Chair Burke, Ranking Minority Member Sykes and members of the Senate Finance Committee, thank you for the opportunity to speak to you today regarding SB 376, specifically regarding special education, gifted and English language learners. My name is Jenni Logan and I am the Treasurer/CFO of the Lakota Local School District in Butler County. I serve as a co-chair with Michael Barnes, the Superintendent of the Lakewood City School District in Cuyahoga County, of one of the sub-groups of the Cupp-Patterson workgroup. Unfortunately, Superintendent Barnes is unable to be with me today because of priorities in his district.

I consider it an honor to serve as a member of a workgroup charged with finding solutions to our broken school funding formula. This workgroup held its first meeting almost three (3) years ago, on November 15, 2017. This work is worthy of our efforts and we are very happy to be here and provide testimony in favor of SB 376. We believe this new funding model offers a more modern, comprehensive, and fair plan for all Ohio's school children. We have taken the time to dig deep into our current formula, other state's funding, and expert's ideas. I would like to specifically thank the Ohio Coalition for the Education of Children with Disabilities and the Ohio Association for Gifted Children for their engagement and insight throughout the process. Additionally, Howard Fleeter of the Ohio Education Policy Institute (OEPI) and Aaron Rausch with ODE were constant resources our sub-committee relied on tremendously. I am very excited to review with you the items included in the fair school funding plan for our special education, gifted and English language learners.

You have heard our workgroup members discuss the base cost concepts, distribution of the local and state share, and economically disadvantaged and preschool student funding. We would like to continue the discussion of the add-ons, the items outside the base cost, specifically related to the subgroup beginning with our special education students, which account for approximately 14-15% of the students we serve state-wide.

Special Education

Our current funding model is a per pupil dollar amount for six categories of disabilities. These categories range from speech only (category 1) which is funded @ \$1,578, to deaf-blind, autism, and traumatic brain injury (category 6), which is funded @ \$25,637. Prior to 2014 these six categories were funded based on a multiplier of the base cost instead of a stand-alone dollar amount which exists today. Since that time, we have seen changes in funding for our special education students which has not been consistent with our base aide amount. For example, during the 2016-17 biennium special education increases were at 2% while the base cost increased by 1.7%. And, conversely, the 2018-19 biennium

showed an increase in the base cost while the special education funding remained flat. To remove possible parity issues and to be fair, we support returning to a multiplier of the base for the six categories of special education students.

Special Education Funding FY19

Disability Category	Disability Description	ADM (# of students)	% of Total Special Ed ADM	Per Pupil Funded Amount	Equip Weight (multiplier of base)	State Special Ed Funding
1	Speech only	26,179.21	11.0%	\$ 1,578.00	0.2621	\$ 21,185,072.49
2	LD, DH, Other Health minor	156,623.48	65.8%	\$ 4,005.00	0.6653	\$ 329,450,983.70
3	Hearing, SBH	16,763.39	7.0%	\$ 9,622.00	1.5983	\$ 88,887,182.66
4	Vision, Other Health Major	1,295.45	0.5%	\$ 12,841.00	2.1331	\$ 8,836,039.22
5	Orthopedic, Multiple Disability	11,833.42	5.0%	\$ 17,390.00	2.8887	\$ 108,189,180.65
6	Deaf-blind, TBI, Autism	25,211.42	10.6%	\$ 25,637.00	4.2586	\$ 324,282,366.00
		237,906.37				\$ 880,830,824.72

Source: ODE SFPR Summary Worksheet Report, FY19 Final #2 Payment

Next, the fair school funding plan includes the funding and authorization of a special education cost study by the Ohio Department of Education to take into consideration changes in technology, remedial best practices and other advances to determine the accuracy of the funding levels for the six categories. The last complete study was done in 2001 with updates in 2006 and 2014 which were sponsored by the Ohio Coalition for the Education of Children with Disabilities.

You have heard from our poverty and preschool subgroup regarding access to a high-quality preschool for every economically disadvantaged four (4) year old. Currently, our special education preschool students are funded at half-time even though some students are receiving instruction less than or in excess of this. We support funding special education preschool students based on their percent of time being instructed just as we do with all other K-12 students.

Lastly but not least important, we support the full funding of special education students. Students have been funded at ninety percent (90%) since FY 2004. We recommend the additional ten percent (10%) be set-a-side for catastrophic costs. Currently, if the cost for a student in categories 2-5 (speech only is not eligible) exceeds a threshold amount of \$27,375 or if a category 6 student (i.e. autism) exceeds \$32,850 a district can file to receive additional monies for these more significant student needs. The current amount available state-wide is approximately \$45 million. Claims for last years catastrophic expenses exceeded \$166 million. That's a coverage of 27%. The additional 10% being set-a-side would more than double the amount available currently for reimbursement of district's catastrophic claims.

Gifted

The next add-on I would like to address is gifted funding. The 2018-19 operating budget included a charge to the Ohio Department of Education to complete a cost study for Gifted Education. The Ohio Education Research Center completed this Gifted Cost Study on behalf of the Ohio Department of Education in May 2018. The goal of the study was twofold: a) develop a deeper understanding of the cost of providing Gifted Education services in a manner that is compliant with the state’s Gifted Education operating standards; and b) identify the most appropriate method of funding Gifted Education. Currently, districts are funded for Gifted identification and the coordination of Gifted services. The Gifted Cost Study found this to be an underrepresentation of what it actually cost to provide gifted education that meets Ohio’s Gifted operating standards. Our current funding method fails to take into consideration all the cost drivers for Gifted Education. The slide below represents the seven (7) Gifted Education cost drivers that were identified and quantified from the Gifted Cost Study. The fair school funding model includes the funding of these categories at the stated per pupil amounts.

Category	Student Grade Level	Funding per student	Student count basis	Description
Identification/Testing:	K-6	\$ 24.00	# enrolled	One whole grade screening K-2 & one whole-grade screening in 3-6
Identification/Referrals	K-12	\$ 2.50	# enrolled	Requested by parents after whole-grade screenings
Professional Development	K-12	\$ 28.00	# identified w/10% minimum	60 hrs of PD for general ed teachers providing gifted services (2 yr period)
Gifted Coordinators	K-12	\$ 29.00	# enrolled	One for each 3,300 students, minimum .5, max 8 - avg salary & fringe \$85,776
Instructional Services	K-8	\$ 638.00 *	# identified	140 pupils per GIS, avg salary & fringe \$89,378
Instructional Services	9-12	\$ 578.00	# identified	140 pupils per HS teacher, avg salary & fringe \$80,974

* Funding per student = \$641 with .2 minimum applied

The next area concerns financial transparency. Currently, the way we report our investment in gifted education is limited. This is based on very few options for coding expenditures directly to gifted. One example is the Advanced Placement (AP) courses we offer within our Lakota East and West high schools. We offer over 20 AP courses in each high school which have a mixture of students, including but not exclusive to gifted. The instructional expenses for these courses are not segmented showing the portion which should be identified as gifted expenditures on Lakota’s books. But, it is an example of how we serve our secondary gifted students. The gifted cost study specifically mentioned more than forty (40) districts who reported \$0 gifted expenditures in 2017. This disconnect between financial reporting and actual district investment needs to be addressed. Therefore, we support the establishment of a workgroup to recommend improvements in financial reporting, comprised of five (5) Treasurers/CFOs, two (2) EMIS professionals and one (1) representative of the Ohio Association for Gifted Children. The five (5) Treasurer/CFO representatives should be a mix of rural, urban and suburban districts as well as regions, with one (1) specific to ESC (Educational Service Center) districts.

Our final recommendation related to Gifted Education is to establish an Incentive Program for rural districts. The Gifted Cost study referenced earlier, noted identification, funding and service inequities. These inequities negatively impact students who would benefit from receiving adequate Gifted

Education services. Our plan includes the establishment and funding of an incentive program for rural districts in order to close the underserved Gifted service gap.

English Language Learners

The third and final category is English Language Learners. Before I do a deeper dive into each of these three (3) recommendations, I would like to share some personal stories about English Language Learners (ELL) in my district as well as my co-chair’s District in Lakewood. In Lakota we serve over 900 students representing over fifty (50) languages. My co-chair’s district, Lakewood City Schools doubles the state average of students who are English Language Learners. Nearly half of their ELL students are refugees, representing 24 countries. Currently they have 32 different languages spoken district-wide by students. Most of these students also have the task of translating for their parents and other relatives in the home. As you can imagine, this poses challenges for these students as they work hard to navigate through our education system. Both our districts have staff who are committed to ensuring the success of this population of students. As it is with other districts with similar demographics, we are interested in a funding formula that will provide for the unique needs of these and other students.

ELL funding is based on three categories and is based on the amount of time the student has been enrolled in schools in the United States. Total state funding for these students was approximately \$36 million in 2019. Over the past 10 years this population has doubled in size to nearly 60,000 students. The chart below shows a description of each of the categories.

English Language Learners Funding FY19

Category	Description	ADM (# of students)	% of Total ELL ADM	Per Pupil Funded Amount	Equiv Weight (multiplier of base)
1	students in U.S. schools for no more than 180 school days and not previously exempted from spring English assessments	10,826.94	19.3%	\$ 1,515	0.2517
2	students in U.S. schools more than 180 school days or previously exempted from spring English assessments	41,631.09	74.2%	\$ 1,136	0.1887
3	students in a Trial-Mainstream period	3,680.92	6.6%	\$ 758	0.1259
		56,138.95			

Source: ODE SFPR Summary Worksheet Report, FY19 Final #2 Payment

Our first recommendation is that a multiplier be returned to the base cost, just as we recommended for Special Education funding. In fiscal year 2014, the weighted funding for English Language Learners was converted to per pupil amounts. To avoid parity issues, the weighted funding for English Language Learners should be a multiplier of the base cost.

Our second recommendation is that the Ohio Department of Education authorize and fund a cost study. Like the results from the Gifted Cost Study, it is our belief that English Language Learners education cost drivers will be accurately identified and quantified allowing treasurers, superintendents, and school boards to more accurately plan and meet the needs of these learners.

Finally, recent changes at the federal level under the Every Student Succeeds Act (ESSA) requires district tracking of ELL students two (2) years after exiting ELL status. We are recommending that Category 3 funding be adjusted to satisfy this mandate. Specifically, we ask that Category 3 funding be revised to include ELL students for the two (2) years after they have achieved proficiency. Achieving proficiency means no longer receiving services as an ELL student. Also, we recommend that Category 2 funding be revised to include all students enrolled more than 180 days until they achieve proficiency.

In closing, we ask our legislators and all Ohioans to consider our plan in its entirety, as an essential roadmap to guide school funding decisions. Together, we strive to ensure that Ohio's children will have the quality educational opportunities they need to succeed in a rapidly changing world. And together, we can adopt a comprehensive, fair school funding plan that meets the needs of Ohio's children, future workforce, and economy.

At this time, I would like to thank you for your time and consideration. I am happy to answer any questions you may have.