

## **Testimony to the Ohio Senate Education Committee**

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**Toledo Public Schools**

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Chair Brenner, Vice Chair Blessing, Ranking Member Ingram, and Honorable Members of the Committee:

Thank you for the opportunity to provide testimony on behalf of Toledo Public Schools (TPS), a proud urban district serving over 20,000 students in Northwest Ohio. Every day, our educators, staff, and administrators work tirelessly to provide a high-quality, student-centered education that prepares our children for college, career, and life. Today, I come before you to express deep concerns regarding provisions in the House-passed version of the state budget—provisions that, if enacted, would jeopardize the financial stability of TPS and threaten the progress we’ve made for our students.

For decades, the state failed to fairly and adequately fund its public schools, despite court rulings and persistent community advocacy. In 2021, we saw long-overdue progress with the bipartisan passage of the Fair School Funding Plan (FSFP)—a thoughtful, transparent, and student-first formula designed to ensure the state pays its fair share in educating Ohio’s children while reducing overreliance on local property taxes.

But that progress is now at serious risk. The House-passed budget does not just stall the FSFP—it threatens to undo it entirely, strip districts of voter-approved levy dollars, and impose financial restrictions that could destabilize responsible school systems like TPS overnight. The FSFP was designed around actual cost inputs—such as educator salaries, classroom resources, and student support needs—to reflect the real price of delivering a quality education. It brought predictability and fairness to a funding system long plagued by inequity.

Unfortunately, the proposed budget halts the FSFP’s phase-in at year four, freezing funding levels that are already outdated. The base cost inputs remain unadjusted for inflation, local labor markets, or the rising needs of our students. For TPS—where poverty is high, student needs are complex, and state support is critical—this freeze undermines our ability to provide the education our students deserve.

If TPS were to offer changes to the House-imposed formula, one of the most important of those would be on the proposed 30% cap on school district carryover balances. Under this provision, if a district like TPS maintains a reserve fund above 30% of its operating budget—even if those funds are earmarked for specific operational needs or reflect timing in levy cycles—the Lucas County Budget Commission would be required to reduce property tax collections. TPS believes this punishes responsible budgeting,

particularly for responsible school districts like TPS who have earned accolades for financial reporting.

TPS currently carries over approximately 22%, but we have worked hard to maintain reserves to protect against enrollment fluctuations, state funding changes, and economic volatility. Sometimes, that balance may exceed 30% based on levy timing—yet every dollar is part of a long-term plan for district stability. Restricting our ability to plan ahead not only undermines our fiduciary responsibility, but also risks forcing harmful cuts that impact staffing, programming, and student support.

Even more concerning: this provision applies only to public schools. Municipalities and the state itself are not subject to such limits. This double standard is both inequitable and destabilizing. Toledo Public Schools respectfully requests that restrictions to the carry over balance be stripped from the funding formula.

The proposal to reduce five-year financial forecasting to three years, and to limit deficit analysis to just two, would be a step backward in public accountability. At TPS, long-term forecasting is a cornerstone of how we make strategic decisions. It informs voters, guides leadership, and ensures we are being transparent stewards of public dollars. Curtailing this tool would diminish our ability to plan responsibly for the future.

**Additionally, Toledo Public Schools respectfully requests a 50% increase to career & technical education basic grants**, which fill a major need throughout the state and could offset challenges associated with a potential new funding formula. TPS career tech students have a higher-than-average graduation rate than students in traditional studies, can qualify for college credit for high school classes, can qualify for thousands of dollars in scholarships for college, and have the option of an immediate introduction to the skilled trades and employers who are looking to hire someone with their skills. Increasing these line items will help public school systems like TPS continue to increase the number of career and/or college ready students graduating with valuable skills needed to fill in-demand jobs, which are particularly important in light of federal efforts to increase our domestic workforce.

Toledo Public Schools has consistently demonstrated sound fiscal management, transparency, and a deep commitment to our students. We are asking this committee to:

- Fully implement and continue the phase-in of the Fair School Funding Plan.
- Reject the arbitrary and harmful 30% reserve cap on district carryover funds or increase it to a minimum of 50%.
- Increase funding to career & technical education basic grants

Our students, our community, and our educators are counting on your leadership to ensure that Ohio's public schools receive fair, stable, and predictable funding. Thank you

for your time and for your service to the people of Ohio. I welcome your questions and am happy to provide additional information.