

Ohio Online Learning Coalition

Testimony Regarding H.B. 1 (Callender, Sweeney)
March 1, 2021

Chair Richardson, Ranking Member Troy, and members of the Finance Subcommittee on Primary and Secondary Education, thank you for the opportunity to provide interested party testimony regarding H.B. 1.

My name is Colleen Grady, and I serve as the Ohio Online Learning Coalition executive director. The Ohio Online Learning Coalition represents Ohio's online community schools. The Coalition focuses on sharing best practices, identifying ways to enrich students' experience with online education, and sharing information about technology-based instruction's advantages.

Online community schools are an essential option for students that need a more flexible, personalized educational setting. Technology-based instruction allows schools to meet students' needs, helping schools adjust the depth, breadth, and pace of instruction for individual students. Using technology is also a skill valued by the workforce. Updating skills and earning credentials often takes place online.

We understand too well the challenge presented by developing and implementing a new funding formula for Ohio schools. On behalf of the Coalition, I would like to acknowledge and thank the individuals involved in this undertaking, particularly the sponsors of H.B. 1 and its predecessor H.B. 305, for their time and efforts.

Base Cost Calculation

While additional funding is welcome, proposed provisions in H.B. 1 appear to exacerbate the current funding gap between community schools and districts. As you know, community schools do not levy property or income taxes, leaving community schools entirely dependent on state funding. The amount of a community school's base cost is the difference between financial stability and being forced to close. Our concerns related to base cost include:

- Limiting community schools to 90% of formula components and eliminating funding for programs such as co- and extra-curricular widens the existing inequity in resources.
- Failure to apply minimum staffing levels used to calculate district base costs for community schools further limits community school students' access to critical support services.

You can see the impact of these disparities when comparing the proposed base cost of a district and community school of similar size. The base cost for community schools range from \$6,401 to \$8,028, while the proposed base cost for districts (excluding island districts) range from \$6,990 to \$14,974. The chart below compares the base cost of a community school with a similarly-sized school district.

H.B.1 As Introduced

School/District	ADM	Proposed Base Cost
School X	406	\$6,982
District Y	423	\$9,658

This difference is best addressed with community schools receive the full value of funding components.

Online Community Schools

Equity concerns are especially pronounced when we look at funding for online community schools. The projected overall increase for community schools is 15%, but the overall increase for online community schools is closer to 10% when fully phased in.

Unlike other community schools, online schools receive only base funding and special education and career-technical funding for eligible students. Although close to 60% of online community school students are identified as economically disadvantaged, no categorical funding is available to support those students. Health and Wellness funding, which averages more than \$250 per-pupil statewide, on average amounts to less than \$17 per-pupil for online students. Students in online schools should have equitable access to these necessary resources. These disparities become clearer when comparing online community schools' expenditures to online schools operated by school districts.

School Name	School Type	ADM	Grades Served	Total Expenditure Per Pupil*
Greater Ohio Virtual School	Online Community School	399	7-12	\$9,771
Virtual High School	Online District School (Cincinnati City SD)	589	9-12	\$14,692
Auglaize County Educational Academy	Online Community School	82	6-12	\$11,586
Canton Digital Academy	Online District School (Canton City SD)	67	10-12	\$15,680

* Includes operating and nonoperating expenditures for the 2019-20 school year as reported by the Ohio Department of Education

As districts doubtless found over the past year, students' needs don't lessen or disappear when they receive instruction primarily online. To better address student needs we recommend that online schools receive more equitable per-pupil funding for economically disadvantaged students and a per-pupil allocation for wellness funds.

Dropout Recovery Community Schools

Several online community schools primarily serve at-risk students through dropout recovery programs. Dropout recovery community schools help students, many of whom previously dropped out of high school, return to school and earn a high school diploma. These schools are part of a pilot program that just recently began. We recommend adding the online dropout recovery pilot program to H.B. 1 (as well as H.B. 110), so this program has adequate time to yield results.

Direct Funding of Community Schools

Lastly, we understand the goal of moving away from funding community schools through a deduction from districts' state funding. This change is a significant shift and requires care when crafting this new funding mechanism. Direct funding of community schools requires an approach that ensures that funding cannot fall victim to a line-item veto.

A comprehensive, equitable, and fair school funding system that ensures access to quality education is a shared goal. Members of the Ohio Online Learning Coalition welcome the opportunity to work together to address these few remaining issues and make that goal a reality.

Thank you for this opportunity to provide testimony regarding H.B. 1. I would be happy to answer any questions you may have.