

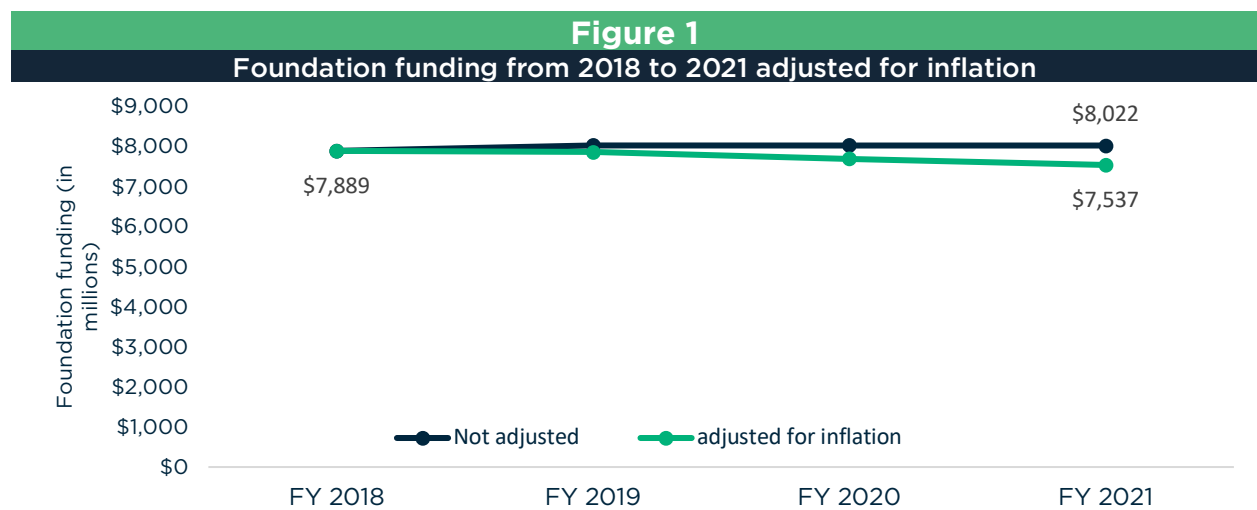
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BUDGET BITE: K-12 Education
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Public education is the backbone of our communities and keeps our economy strong. It prepares children for higher education, the workforce, and civic life. To prepare children for the future, schools must meet their academic, emotional, social, and physical needs. Both Governor DeWine and the Ohio House took important steps to support the state’s children. The House further built on Governor DeWine’s Student Wellness and Success initiative to support mental health counselors and other wraparound services at all public schools. Unfortunately, the House budget provides no additional aid for classroom instruction.

Ohio’s school funding system has been deemed unconstitutional four times. Representative Cupp and Representative Patterson proposed the “Fair School Funding Plan” to address the shortcomings of the current formula. The plan deserves praise for fixing some important issues in the formula; however, analysis of the plan as configured when the House budget was passed showed schools with the lowest percentage of students in poverty would receive significantly larger increases in state aid than schools with the highest poverty. The plan was not incorporated into the budget as passed by the House, because funding based on the current formula, as inadequate as it is, was more equitable. Currently, policymakers and advocates are working to improve the Fair School Funding Plan to make it more equitable. They are considering using funding for the Student Wellness and Success initiative to fund the new school funding formula.

Under the current school funding formula, state foundation aid for school districts is slightly increased by 1.69% from FY 2018 to FY 2021 in the budget passed by the House. Adjusted for inflation, foundation funding, which supports classroom instruction and other core school functions, is less in 2021 than in 2018 (see Figure 1).



Source: Policy Matters Ohio based on Ohio Legislative Service Commission Main Operating Budget Bill HB 166 As passed by the House. Based on 2018 dollars

The House budget makes a \$675 million investment in wraparound services for school districts through Governor DeWine’s Student Wellness and Success initiative – an increase of \$125 million over the governor’s proposal. The initiative would provide all school districts, Joint Vocational School Districts, charter schools, and STEM schools with funding to provide wraparound services to their students.

Student wellness and success funds can be used on 10 services for mental health, homeless youth, child welfare-involved youth, community liaisons, physical health care, mentoring, family engagement and support services, City Connects programming, professional development for providing trauma-informed care, and professional development for cultural competence. Districts and schools are also required to develop a plan to use the funding to coordinate services with one or more specified community organizations. All children, especially those dealing with trauma and poverty, need wraparound services in their schools. Children in Ohio face high rates of poverty and one of the worst opioid epidemics in the nation. Wraparounds services help these students come to school ready to learn.

Per-pupil funding for these services uses a sliding scale based on the percentage of the district’s students with a family income below 185% of federal poverty guidelines. Per pupil funding is determined by quintile (see Table 1). Funding ranges from \$20 to \$250 in 2020 and increases to \$30 to \$360 in 2021. The minimum student wellness and success funding a district or school can receive is \$25,000 in FY 2020 and \$36,000 in FY 2021. It’s sensible to base this funding on poverty levels.

Table 1		
Per pupil Student Wellness and Success funding by poverty rate		
Quintile by highest to lowest poverty rate	Per pupil amount FY 2020	Per pupil amount FY 2021
1 st	\$250	\$360
2 nd	\$200	\$290
3 rd	\$110	\$155
4 th	\$50	\$70
5 th	\$20	\$30

Source: Policy Matters Ohio based on Ohio Legislative Service Commission HB 166 Comparison Document as passed by House

Recommendations

The Senate should support funding for classroom instruction and wraparound services because both are critical for student success.

- Increase investment in public education.** Foundation funding should be substantially increased. In the budget passed by the House, foundation funding is practically flat. The Cupp-Patterson plan would have invested an additional \$720 million in state foundation funding for classroom instruction. At least that amount is needed, and the funding should be allocated to districts equitably based on the needs of students in each district. The House barely increased funding for classroom instruction, but they did propose \$675 million for wraparound services. The Cupp-Patterson plan is currently being revisited. A successful reconfiguration of the plan would create a more accurate and equitable funding formula.