



Testimony of Mike Sobul on House Bill before the Senate Finance Committee

Chairman Oelslager, Vice-Chairman Coley, Ranking Member Skindell, and members of the Senate Finance Committee, thank you for the opportunity to be here today. My name is Mike Sobul, the CFO/Treasurer of the Granville Exempted Village School District in Licking County. I am here to support the changes that were made by the Senate to the core school funding formula and to offer a couple of suggestions to further enhance the improvements you have made.

From a stability standpoint, it makes a lot of sense to work from the formula that was put into place two years ago and to build off that to address issues that remain, like the number of districts on the guarantee and cap. The problem with the approach taken by the House is that it tried to address these issues in a way that was too disruptive. The approach the Senate has taken moves districts off funding guarantees without adversely impacting districts like Granville, which under the House proposal, would have been hopelessly buried on a guarantee, but will now be on a working funding formula.

The Senate concept, using a version of the House's Capacity Aid, enriching the "agricultural add-on" to Targeted Assistance, enhancing transportation and technology funding for low density districts, and financially recognizing achievement through graduation rates and third grade reading results, all help to enhance the current system without disruptions that would occur by not maintaining the structure of the current formula.

While your proposal makes great strides, I have a couple of suggestions to further enhance what the Senate has done.

First, though not an issue for Granville, I would highly recommend a more comprehensive solution to TPP reimbursements that would not cause the kinds of disruptions for negatively impacted districts that the Senate avoided by working within the current funding formula.

Second, I would encourage a reallocation of money away from the Straight A Fund program. I believe these funds would be more effective if driven to districts on the guarantee and cap or to facilitate a more permanent TPP fix. While the Straight A fund has merit, it is a horribly inefficient way of allocating scarce resources. For the relatively few districts that are awarded grants, it is great. But for the vast majority of districts that apply but are rejected, it is a significant waste of valuable time, effort, and resources that could be better spent in more productive ways.

Finally, over the longer term, I would urge the Legislature to continue to closely analyze and evaluate why districts remain on the guarantee. Future funds could then be targeted in ways to get districts off guarantees, or at least closer to being off them. This would be preferable to moving districts off guarantees through phasing-out such payments.

Thank you Mr. Chairman. I again commend the Senate on the work that has been done and would be happy to answer any questions committee members may have.