



FINDLAY DIGITAL ACADEMY

Where Learning Fits You™

Rosemary Rooker, Superintendent ♦ Michael Brand, Principal ♦ Stephen Earnest, Treasurer

Interested Party Testimony on House Bill 33 Senate Finance Committee May 31, 2023

Thank you, Chair Dolan, Vice Chair Cirino, Ranking Member Sykes, and members of the Senate Finance Committee, for the opportunity to provide interested party testimony on HB 33, the state's budget bill for fiscal years 2024 and 2025 and the need to make permanent the tiered-funding model used in the Dropout Prevention E-Schools' pilot created in HB 123.

My name is Rosemary Rooker, and I am the Superintendent of Findlay Digital Academy (FDA), a Dropout Prevention and Recovery (DOPR) E-School. We are a district-sponsored community school, located in northwest Ohio in Hancock County, where we serve students in grades 9-12, through the age of 21, with currently 69% of our students identified as Economically Disadvantaged. Our students originate from 15 surrounding school districts, and this year our enrollment has increased ranging from having 180-200 students enrolled at one time.

Over the past 17 years, FDA's method of delivery has proven to be successful for students that have chosen a non-traditional on-line learning approach to education. FDA has consistently earned ratings of Meets and Exceeds Standards on the Dropout Prevention School Report Card. Our graduation rates have been some of the highest in the state for similar schools, and our students are earning credentials to prepare them for work after graduation. We have found this success by offering an intensive program that uses mentors to build relationships with students while also supporting them academically. Our community recognizes the value of our school and has been supportive in our mission.

As you are aware, the majority of students that attend DOPR schools have experienced trauma in their lives and are at risk of dropping out of school. These students have attended the traditional brick and mortar schools and for a variety of reasons have not been successful. Many of our students work 40 hours a week to help support their families; many are young moms and cannot access a traditional program but still want to earn their diploma. Additionally, many of our students experience mental health issues, but with our model, students are given flexibility that the traditional schools cannot provide. Motivation and engagement for this group of students remains a continuous challenge, and we continue to identify numerous students who have fallen even farther behind and additionally are dealing with many social and emotional issues. Without alternatives such as our school, many of these students would be high school dropouts living in our communities with the probability of community dependence for an indefinite amount of time.

Several years ago, DOPR E-schools were tied to a funding model that moved from a system of funding based on enrollment of students to a participation-based model. I maintain that funding this population of at-risk students based on student engagement in learning opportunities (hours), does not support the

cost of educating some of the most vulnerable students in our communities. Additionally, these schools **do not** receive any support from Disadvantaged Pupil Impact Aid (DPIA) even though their population includes a high percentage of identified disadvantaged youth.

Through a provision provided in Substitute House Bill 123 (133rd General Assembly) in December 2020, legislators acknowledged the need for a hybrid-funding model for the DOPR E-schools. A pilot program was established to change how DOPR E-school students in grades eight through twelve would be funded for FY'21 thru FY'23. Findlay Digital Academy, along with five other DOPR E-schools, was eligible to participate in this pilot in which additional funding was based on a multiple-tiered model. The pilot was successful!

With this model, calculations for funding took into account not only “engagement in learning opportunities” by students, but also included funding for “course completions” and a “base” funding formula tied to the amount of time the student is enrolled to help defray costs of educating students. With all of these elements, the total payment per student was capped at the previous formula amount of just over \$6,000 per student. Please note that in the current report submitted by the Ohio Department of Education, *Funding Pilot Program for Online Dropout Prevention and Recovery Schools* (December 2022), it was reported, “In the 2021-22 school year, the average state foundation funding generated by students in a brick-and-mortar community school was \$10,711.69 per full time equivalent. Using the amount of state funding generated by the six DOPR E-schools and counting students without adjustments for documented learning opportunities yields \$6,077.21 per pupil.”¹ The three-part funding structure that was piloted has provided funding on a multiple-tiered level system that is MUCH more meaningful and **accountable** versus a system that only funds for hours. To be clear, this method **does NOT provide any additional dollars**; this method only allows a student to generate the maximum full-time equivalency portion of the school year for which the student is enrolled in the school.

The Ohio Department of Education (ODE) and six participating E-schools worked cooperatively to gather this data that studied the effects of the alternative funding model. I am hopeful that you are familiar with the *Funding Pilot Program for Online Dropout Prevention and Recovery Schools* report published by the Office of Budget and School Funding in December 2022. I would like to thank the members of the ODE including Aaron Rausch, Elena Sanders, James Lansden, and others who spent a great deal of time working with us to highlight the importance of these schools and implementing the pilot to provide a more reasonable funding process.

This final report was submitted to Governor Mike DeWine and the General Assembly and provided a clear picture of DOPR schools and the pilot program. One example is included on page 5 where data that details Full Time Equivalency (FTE) is highlighted. Without the pilot, during FY'22, FDA would have only received 77.5% of the maximum FTE through “documented learning opportunities” or hours. However, because of the additional tiers available – attendance and course completions – FDA was able to recapture the remainder of the funds to generate 100% funding for each student in relation to the period of enrollment. I cannot stress strongly enough that for several years prior to the pilot we were NOT able to generate full funding for our students which ultimately caused deficit spending. As stated in the report, “Relying on a combination of enrollment, engagement, and courses completed/credits earned allows schools to maximize funding for these at-risk students.”²

In HB 33, the Governor recognizes the importance of the DOPR pilot and recommends the extension of the pilot thru FY'25. I truly appreciate this support; however, the *Funding Pilot Program for Online Dropout Prevention and Recovery Schools* report was not published until after ODE had submitted its

¹ *Funding Pilot Program for Online Dropout Prevention and Recovery Schools*, December 2022, page 3

² *Funding Pilot Program for Online Dropout Prevention and Recovery Schools*, December 2022, page 6

budget proposal to the Office of Budget and Management for review. That report showcases how successful this program is, and I would advocate to you that this method of funding should now be made permanent for all DOPR E-schools. Through the Funding Pilot Program report, it has been shown that:

- these schools serve a vulnerable population,
- that there are safeguards in place to limit the funding to the maximum full-time equivalency of the enrollment period,
- that credits earned support graduation,
- that these pilot payments are not supplemental,
- that there is an inverse relationship between an E-school's foundation payment and the pilot payment. As one increases, the other decreases. This payment allows schools to fill in the funding gap when documented learning opportunities decrease,
- and lastly, that the cost is relatively low.

I ask that you support the following amendments to HB 33 (which are included with my testimony):

- **SC0311: The House included some language to make the Dropout Prevention and Recovery program funding permanent, however a few provisions were left out and this amendment would fix what the House started.**
- **SC0276: This would allow internet or computer-based community schools to qualify for Disadvantaged Pupil Impact Aid (DPIA), and it adds an appropriation to cover these schools.**

These amendments would directly impact our students who understand that our DOPR schools are one of the last opportunities to engage in learning and earn a high school diploma. I am not asking for support for more, I'm just asking for equity. On behalf of Findlay Digital Academy students, parents, board and staff, I thank you for your time and support.

_____ moved to amend as follows:

1 In line 101987, delete "An eligible internet- or computer-
2 based"

3 Delete lines 101988 through 101990

4 In line 102020, after "department" insert "not later than
5 the first day of February prior to the school year in which the
6 school will participate in the program"

7 In line 102067, before "The" insert "("

8 In line 102068, strike through "the total amount paid to
9 the school for the fiscal year for"

10 Strike through line 102069

11 In line 102070, strike through "(C)(1)(a) of section
12 3314.08 of the Revised Code for" and insert "the number of full-
13 time equivalent"

14 In line 102071, after "twelve" insert "in the school X the
15 statewide average base cost per-pupil"

16 In line 102083, strike through "The"; delete "department";
17 strike through "may require each eligible"

18 Strike through line 102084

SC0311

19 In line 102085, strike through "participate in the"; strike
20 through "program to create a debt reduction plan"

21 Strike through line 102086

22 In line 102087, delete "department"; strike through the
23 period

24 In line 102088, strike through "(3)"

25 In line 102095, strike through "(4)" and insert "(3)"

26 In line 157157, delete "\$7,879,550,000 \$8,198,797,000" and
27 insert "\$7,883,050,000 \$8,202,297,000"

28 In line 157163, add \$3,500,000 to each fiscal year

29 In line 157216, add \$3,500,000 to each fiscal year

30 In line 157994, delete "\$2,500,000" and insert "\$6,000,000"

31 In line 157995, delete "the"; delete "of this" and insert
32 "3317.22 of the Revised Code."

33 In line 157996, delete everything before "If"

34 Delete lines 158321 through 158393

35 The motion was _____ agreed to.

36 SYNOPSIS

37 **Dropout prevention and recovery e-school funding pilot**
38 **program**

39 **R.C. 3317.22 and Section 265.320**

40 Removes a provision of the bill that prohibits a dropout
41 prevention and recovery (DOPR) internet- or computer-based

SC0311

42 community school (e-school) that receives funding under the DOPR
43 e-school funding pilot program from receiving state foundation
44 core funding.

45 Specifies that a participating school must notify the
46 Department of Education not later than February 1 prior to the
47 school year in which the school will participate in the program.

48 Changes the formula under which the school's payment is
49 calculated.

50 Eliminates a provision that permits the Department of
51 Education to require participating e-schools to have a debt
52 reduction plan.

53 Eliminates similar provisions continuing the pilot program
54 in uncodified law.

55 **Department of Education**

56 **Sections 265.10 and 265.270**

57 Increases GRF ALI 200550, Foundation Funding - All
58 Students, by \$3,500,000 in each fiscal year, increases by the
59 same amounts the earmark from this ALI used to support the pilot
60 program, and requires the earmark to support the payments
61 calculated under the codified, instead of the uncodified, pilot
62 program provisions.

_____ moved to amend as follows:

1 In line 38728, strike through "and is not enrolled in an
2 internet-"

3 In line 38729, strike through "or computer-based community
4 school"

5 In line 38738, strike through "and is not enrolled in an
6 internet-"

7 In line 38739, strike through "or computer-based community
8 school"

9 In line 38993, after "If" strike through the balance of the
10 line

11 In line 38994, strike through "community school and"

12 In line 39325, after "(c)" strike through the balance of
13 the line

14 In line 39326, strike through "community school, an" and
15 insert "An"

16 In line 157157, delete "\$7,879,550,000 \$8,198,797,000" and
17 insert "\$7,884,550,000 \$8,206,797,000"

18 In line 157163, add \$5,000,000 to fiscal year 2024 and
19 \$8,000,000 to fiscal year 2025

20 In line 157216, add \$5,000,000 to fiscal year 2024 and
21 \$8,000,000 to fiscal year 2025

22 The motion was _____ agreed to.

23 SYNOPSIS

24 **Disadvantaged Pupil Impact Aid – e-schools**

25 **R.C. 3317.022 and 3317.026**

26 Qualifies an internet- or computer-based community school
27 (e-school) for Disadvantaged Pupil Impact Aid (DPIA).

28 **Department of Education**

29 **Section 265.10**

30 Increases GRF ALI 200550, Foundation Funding – All
31 Students, by \$5,000,000 in FY 2024 and \$8,000,000 in FY 2025.