



Interested Party Testimony Regarding H.B. 110
Ohio Senate Primary & Secondary Education Committee
Frank O'Linn, Ed.D. Superintendent of Schools - May 6, 2021

Chairman Brenner, Vice-chair Blessing, Ranking Member Fedor, and members of the Senate Primary and Secondary Education Committee, thank you for the opportunity to speak about H.B.110. I am the Superintendent for the Catholic Diocese of Cleveland, which serves about 38,000 PK-12 students in 107 schools throughout Northeast Ohio.

On behalf of our schools and their families, we are grateful for the state's financial support of nonpublic schools, including ACR and Auxiliary funding, as well as equitable provisions for transportation of all students, who are all children of tax paying citizens of Ohio.

In H.B. 110, the Ohio House includes the long-studied plan for public education funding, a laudable, historic step. As with any budget, it presents a challenge: how to balance it by prioritizing areas of importance efficiently for all stakeholders.

The designers of the formula have done thorough, thoughtful work – for public districts. The proposed model based on inputs, when fully implemented, would add \$2.0 billion to the district's education expenditures that are now over \$21 billion per year, \$11 billion of which is provided by the state. This is perhaps not surprising from a School Funding Workgroup consisting entirely of public district leaders, without representation of nonpublic schools, which educate approximately 10% of Ohio's students. For all of the proposed investment in education, not one penny is added for the state's school choice scholarships which this year enabled more than 67,000 students to attend nonpublic schools efficiently, and with outstanding results.

For the plan to be worthy of its authors' claim to be "fair to all students and fair to all taxpayers," we believe the next school funding model must:

- 1. Increase the maximum dollar amounts awarded per pupil in the Cleveland Scholarship to at least \$6,000 K-8 and \$8,000 9-12, or higher, with similar increases to the EdChoice programs.**
- 2. Ensure the Autism and Jon Peterson Special Needs scholarships' per-pupil funding amounts grow commensurate with increases in special education funding.**
- 3. Consider tying scholarships to the formula to provide the same stability desired by public districts, including room to grow as families increasingly wish to choose.**

The Fair Funding workgroup is clear that excellent schools require resources, and their process emphasized equity, inputs, and available local capacity. Today I hope to provide some of the missing context of equity, local capacity, and inputs for our nonpublic, Catholic schools.

Equity: state scholarships have been shrinking.

The EdChoice and Cleveland scholarships dollar amounts have remained stagnant for 5 years, effectively declining in real dollars as inflation rises. Over decades, the starvation is even harsher as the Cleveland Scholarship began in 1997 by providing \$2,250 at a time when the state spent on average \$5,045 per pupil, or scholarships at 44.6% of the public's cost. Today's K-8 scholarship maximum is \$4,650, or just 36.6% of Ohio's \$12,692 per pupil average. High school remains at \$6000, still under half, with only tuition, philanthropy, and charity to close the widening gap.

The disparity is greater when you consider that EdChoice is now reserved only for districts associated with high poverty or Ohio's lowest income households, factors associated with higher education costs. In Cleveland, which has the nation's highest poverty rate, public schools spend on average \$17,674 per pupil. When these same Cleveland residents transfer to their neighborhood Catholic schools, the state provides on average \$5,118 for the exact same students.

Local Capacity: every Catholic school is a public-private partnership.

Excellent schools require resources, so how do Catholic schools perform with such meager amounts comparatively from the state? One reason is the generosity of the Church, which supports education as a ministry, our "local capacity."

Neither scholarships nor the tuition paid by parents come close to the full cost to educate in Catholic schools. Most elementaries are a ministry of their parish, which subsidizes from the collection plate to provide anywhere from a quarter to a half of operating costs. In elementary and high schools, philanthropy from private citizens, foundations, religious orders, and endowments close that gap. Yet this private philanthropy is strained unsustainably every year that costs rise while scholarships stay flat.

Inputs: death by 1,000 cuts.

Choice scholarships are efficient. When the funding formula last operated in 2019, 3.7% of Ohio's students were on any scholarship, and their total expenditure was 1.5% of all K-12 school funding for Ohio. That Catholic schools are efficient is a boon to taxpayers, but must they be unsustainably starved?

One unintended consequence of this efficiency is a growing wage gap between those who choose Catholic education as their vocation and their public counterparts. Ohio reports district teacher

salaries averaging \$65,754, with a range reflected in the Fair Funding formula, while half of Catholic elementary teachers make \$25,000 to \$40,000 per year, and another quarter between \$40,000 and \$50,000. Catholic high schools fare slightly better, though more than three quarters of teachers earn below the public district average. Without greater inputs, we risk efficiency becoming a euphemism for exploitation.

Were schools to see choice scholarship increases, the revenues would immediately support compensation of the Catholic school professionals who worked so hard to keep options for in-person and remote learning available since August this year.

With education costs rising faster than incomes, full tuition is a challenge for any family, and our diocese has seen mergers and closures of good schools as a result. In the last 20 years, Catholic elementary enrollment in our diocese has dropped 50% and we have 40% fewer elementary schools. School choice scholarships enable families who desire such a quality education, but cannot afford it alone, to have the opportunity to choose.

The Fair Funding Workgroup has done meticulous work, and to be clear, I am not suggesting that public schools do not deserve all of the inputs of the model. Yet when budget priorities must be balanced, please remember the efficiency and the equity, inputs, and local generosity that serve 123,558 students statewide in Catholic schools with room to grow. New investment in Ohio's K-12 education is laudable, but it should also strengthen Ohio's school choice scholarships, which, especially when used at excellent Catholic schools, are a valuable tool for the education of Ohio's public, all of whom deserve to meet the state board's goal of being "challenged, prepared and empowered for his or her future" by way of an excellent education.