



**Testimony to House Finance Committee
April 11, 2012
David Romick, The Ohio 8 Coalition
President, Dayton Education Association**

Chairman Amstutz, Ranking Member Sykes, and members of the House Finance Committee, my name is David Romick. I am President of Dayton Education Association (DEA) and am here today on behalf of The Ohio 8. Thank you for allowing me the opportunity to speak with you today about some specific provisions of Substitute House Bill 59. And thank you for your hard work and listening to many of the concerns we've had up to this point.

The Ohio 8 is a strategic alliance composed of the superintendents and teacher union presidents from Ohio's eight urban school districts – Akron, Canton, Cincinnati, Cleveland, Columbus, Dayton, Toledo and Youngstown. The Ohio 8 Coalition's mission is to work with policy makers to improve academic performance, increase graduation rates and close the achievement gap for urban children throughout Ohio. The Coalition carries out its mission by working closely with legislators, educators, parents, labor and community officials. The Coalition brings a shared administrator-teacher voice to help shape state education policy.

The purpose of my testimony is two fold:

- 1) To outline some of our continued concerns regarding Substitute House Bill 59.
- 2) Provide recommendations to continue to shape this bill so that it can better address the needs of children across the state.
- 3) Continue to offer our assistance in providing context and perspective on the impact of policy and funding changes.

1. CONTRACT OUT PROVISION (Section 3317.40)

This provision would require school districts that fail to show "consistent progress," in serving certain populations (special education, economically disadvantaged, ELL and gifted), to pay the allotted state funds provided for that subgroup to an organization that has "demonstrated" the ability to improve the educational outcomes for that subgroup of students. While we appreciate the additional flexibility in the language changes made in the substitute bill, this provision is still concerning for the following reasons:

- There is no accountability in the proposed language for the non-school district organizations that are contracted with to serve these students.
- This policy disregards that services to students occur throughout an entire school day, week, month, and year. The dollar amounts allocated for students within each subgroup do not coincide with their needs. For example, this proposal allocates some funding for each economically disadvantaged student. What service can be

contracted out to help that student make consistent progress, especially student groups such as those who are economically disadvantaged? For ELL students, there are hundreds of languages and most outside entities do not have the expertise to address their needs. For special education students, if a district is spending \$20,000 on their needs (of which we may receive \$15,000 from the state), what are we contracting out for? Do we then contract for state funding portion, district portion? And what services, other than what is already being contracted out (aide, physical therapy, etc) that would have significant impact? In short, particularly for special education, if there is one entity that is successful, then most of our districts already partner with them and if we don't it is usually due to costs or inability to access a specialized program.

- This provision has the potential to negatively impact a districts ability to plan -- having a differing amount of funding from one year to the next for each student group. So how can districts plan a comprehensive approach to a child's education?

These are special populations for a reason – it takes trained staff, dedicated long term resources and consistency to improve their outcomes.

Recommendation

This provision should be removed because it does not help, but rather hinders a school district's ability to teach and support these student groups over time in a consistent manner.

2. SPECIAL EDUCATION (Section 3317.0214)

The substitute bill eliminates the 15% set aside from school districts for the catastrophic fund. We appreciate and thank you for this change. We do, however, have continued concerns regarding the ongoing and long-term disparity between total expenditures and level of reimbursement. For years the costs of regular special education as well as catastrophic costs has far exceeded the amount reimbursed to districts for the special needs children we serve. For example, total regular education costs for Ohio 8 districts for one school year exceed \$500 million and the proposed reimbursement for those costs is approximately \$167 million. For catastrophic costs, districts are left with covering costs that range from \$300,000 to \$11 million. Changes within the substitute bill provide \$40 million each fiscal year for catastrophic costs each fiscal year and we appreciate these funds. The total of \$80 million for the biennium is still below the Governor's proposed amount of \$230 million—below the level of need for not only Ohio 8 students but also those statewide.

In addition to the cost/reimbursement concern, new language within this provision, seems to treat public schools and charter schools unequally and suggest a different formula for catastrophic costs reimbursements as outlined in the provision below.

Section 3317.0214 Starting Line: 44475

Sec. 3317.0214. Upon submission of documentation for a student of the type and in the manner prescribed, the department shall pay to the district an amount equal to the sum of the following:

(1) One-half of the district's costs for the student in excess of the threshold catastrophic cost multiplied by the district's state share index.

(2) The product of one-half of the district's costs for the student in excess of the threshold catastrophic cost multiplies by the districts state share index.

(B) For purposes of the division (A) of this section, the threshold catastrophic cost for serving a student equals:

(1) For a student in the school district's category two, three, four, or five special education ADM, twenty-seven thousand three hundred seventy-five dollars;

(2) For a student in the district's category six special education ADM, thirty-two thousand eight hundred fifty dollars.

(C) The district shall report under division (A) of this section, and the department shall pay for, only the costs of educational expenses and the related services provided to the student in accordance with the student's individualized education program. Any legal fees, court costs, or other costs associated with any cause of action relating to the student may not be included in the amount.

Community Schools Section: 3317.0214 Starting Line: 42419

(3)(a) If a community school's costs for a fiscal year for a student receiving special education and related services pursuant to an IEP for a disability described in divisions (B) to (F) of section 3317.013 of the Revised Code exceed the threshold catastrophic cost for serving the student as specified in division (B) of section 3317.0214 of the Revised Code, the school may submit to the superintendent of public instruction documentation, as prescribed by the superintendent, of all its costs for that student. Upon submission of documentation for a student of the type and in the manner prescribed, the department shall pay to the community school an amount equal to the school's costs for the student in excess of the threshold catastrophic costs.

Recommendation

- We understand that changes within this bill require difficult decisions and we appreciate the removal of the 15% set aside but there must be additional dollars dedicated to these students, for both regular special education and as well as catastrophic costs, to close the gap between expenditures and reimbursement levels. This will continue to be a significant struggle for school districts until a long-term solution is developed.
- Make consistent the reimbursement rates for public and charters schools with regard to special education reimbursements.

3. STUDENT TRANSPORTATION (Section 263.170)

We thank you and appreciate the increase in student transportation reimbursement levels, and we understand the work that was done to make this happen. This change recognizes that for most school districts- urban, suburban and rural - state funds to support student transportation has not kept pace with actual costs of aging bus fleets and increased gasoline costs. From my own district's perspective, DPS spends about \$15.3 million

annually transporting more than 13,000 public, non-public and charter students, logging more than 11,000 miles each school day. We are reimbursed less than half - only \$6.1 million - of that total cost. And although the additional funds provided by the House begin to address these issues, there remain two significant concerns that continue to limit reimbursement rates for our districts.

1) The existing motor fuel/excise tax that supports reimbursement for pupil transportation amount has sat at just 6 cents for several years. The excise tax supports mass transit and school bus transportation; and when it was established it addressed the needs of mass transit and schools buses when the use of highways wasn't what it is today. This historical reimbursement rate does not reflect the reality of bus transportation in 2013--thousands of miles that we cover each day and the complex routing demands required to transport children over thousands of square miles each and every day. Although certainly a more complex issue, fuel tax levels must be addressed to establish an updated and truly equitable school transportation formula for the long term.

2) Right now, if a school district decides to put a special education student on a regular school bus, they lose the higher reimbursement rate for that special education student, even if additional assistance is required for that student. In other words, existing formulas do not take into account that special needs students, even if they are transported with regular education students, still may require additional assistance (such as an aide that travels with them). As we mainstream more special education students onto traditional student buses, we must still be reimbursed for costs related to those special education students. We want to continue to mainstream special education students on traditional buses, but we must ensure their continued costs due to special needs remain covered.

Recommendation

It is clear there is great support to address broader transportation issues and it is something that requires in depth discussion. We must continue to close the gap between the price of transporting students and the low level of reimbursement for those costs from the state. While we might not be able to fix all of these items in this existing budget, we are requesting:

- 1) Additional funds for student transportation based on the existing gap between state contribution and district expenditure;
- 2) An increase in the excise tax reimbursement at least equal to mass transit levels;
- 3) Recognition via the formula, that the current method of reimbursing districts for transporting special needs students does not reflect the continued growth in combined busing – special education and regular education students. Districts should be reimbursed based on a special education child's needs not based on if they are on a separate bus or the same bus as traditional students; and
- 3) A special study or commission regarding the best approach to help ensure students are transported safely and efficiently while districts costs and policies that drive those costs are more adequately addressed.

4. PARENT TRIGGER (Section 3302.042)

Thank you for removing the expansion of the parent trigger provision. As we've done since last budget, we look forward to being a resource to you on this issue if this issue is put into a separate bill. From our perspective, if Ohio wants a proven strategy to turn

around a low performing school, we must look to districts that have been successful in doing so, specifically, Cincinnati Public Schools and their work in turning around multiple low performing schools during the past several years. As we've discussed with many of you, Cincinnati Public Schools turned around 13 low performing schools by utilizing:

- Evidence based strategies that seek to improve student performance; help address failing buildings in need of assistance; and engage parents and community members on an ongoing and regular basis.
- Evidence based strategies with proven outcomes that seek to improve student performance; help address failing buildings in need of assistance; and engage parents and community members
- Public private partnerships that seek to that seek to improve student performance; help address failing buildings in need of assistance; and engage parents and community members.
- A partnership between district administration and district labor leadership.

5. FUND STRATEGIES TO SUPPORT HIGH QUALITY PRE-SCHOOL

We recognize that the substitute bill changed the Early childhood Access Fund to the K-3 Literacy Fund and dedicated \$300 per student to that strategy. We suggest, however, that to accelerate Ohio's effort to prepare young children to succeed on their first day of Kindergarten, that new dollars be dedicated for a high quality pre-school program as outlined below:

- \$50 million additional (not re-directed) funding per year to support full-day preschool for Ohio's three and four-olds.
- Money should be allocated directly to school districts but the program can be contracted out to nonprofit or for-profit community providers or through Resource and Referral Agencies
- All providers who access this fund must meet at least a two-star standard in the current Step up To Quality star rating system.
- Pre and post-assessments for preschool students will be presented on a community report card and ultimately tracked to KRA-L scores.
- Priority for funding to be given to districts with average KRA-L scores below 22 or more than 20% of children scoring in Band 1.
- Communities with robust, high-quality preschool programs should not be penalized for having preschool in place; instead they should be encouraged to expand to more children.

6. ENGLISH LANGUAGE LEARNERS (3317. 016)

The funds for ELL students are based on the time they have spent in a school anywhere in the United States and reflect an annual reduction in the allocation for this student group based on time in the United States. Specifically, the executive budget gives school districts three years from the day an ELL student gets to the **United States**, not Ohio. Should that clock start to tick when that student comes to Ohio? Why is Ohio responsible for what another state has done (or not done)?

Many Ohio 8 districts have an ELL population that come from significant circumstances including refugee camps and/or never having attended formal schooling in their lives.

Transitioning these students is certainly related to learning a new language and that is many times the focus of policies related to these students, but even more significant is learning a new culture, including things we take for granted like understanding the idea of formal education (sitting in a classroom all day, each day and lesser known, but significant issues, such as learning how to use indoor plumbing). It is also important to note that this category is subject to the pay back provision, which is especially problematic if districts become responsible for what other states have (or have not) done with those students. For perspective, the Ohio 8 districts have thousands of ELL students from dozens of countries speaking hundreds of languages.

Recommendation

- Follow the federal guideline for ELL students which is based on a ‘3 years in the US’ (as opposed to 180 days) before the first 25% reduction in funding occurs.
- Eliminate the ‘contract out’ provision, which will hurt ELL programs in particular, because it takes some ELL students more than 3 years to achieve significant progress.

7. VOUCHER EXPANSION (Section 3310.03)

It is proposed that voucher be expanded to students grades K-3 based on their buildings failure to achieve a literacy grade higher than a “D” AND did not receive grade of “A” for making progress in improving literacy K-3. We have concerns about this expansion for the following reasons:

- With the newly modified 3rd grade reading guarantee, a new A-F accountability/report card system and the implementation of the common core, school districts, teachers and students will see many changes in the coming 12-18 months.
- The combination of these and other changes are going to cause several ups and downs during the next few years as students, families, and schools adjust to the new expectations.
- Within those changes are significant accountability measures to ensure students are learning and performing to state standards.
- Expanding vouchers in this way and at this time will not help students, teachers, and schools but rather strain communities and an already stretched system.

Recommendation

Eliminate the expansion of vouchers.

8. STRAIGHT A FUND (Section 3317.52)

Thank you for the change to this section that identifies the lead applicants for fund dollars to be school districts, community schools, or STEM schools.

In conclusion our requests are the following:

1. Eliminate the Contract Out provision
2. Increase funding to help serve special education students
3. Provide additional resources for transportation for all districts and address fundamental flaws in existing reimbursement rates
4. Ensure children from other countries have a realistic time to succeed in school
5. Eliminate the voucher expansion
6. Fund the expansion of high quality preschool

As Members of this Committee, you have a tremendous task before you. The Ohio 8 is here to continue to help in any way we can. Although we have been meeting with many of you and your staff on a regular basis, I want to remind you that we will continue to talk and are available should you need any information helpful to your work. I want to thank this Committee for giving me the opportunity to speak and I am happy to answer any questions you may have.