



TESTIMONY BEFORE THE SENATE FINANCE COMMITTEE ON FY24-25 BIENNIAL BUDGET RECOMMENDATIONS FOR THE OHIO DEPARTMENT OF EDUCATION

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Chairman Dolan, Vice Chair Cirino, Ranking Member Sykes, and Members of the Senate Finance Committee, I appreciate the opportunity to speak to you today on Ohio's preK-12 education system and the executive budget recommendations for the Ohio Department of Education. My name is Dr. Stephanie Siddens, and I am the Interim Superintendent of Public Instruction.

As you know, the significant challenges of these past several school years affected the way students learn and the way educators teach. Although our students and schools are starting to regain a sense of normalcy, the data show that students are still recovering from the effects of the pandemic.

Yet, I see an incredible amount of hope and excitement for the future of education in Ohio. I see students who are actively engaged in their education, teachers who go the extra mile to provide the best opportunities for their students, and administrators who are eager to tackle problems head on.

Through the leadership of Governor DeWine and Lt. Governor Husted, together with the support of the General Assembly and State Board of Education, the Department of Education is committed to moving Ohio students FORWARD. *Future Forward Ohio* reflects the Department's strategic priorities to help students recover from the pandemic.

For this work, we must stay laser focused on four key areas: literacy, learning acceleration, workforce readiness and student wellness. The DeWine-Husted budget recognizes these priorities and dedicates significant resources to important initiatives that will improve outcomes for all of Ohio's students, regardless of where they live or what type of school they attend.

Budget Overview

Across the state and across your districts, more than 1.6 million Ohio students are learning in our schools every day. This includes students in our 611 traditional public school districts, which many of you likely attended! This also includes our 49 career centers, which play a critical role in providing career-technical education and ensuring students have access to the skills, training and education needed to enter the workforce. More than ever, career centers are the linchpin in helping Ohio students prepare for the 21st century jobs in our state. We also have students learning in our 334 community schools and our 51 educational service centers. All told, the vast majority of Ohio's children are educated through our public schools. And these students are taught by great Ohio teachers – more than 111,000 educators and 320,000 other staff, including principals, aides, counselors, and coaches – who show up every day to support the learning of our kids.

Ohio also has a strong private school sector. We know that not every school is right for every student, and Ohio has long supported families that want to send their children to private schools. Nearly 170,000 students are enrolled in Ohio's 730 private schools, including 77,500 students who participate in one of Ohio's five state scholarship programs.



The DeWine-Husted budget makes strategic investments for students from the General Revenue Fund and Lottery Profits Education Fund. From the largest districts in our urban centers to the suburbs and small rural districts, this budget is focused on how we can best support students to reach their potential and find their passion. Ninety-eight percent of the funds reflected in the education budget flow *directly* to students, schools, and districts as subsidy payments.

In addition to strong support for the daily work of our schools, the DeWine-Husted budget includes several key initiatives that will help our students achieve more.

Literacy

Reading is fundamental; it serves as the basis for all learning. A child's ability to read early on affects their access to, and interest in, content at all grade levels and enhances all aspects of their lives.

Sadly, too many children are not reading at grade level. As a state, we have to do better.

Forty percent of all Ohio's third graders are not reading at grade level – 40% percent. This is a wakeup call for ALL of us. Research shows that students who master strong reading skills by the third grade are less likely to fall behind; are more likely to graduate; and are less likely to drop out of school. We cannot wait any longer to do better in supporting students to master this critical skill. Now is the time to ensure ALL of Ohio's children are receiving high-quality, evidence-based literacy instruction aligned to the science of reading.

The science of reading refers to instruction that is explicit and systematic and addresses phonics, phonemic awareness, vocabulary, fluency, comprehension, and writing. This means we must explicitly teach the sounds and symbols of our language and teach skills for language comprehension in order to create proficient readers. Children must continue to be supported in these skill areas as they progress to higher grades and more complex text and vocabulary. Only when children are mastering all of these skills are they proficient readers. And only when we graduate proficient readers are they ready to be contributing members of the workforce.

As a state, improving literacy is a moral imperative. This requires a comprehensive approach to teaching students to read. The DeWine-Husted budget funds each piece of the puzzle: professional learning, high-quality instructional materials, support for implementation through coaching, and use of a common dyslexia screener to provide early identification of children at risk for dyslexia and other reading difficulties.

EARLY CHILDHOOD EDUCATION

Laying the foundation for successful reading begins before students enter kindergarten. The strategies to raise literacy proficiency must include increased access to high-quality preschool. We know low-income children who participate in high-quality early childhood education outperform their peers in both kindergarten readiness and third grade reading proficiency. Today, Ohio serves approximately two-thirds of low-income 3- and 4-year-olds across four publicly funded programs: early childhood education, preschool special education, publicly funded child care, and federal head start preschool.

The DeWine-Husted budget will allow early childhood education providers to serve an additional 11,525 students each year, bringing the total number of low-income children who can access the program to nearly 29,400 and reducing the number of unserved low-income children by 25%.



EDUCATOR PROFESSIONAL DEVELOPMENT

Within the school setting, an effective teacher is the most important contributor to student success. Teachers trained in the science of reading are KEY to our goal to raise literacy proficiency. It is critical that every educator, across all content areas and grade levels, understands language and literacy development.

The Department is leveraging federal funds to create professional development modules in effective literacy instruction. The DeWine-Husted budget provides funding for all educators to complete professional development in the science of reading. The budget supports \$1,200 stipends for K-5 teachers, English language arts teachers in grades 6-12, intervention specialists, and instructional coaches and \$400 stipends for middle and high school teachers in other subject areas.

While educators currently in classrooms across the state will benefit from this training, future teachers also must develop a deep understanding of effective literacy instruction. The Department is committed to our partnership with the Department of Higher Education and working with our educator preparation programs to embed science of reading strategies and teaching methods in required literacy coursework for students training to become teachers.

HIGH-QUALITY INSTRUCTIONAL MATERIALS

Excellent teachers are a major factor in student achievement, but instructional materials and curriculum also matter. When it comes to moving the needle for kids, it's not just *who's* teaching, but also *what* they're teaching *with*, that matters. In all subjects, high-quality instructional materials that align with strong academic standards produce better learning outcomes for students. In reading, that means a core curriculum and instructional materials aligned to the science of reading for all students and intervention programs for students who struggle to read.

To give all students access to effective literacy instruction while still retaining local control, the executive budget directs the Department to solicit a list of approved, high-quality instructional materials, as several other states have done. From that list, schools will select the curricula and materials that best fit their needs. A one-time GRF investment will subsidize schools' purchases of high-quality core curricula and instructional materials in reading.

LITERACY COACHES

Ongoing coaching and support are essential components of professional development in literacy. While we have leveraged federal funds and limited state resources to support regional literacy coaches across the state, we must do more. The DeWine-Husted budget will support 100 additional literacy coaches in schools and districts by the end of the biennium, focusing on schools with the lowest reading proficiency rates.

DYSLEXIA SCREENING

The General Assembly has been a champion of early screening to detect reading difficulties, and we want to build on the good work done over the past few years to support struggling readers. Screening for risk factors that may lead to dyslexia identification is another layer to detect early reading difficulties and provide intervention on explicit skills pertaining to phonics and phonemic awareness. When dyslexia and risk factors associated with dyslexia go undiagnosed, students can quickly lose their love for reading and learning. When they receive appropriate instruction to address reading difficulties or dyslexic tendencies, students can thrive.

For every other state-mandated test – end-of-course exams, grade 3-8 math and reading assessments, the Kindergarten Readiness Assessment – the state pays the cost. The DeWine-



Husted budget adds the recently mandated dyslexia screener to that list and directs the Department to develop or procure a dyslexia screener to allow for early intervention and supports. The Department will leverage existing federal funds in FY24 when all students in grades K-3 must be screened, and use state funds in FY25 when only incoming classes of kindergartners will be screened.

PUTTING IT ALL TOGETHER

As I said earlier, all these components are vital pieces of the puzzle. I have had the privilege of traveling with the Governor and First Lady to visit schools around Ohio that are using these practices. For instance, Warrensville Heights City Schools used federal grant and COVID relief funding to provide professional development and purchase high-quality instructional materials grounded in the science of reading. Additionally, the district has revamped its master schedule to include focused time for core literacy instruction and student interventions. The district is committed to sustaining their literacy efforts through development of a five-year plan that makes the core instruction for all students stronger by placing trained literacy specialists in open classroom positions. A first-grade teacher in the district shared, “Nothing is more exciting than seeing a student that came in not knowing letters or sounds, pick up a story and begin to read it. The proud look on their face lets you know that everything you have been working toward has finally made the connection and they now have a skill that will lead them through life.” This is what we want to see in classrooms across Ohio. We want all teachers to feel confident in their instruction and all children to feel successful in their reading abilities.

Learning Acceleration

Over the past two years, Ohio students have benefited from targeted supports to re-engage in their education after the pandemic and accelerate learning. This includes the Statewide Mathematics and Literacy Tutoring Grant Program, a partnership between K-12 schools and higher education to provide critical high-dosage tutoring to students all across Ohio. National research shows that high-dosage tutoring can lead to between 3 and 15 months of learning gains, especially for low-income students. This model is currently being implemented in 33 colleges and universities in Ohio to enhance classroom instruction with personalized literacy and math support in small groups or one-on-one catered to individual student needs. But these programs also provide so much more than just academic support by connecting our students with college-age mentors. Positive mentor relationships increase feelings of well-being, increase school attendance, and lead to greater civic engagement later in life. College students – many of whom are enrolled in teacher preparation programs – gain experience working with children as they prepare for a career in the classroom.

The executive budget continues support for this impactful work. Along with the Tutor Ohio Kids partnership with educational service centers, which provides qualified tutors in core subject areas at schools that elect to participate in the program, continued state funding ensures students and families across Ohio have access to these programs.

Workforce Readiness

Our goal is for all students to find their passions – to find the things they love to do and can use to build happy, healthy and productive lives right here in Ohio. As we continue to attract new business and industry to the state, a highly trained workforce is critical to long-term economic growth. More than half of Ohio’s in-demand occupations require a certificate or degree. We must do more to support career awareness at all ages, provide opportunities for work-based learning and credential



attainment, and ensure students have access to the skills and training to enter the workforce and pursue their passions.

EXPANDING ACCESS TO CAREER-TECHNICAL EDUCATION

As the Governor noted in his State of the State, career-technical education programs often have wait lists, and, in other cases, schools, districts, and career centers do not have the most current equipment and technology to prepare students for today's rapidly changing world. The DeWine-Husted budget recommends a one-time infusion of \$300 million to support facility and equipment needs for career-technical education through grants administered by the Ohio Facilities Construction Commission and Department of Education, in consultation with the Governor's Office of Workforce Transformation. This funding will expand access to career-technical education programs across the state.

The \$100 million allocated in the Department of Education budget will help traditional school districts, community schools, STEM schools, and career centers purchase new equipment for in-demand career-technical education and credentialing programs based on regional workforce needs. Programs like advanced manufacturing, welding, robotics, and other in-demand programs may cost as much as \$500,000 to launch. This funding allows for strategic investment in schools across the state, prioritizing programs that support Ohio's Top Jobs List and credentialing programs in sectors that need workers.

The budget also allows schools to leverage programming at Ohio Technical Centers to address waitlists for popular programs and fill in gaps where a high school or career center may not offer programs. Allowing schools to contract with an Ohio Technical Center to provide career-technical education to high school students immediately addresses capacity challenges for in-demand programming.

PROMOTING CAREER AWARENESS AND EXPLORATION

Each student should see the relevance of his or her learning, be exposed to practical, real-world work settings, and begin to define his or her future. Career awareness and exploration begins in kindergarten with awareness of different careers, progresses to exploration of career interests in middle school, and culminates in career planning in high school. The executive budget continues the phase-in of Career Awareness and Exploration funds in each year of the biennium, providing per-pupil funding to career-technical planning districts to invest in these efforts.

Career awareness and exploration also should be closely tied to regional business needs to help students see the great opportunities that exist right in their own communities. Business Advisory Councils convene education and business leaders to engage in dialogue, establish partnerships, and identify strategies that transform the student learning experience. The budget provides a financial incentive to school districts with highly rated Business Advisory Councils, further enhancing each student's career opportunities.

INDUSTRY-RECOGNIZED CREDENTIALS AND REAL-WORLD EXPERIENCES

Before students even leave high school, they are earning credentials and gaining work-based learning experiences so that by the time they graduate, they are ready to enter the workforce. We know that more and more, employers are looking to hire individuals who have credentials. Ohio's Innovative Workforce Incentive Program provides a \$1,250 incentive for schools and districts that help students earn industry-recognized credentials in priority industry sectors. Last year, students earned more than 5,700 credentials through the Innovative Workforce Incentive Program, and the graduating class of 2021 earned more than 23,500 industry-recognized credentials.



Work-based learning experiences are a proven strategy across all industry areas for on-the-job exposure and career development. Similar to the incentive for priority credentials, the DeWine-Husted budget recommends incentive payments of \$1,000 to schools for each student who completes at least 250 hours of work-based learning.

COLLEGE CREDIT PLUS

A decade ago, Ohio high school students had limited, inconsistent, and fragmented opportunities to earn college credit while in high school. Today, Ohio's College Credit Plus Program helps students in grades 7-12 earn college and high school credits at the same time by taking college courses from community colleges or universities at no cost to the students or their families. Sometimes these courses are offered right at the student's high school, taught by high school teachers who are credentialed to teach college-level courses. In partnership with Chancellor Gardner, I am excited that the budget includes funding to support additional teacher credentialing grants.

OHIO MILITARY VETERAN EDUCATOR PROGRAM

Just as this budget will support existing and aspiring educators, we must do more to encourage more Ohioans to enter the teaching profession. Our military veterans and their families, instilled with a sense of duty and purpose, already have chosen public service. The DeWine-Husted budget expands the Ohio Military Veteran Educator Program to support veterans (and their spouses) to enter the teaching profession or work in Ohio's public schools. In partnership with General Ashenurst and the Department of Veterans Services, the program will support enrollment of veterans in educator preparation programs, cover the cost for veterans to obtain an alternative military educator license, fund efforts to recruit veterans in both teaching and non-teaching roles, and provide financial incentives to public schools that hire veterans. The executive budget also creates the Governor's Ohio Military Veteran Educators Fellowship Pilot to recruit and place veterans in low-performing public schools.

Student Wellness and Safety

A successful learning experience depends on meeting the needs of the whole child. Children cannot learn if they cannot see the whiteboard at the front of the room, have poor physical health, suffer trauma, or have untreated mental health needs.

STUDENT WELLNESS AND SUCCESS FUNDS

In his first budget, Governor DeWine proposed the creation of Student Wellness and Success Funds to help schools address the non-academic barriers students face each day. Over the last four years, nearly \$1.2 billion has been committed to schools and districts to support programming to address these non-academic barriers to success. These funds, in tandem with community partners, promote student well-being through physical and mental health services, increase family engagement, provide prevention education, support before- and after-school programming, and improve school climate.

In the current budget, Student Wellness and Success is now a restricted funding stream within the larger school funding formula and requires schools and districts to spend at least half of Student Wellness and Success Funds on programs and supports to improve students' mental and physical health.

We know you understand the urgency of providing mental health and overall wellness supports to students *now*. That's why the DeWine-Husted budget also includes a requirement for districts and



schools to spend existing Student Wellness and Success Funds by the end of FY25 and only allows new funds to be carried over for one year after receipt.

SCHOOL RESOURCE OFFICERS

State-level efforts supporting school safety include partnerships with the Department of Public Safety's Ohio School Safety Center, Department of Mental Health and Addiction Services, and Ohio Facilities Construction Commission. The work includes support for school safety plans and the Safer Ohio Schools Tip Line, prevention education and training for every school administrator across the state in comprehensive school threat assessment guidelines, and school safety grants. So far, a total of \$173 million has been awarded to 2,374 schools to help pay for physical security expenses, such as new security cameras, public address systems, automatic door locks, visitor badging systems, and exterior lighting.

While these programs help keep our children safe at school, many schools also engage local law enforcement agencies to fund school resource officers. School resource officers serve as a visible defense in protecting our children and preventing school violence. They build relationships of trust and help identify signs of serious mental or physical stress that could lead to self-harm or threaten the safety of others.

Acknowledging the cost many schools incur and the inability for schools to shoulder additional expenses for school resource officers, the DeWine-Husted budget includes funds to support school resource officers. Both public and nonpublic schools would have the option to request building-level funding to support these efforts.

Support for Students, Schools, and Districts

State foundation funding represents the largest part of the Department's budget. Ohio schools rely on these funds to operate. School funding is the single largest expenditure of the state General Revenue Fund (excluding federal funding) and represents the state's commitment to primary and secondary education. For many schools and districts, state foundation funding represents their largest revenue source.

The calculation and distribution of state aid underwent significant changes in the 2021-2022 school year. Without discussing in detail, the reforms to primary and secondary education funding included the following:

- Funds students where they are educated rather than where they live and eliminates deductions and transfers.
- Establishes an input-based funding model informed by professional judgment, giving each school and district a unique base cost per pupil depending on school size and make-up.
- Creates a new state and local cost-sharing methodology that uses both property values and income to measure the wealth and capacity of our schools and target state resources.
- Provides supplemental money based on student need and demographics.

The DeWine-Husted budget continues the phase-in of the school funding formula. The executive budget recommendations reflect a 50% phase-in in FY24 and a 66.67% phase-in in FY25. The phase-in includes an increase to the minimum state share for transportation (as contemplated in the original proposal in HB1 of the last General Assembly) and updates to student enrollment and local capacity. The executive budget continues to provide formula transition supplement (guarantee) funding, so no school or district will receive less state aid than it received in FY21.



Under the continued phase-in of the school funding formula, 79.9% of students in FY24 and 81.9% of students in FY25 attend a traditional school district poised to receive increased foundation formula funding under the executive proposal. It is important to note this increase is separate from the growth in local revenue streams (property tax and income tax collections) that three-quarters of our traditional public schools projected in their most recent five-year forecasts. It also does not include any of the executive budget proposals discussed earlier related to early childhood education, literacy, workforce readiness, school resource officers, and other significant program expansions.

SCHOOL CHOICE OPTIONS

Many students and families benefit from Ohio's school options, and we continue to focus on ensuring students have quality choices to meet their unique educational needs. The state's five scholarship programs – EdChoice, EdChoice Expansion, Cleveland Scholarship, Jon Peterson Special Needs Scholarship, and Autism Scholarship – support students in attending the best school for them. The DeWine-Husted budget continues this administration's commitment to supporting family choice in education by expanding the income eligibility threshold for the EdChoice Expansion Program from 250% to 400% of federal poverty guidelines. Based on the recently updated guidelines from the federal government, this means a family of four earning \$120,000 will now be eligible. This will allow more working- and middle-class families to choose schools that meet their children's needs.

Quality school choice options also include quality community schools. The Governor's first budget included additional support for quality community schools, as measured by academic performance. This funding seeks to address the funding disparities that exist between traditional districts and community schools while targeting additional funding to those community schools that are raising student achievement. This budget will increase annual per-pupil funding for quality community schools to \$3,000 for each low-income student and \$2,250 for all other students.

The DeWine-Husted budget also recommends increasing community school facility funding for all brick-and-mortar community schools from \$500 per pupil to \$1,000 per pupil. Again, this funding seeks to address disparities that exist between traditional districts and community schools. To be clear, many community schools still will have access to less operating revenue than the traditional public schools in which they are located, but this budget works to narrow that gap.

Conclusion

I applaud the Governor and Lt. Governor for continuing to prioritize children, families, and educators. This budget supports all of our students through expanded high-quality early childhood education, ensures every student receives effective, evidence-based literacy instruction, supports student well-being and mental health, fosters career exploration, and allows each student to live up to their true potential.

The Department continues to support the Executive version of the budget, but we appreciate that the House has its own priorities. My team and I are reviewing the House substitute bill and I'm sure you all are too. I look forward to working closely with the House and the Senate to further explore the details of the budget for the Department of Education.

Again, thank you for the opportunity to present to you today. I would be happy to answer any questions you may have at this time.