

House Extended Subcommittee on Primary and Secondary Education  
Hamilton County Educational Service Center  
August 22, 2012

Good evening, Chairman Amstutz, ranking member Sykes and other committee members. Thank you for providing me the opportunity to testify on shared services. My name is Dave Distel and I am the superintendent of the Hamilton County Educational Service Center (HCESC). I am testifying tonight on behalf of the ESC but primarily on behalf of a new consortium of 10 Educational Service Centers.

Shared Services seems to be the new buzzword. HB 153, the current budget bill, made reference to shared services and called for shared services recommendations to be developed. Since then, the recommendations have been presented in the report entitled "Beyond Boundaries- A Shared Services Action Plan for Ohio Schools and Local Government."

While attention to shared services is fairly new to those in Columbus, it is not new to educational services centers. HCESC is almost a century old. We have evolved from monitoring state mandated requirements in local school districts to providing services requested by all school districts and other state entities.

An example of our evolution can be seen in the delivery of services directly to students. Our Student Intervention and Support center employs 317 individuals who provide direct services to students in 32 traditional public school districts, 50 non-public schools and four community schools. Some of these services are speech language pathology, school psychology, and occupational and physical therapy. We provide services for the hearing and visually impaired as well as interpreters, counselors, nurses and job coaches. Additionally, HCESC as do many ESCs, provides early childhood programs including Head Start, gifted programs, and instructional support for all classroom programs.

Depending on an ESC's capacity, service centers also assist the Ohio Department of Education (ODE) as a contract provider for Race to the Top along with other state guided school improvement work. Through ODE's regional network, ESCs have partnered with other ESCs to provide school improvement work to many school districts in all parts of our state. In some cases, these relationships have fostered other regional collaboratives.

Earlier this month, you heard testimony from Frank DePalma, Superintendent of Montgomery County Educational Service Center describing how six ESCs in the Montgomery county area had collaborated around professional development opportunities.

Another such collaborative was recently developed called ACCESS. This regional collaborative is comprised of ten ESCs including Brown County ESC, Clermont County ESC, Fairfield County ESC, Hamilton County ESC, Lawrence County ESC, Madison-Champaign ESC, Pickaway County ESC, Ross-Pike ESD, South Central Ohio ESC and Southern Ohio ESC. Over a quarter of Ohio's students are served in this 17 county region.

This is the first time such a large geographic footprint has been initiated. We have committed to each other in purpose and dollars. It has been built upon trust and the notion that not every ESC has the capacity to fulfill every district need, but together we do. We feel that by combining

forces we are able to provide services to all of our districts that otherwise may not receive them due to budget cuts and geography.

It would be wrong to think that all ESCs have been created equally. Those that are in rural areas have different needs and challenges from their customers than those in the metropolitan/urban areas. The sheer volume of customers and students create different revenue sources and expenditures in the various geographic locations. While Hamilton County serves the needs of the urban community such as the Cincinnati Public School System and more, another more rural ESC will have a different capacity for their clientele.

To be sure, these collaborations, or shared service models are tricky. Due to the current environment of competition among the ESCs, the value of trust becomes inherent within these models. We believe that relationships are critical to our work with clients and among ourselves. Strong positive relationships build loyalty and trust. We are committed to equitable access for all school districts to essential services through ACCESS and to producing cost-effective solutions and educational benefits to our clients.

A lack of capacity can limit the ability to provide services to districts. ACCESS is working to overcome that problem. ACCESS has been able to achieve this understanding. Recently, ACCESS provided a professional development opportunity for over 300 educators using a nationally recognized expert. It's a perfect example of "together we can!"

In addition to direct service delivery, ESCs are either the owner, convener, or partner of larger consortiums involving health care, cooperative purchasing consortiums, many professional instructional consortiums and more. For example, HCESC partners with 14 other school districts to manage a self-funded health care consortium managing well over 30 million dollars, as well as a three state purchasing co-op totaling 35 million dollars. These are just examples of what many ESCs do. Some are smaller, some are larger in numbers and dollars.

To repeat, shared services are not new to educational service centers. What is new is the conversation about creating new alliances and expanding services. We are excited about expanding our reach and scope of services for both schools and local governments. There is always the opportunity to do more and I believe you will find Ohio's Educational Service Centers prepared to lead the way when it comes to expanded shared services.

While there has been much conversation around what is the right number of ESCs, I would like to offer another perspective. I don't believe that the right number has to do with large or small, it has more to do with meeting expectations of the customer. I am not convinced that competition alone should be the driving force. Hamilton County ESC has been entrepreneurial for over twenty years and certainly understands market forces. Having said that, "when the watering hole begins to dry up, the animals start to look at each other very differently". State funding for ESCs has been reduced by 25% over the last two years, and at the same time ESCs are being asked to do more.

The total number of dollars that ESCs make up as part of the state's overall budget is small. The dollars that we receive are shared with school districts and are used to provide services directly to students and teachers. It is one of the best "bang for your buck" expenditures that the state can make. Those dollars are leveraged time and time again. It is my hope that the legislature will see the added value the state receives from supporting Educational Service Centers.

Mr. Chairman, I thank you for your time and attention and I am happy to answer any questions.