



## Testimony on Student-Centered Funding

June 28, 2012

Chairman Amstutz, Ranking Member Sykes, and Members of the Committee:

My name is Jason Warner and I am the legislative director at School Choice Ohio. School Choice Ohio is a nonprofit organization based here in Columbus that believes that every family should have the right to choose the educational environment that best fits their child's needs, regardless of their income or zip code. We educate parents and community leaders about their range of public and private options so that they can maximize their child's education. We also advocate for the expansion of quality options to Ohio's students.

Ohio has a growing and exciting array of educational options including:

- Top-notch career education programs for fields like biotechnology and interactive media
- Some of the best urban magnet/lottery schools in the country with focus areas on the arts, early college, foreign languages, and Montessori-style instruction, among others
- Charter schools, which though only allowed to open in the most distressed areas of the state, are sometimes completely erasing the achievement gap for their students
- Private schools, which commit to serve students for typically less than half of the cost of public school
- School vouchers, which allow students with special needs, low-income students in Cleveland, and students assigned to our state's lowest-rated public schools to access the private school of their choice
- Open enrollment between districts in which state funding follows students to the district of their family's choice
- Post-Secondary Enrollment Options in which students can receive high school and college credit simultaneously for taking college courses as high school students

Nearly all of these options have developed during the course of the last 25 years. Ohio has come a long way in offering students a wide range of options and now needs to develop a funding system that supports and further develops these options. **So, we commend you for considering a school funding model that recognizes and builds on this diversity by funding students rather than schools and funding students on the basis of their individual learning needs.** In a system of growing variety, providers, and individualization, this student-centered approach seems to be a logical choice.

**As you know, this type of student-centered funding is already partially in place in pockets throughout the state.** There are already examples of Ohio funding children on the basis of their individual needs, most notably students with special needs. In addition to the base funding amount, each student receives 1 of 6 categories of extra per-pupil funding that range from roughly \$7,000 to \$20,000, depending on the severity of their special need. Building on this example, funding weights could be established for students who are socio-economically disadvantaged, urban, English language learners, or gifted so that the schools they attend have the funding to provide the services and learning environment that they need.

**Expanding this way of funding individual students to the whole funding system is a key to eliminating the worst funding inequity affecting Ohio students: *Intra-district funding inequity.*** Intra-district funding inequity now far outpaces inter-district inequity. This is because in our current funding system, real per-student costs are driven by the salaries of experienced, well paid teachers. As more experienced, higher-paid teachers opt to move away from schools with higher concentrations of high-needs students, those high-needs students are de facto receiving much lower per-student funding than their better-off peers, even within the large urban districts. This approach does not match our goal and need to provide equal opportunity to students and close the achievement gaps. In order for high-needs students to reach their potential and keep pace, they need a higher relative share of funding and resources, not less. A student-centered funding system would address these inequities.

But the importance of any funding model goes beyond just providing money. **With funding acting as a key driver of behavior within Ohio's school systems, a strong funding model can incentivize innovation and student outcomes and empower those who are least likely to be heard.** A student-centered funding model with high portability allows parents to vote with their feet and incentivizes results-oriented decisions that leaders know will draw increasingly-savvy parents to their doorstep.

In Ohio, we already have pockets of portability. Individual students are funded as they move to charter schools. Individual students are funded as they move to different school districts through open enrollment. Individual students are funded as they move to private schools through school vouchers. High school students are allowed to spend part of their funding at their local high schools and another part of their funding at their local colleges. In these examples, the state is not funding school buildings as a whole, but funding the education of a student at the public, charter, or private school of their choice. This flexibility is invaluable for students as they seek to prepare themselves to succeed in the future. Many models of student-centered funding support parental school choice by giving families full portability of the funds allocated for their child's education.

In our organization, we hear from parents everyday who are looking for creative solutions to the educational challenges that their children face. We are encouraged by the options available to Ohio families but we also hear the desperation as families encounter closed doors and limited opportunities.

**A more systemic application of the student-centered funding model that already exists in limited cases, will spur innovation, meet more individual student needs, and change the way students in Ohio are educated.** Imagine if parents and school leaders are able to mix-and-match learning options from a range of proven online sources,

small group tutoring, in-person instruction, internships and apprenticeships, travel-based courses, and project-based courses. These combinations of in-person and online learning can be matched to the learning styles and interests of individual students. This approach represents the ways that education is moving toward leveraging technology and personalizing learning in ways that match how future generations will navigate learning in an “anywhere, anytime” knowledge-drenched world.

This is already happening to an extent with the Autism Scholarship and Special Needs Scholarship. Parents are able to work from the base of an Individual Education Program (IEP) and search for the providers that will help them meet the needs of their child. The providers can be at school or off-site, they can meet during the regular school day or in the evenings, they can be schools or therapists. This flexibility has produced amazing results that parents they say they never dreamed was possible. **Can you imagine the possibilities that would come from giving ALL parents options about where to spend the funding allocated for their children?**

#### **OTHER ELEMENTS TO CONSIDER IN A STUDENT-CENTERED FUNDING SYSTEM**

In addition to funding, we encourage you to design a funding system that addresses some of the more mundane barriers to portable funding, particularly transportation and information. At present, families and the state rely on local school districts to provide families with information about and transportation to their “competition.” Ohio should consider freeing districts from these responsibilities and allowing them to focus on their job of educating the students in their care.

#### **Information about options**

The parent-driven accountability built into a student-based funding system is only as good as the information parents have about the quality and range of their options. Without unbiased, easily-accessible information, parents are left to rely on marketing and ad hoc information sources. Important studies done by the World Bank and KidsOhio.org show that **when parents can access the information they need, two things happen: parents choose better schools and schools improve.**

Even basic knowledge of the choices and funding portability that are already available to families is often limited by a lack of information. For example, we have talked with groups of high school guidance counselors who are explicitly told that they are not allowed to share information about the Post-Secondary Enrollment Options (PSEO) program that allows high school students to earn college credits for free because funding for those courses follows students outside the district. So the entity entrusted to share information has a built-in disincentive to provide families with the information about their other options. We encourage you to think about other ways to actively promote the options that are available to students and remove school districts from this catch-22 situation.

#### **Transportation to the selected school**

After parents find a school that is a great fit for their child, often one of the first questions is to determine if they will be able to secure transportation for their child to reliably arrive at school each day. Most low-income families rely on their local school district to provide transportation to their charter school or private school, either because they do not have their own transportation or they are working during the day. Local school districts have a lot of discretion as to which

children they will transport and some districts are friendlier than others when it comes to accommodating families' non-district choices.

This is a huge frustration and barrier for families who want to find something better for their children. And it is heartbreaking for us to see plans and dreams fall apart over something seemingly as simple as busing. Some families even start the year at the school of their choice but then the school district pulls their transportation in the middle of the year and leaves them scrambling. **Including transportation funding as a part of the funding that follows students to the school of their choice would help make school choice practical for families and expand access to the full range of educational options.**

When parents have a range of options to choose from, the support of a funding system that follows their child to the schools and providers of their choice, and easily accessible quality information from a strong accountability system, the results speak for themselves. Quality increases, parent satisfaction grows, student achievement and engagement skyrocket, and innovation booms.

As you consider how best to design a funding system to support student success, we again applaud you for considering this student-centered approach to student funding and would be happy to answer any questions you have.

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