

HB 96 Interested Party Testimony Submitted by Kevin Stockdale
Chief Financial Officer, Cleveland Metropolitan School District
Before the Ohio Senate Finance Committee
March 14, 2025

**Chairman Brenner, Vice Chair Blessing, Ranking Member Ingram, and
members of the Senate Education Committee:**

Thank you for the opportunity to submit testimony today. My name is Kevin Stockdale, and I serve as the Chief Financial Officer of the Cleveland Metropolitan School District (CMSD). I appreciate the opportunity to share CMSD's perspective on the importance of continued investment in Ohio's schools.

CMSD is the third-largest school district in Ohio, serving approximately 35,000 students, the vast majority of whom come from economically disadvantaged backgrounds. Our district is committed to providing a high-quality education to every child, and we are proud of the progress we have made in recent years. Most notably, our state report card rating improved from 2.5 stars to 3 stars – the highest rating among large urban districts – reflecting the hard work of our educators, students, and families. While this improvement is encouraging, we recognize that significant challenges remain, and sustained financial support is critical to continuing our upward trajectory.

I would like to begin by expressing our deep appreciation for the state's ongoing commitment to education and for the continued phase-in of the Fair School Funding Plan. This plan provides a much-needed framework for ensuring that school districts receive equitable and predictable funding. However, to fully realize its intended impact, the formula's inputs must be updated to reflect current economic conditions. Without these necessary adjustments, districts like CMSD are forced to absorb the rising costs of inflation, placing additional strain on our ability to serve students effectively.

Additionally, we have concerns about the reduction in the funding guarantee. While we understand the goal of transitioning districts toward a fully implemented funding model, decreasing the guarantee without completing phase-in of the formula and updating inputs does not fulfill the intent of protecting funding while the formula is implemented. A more measured approach would help ensure that schools have the resources necessary to maintain progress and meet the diverse needs of their students.

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A critical component of the Fair School Funding Plan for CMSD and similar districts is Disadvantaged Pupil Impact Aid (DPIA). The state provides DPIA to districts in order to meet the unique educational needs of students in poverty. The state relies upon eligibility for free and reduced-price meals as a gauge of economic disadvantage. Using this measure, all students in CMSD are economically disadvantaged. Unfortunately, due to changes in the way DPIA is distributed under the FSFP, funding for CMSD has already decreased from \$64.5 million in 2022 to an estimated \$35.5 million this year. These reductions have strained resources for academic interventions, mental health services, family engagement programs, and other wraparound supports that directly impact student success. Without full phase-in, adequate funding levels, and a return to DPIA distribution that prioritizes districts serving the most students in poverty, the effectiveness of DPIA is severely limited. We urge the legislature to ensure continued investment in DPIA to reflect the true needs of economically disadvantaged students.

Moreover, we are concerned about proposed budget language that could place new restrictions on how our district transports students using public mass transit—specifically limitations on central hub transfers. Such measures would create significant challenges for our ability to provide efficient and equitable transportation, particularly in a district with our longstanding commitment to school choice. Our students travel from many different neighborhoods, therefore central hub transfers enable coordinated and streamlined routing that minimizes travel time and maximizes accessibility. Restricting this model may inadvertently reduce flexibility and access, especially for students from low-income families who rely on public transit to get to school and participate in after-school programs. Additionally, the burden of creating alternative transportation arrangements would lead to increased costs for our school district. Furthermore, reliable public transit is an important tool for reducing chronic absenteeism and expanding student opportunities. Maintaining the ability to utilize central hub transfers is an essential part of a comprehensive and inclusive transit strategy that benefits both students and the broader community.

We also recognize that ensuring long-term fiscal stability requires making several difficult decisions. CMSD is committed to being responsible stewards of public funds and taking the necessary steps to balance financial sustainability with the needs of our students. However, without necessary updates to the funding formula and full DPIA funding, the burden of inflation and declining guarantees will make these decisions even more difficult, potentially impacting the services and programs that have contributed to our recent progress and further shifting the financial burden to local taxpayers.

The Fair School Funding Plan represents a major step forward for Ohio's schools, but to truly fulfill its promise, it must be maintained and refined over time. We urge the Senate to ensure that the funding formula continues to align with the actual costs of educating students and that districts are not left to bear the burden of rising expenses on their own.

On behalf of the Cleveland Metropolitan School District, I sincerely appreciate your time and consideration. Thank you for your leadership and your commitment to Ohio's students.