

Some wealthy districts would gain school aid, poor ones lose it

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Gov. Ted Strickland sees his new education plan as a child-centered, evidence-based funding formula designed to build a system of learning for the 21st century.

Pickerington schools Treasurer Dan Griscom sees a \$705,000 funding cut over the next two years.

"It's puzzling to me how a district like ours would wind up with such dire consequences," Griscom said, noting that he had been projecting 3 percent annual increases. "At first glance, it does trouble us greatly."

Schools officials across the state, particularly those among the poorest districts in Ohio, are trying to get a grip on why they would receive little or no new money in the next two years, while a number of wealthier suburban districts would get healthy funding increases.

The three poorest districts in Ohio, and 24 of the bottom 50 based on property value per pupil, would suffer state-funding cuts over the next two years. None would receive the maximum increase allowed: 15 percent the first year and 16 percent the second.

Meanwhile, atop the property-wealth spectrum, 22 of the top 50 districts would get more money -- and of those, 12 would receive the maximum increase.

"When you're cutting Trimble Local, one of the poorest districts in the state, by 2 percent, while giving Upper Arlington a 15 percent increase, how is that decreasing school inequity?" said Sen. John A. Carey Jr. of Wellston, the Republican chairman of the Senate Finance Committee. He represents a number of poor Appalachian districts.

Strickland touts his plan as crafting an "evidence-based" funding formula, shifting more of the funding burden to the state, and attempting to reduce districts' need to ask for new school levies. As a result, he contends, it will, once it's fully phased in, meet the constitutional requirement set by the Ohio Supreme Court for the

School-funding factors

Gov. Ted Strickland's new school-funding formula contains a number of moving parts, all of which help determine how much state money goes to a district. The four components that make the biggest impact:

IQ Index/teacher salaries

Each district is assigned an Instructional Quality Index figure between 0.9 and 1.6; generally, the higher the number, the more challenging the district is considered for teachers. The number is calculated using three factors:

state to fund a "thorough and efficient" education.

John D. Stanford, Strickland's top education adviser, notes that after the education plan is fully implemented, only 24 districts, including Bexley, would not receive a funding increase.

"The court never focused on equity," Stanford said. "The court focused on, 'Is it adequate?' We are providing an adequate education through our model, because it's meeting the needs of a 21st century education."

The Supreme Court called on state officials to fix "wide disparities in educational opportunity" caused primarily by relying too much on local property taxes.

Strickland's plan also includes requiring all districts to provide all-day kindergarten and increasing the school year from 180 to 200 days over the next 10 years. Extending the school year would start with four additional days in the fall of 2011.

Although statewide education groups generally support Strickland's funding model, his plan, like many before it, creates sets of winners and losers. Understanding why that would happen requires looking at the main factors in the funding formula.

Poor districts should benefit from the creation of an Instructional Quality Index, which essentially provides more money per teacher in districts with lower wealth and fewer college graduates. Students in such districts are deemed more difficult to teach.

For example, the formula would give Bexley schools \$50,921 per teacher, while neighboring Whitehall schools would get \$80,696.

Although low-income Whitehall would get a big increase under Strickland's plan, the proposal does not instantly translate into more money for all poor districts. Why?

For one, the Quality Index funding is not pure gravy; some of it replaces other poverty aid that the state now provides. The number also does not include teacher pay for the four additional school days in the second year of the budget.

The index "was enough of a multiplier to really pay for the additional days local districts would have to provide," Stanford said.

For some districts, the new index doesn't overcome student-population losses. A number of the state's poorest districts have lost students in the past decade, even though most still enjoyed significant state revenue growth. Strickland's plan would phase out that guaranteed funding, so having fewer students would cut into funding.

Ten of the 24 poorest districts that would suffer a funding cut in the next two years have lost more than 10 percent of their students in the past decade.

student poverty, community wealth and college-education level in the community.

That index number is multiplied by \$52,400, the salary the state has calculated per teacher in the formula. That is multiplied again by the number of teachers and specialists the state says a school is supposed to have. For core teachers, the teacher-to-student ratio is 1-to-15 in kindergarten through third grade, and 1-to-25 in other grades.

Building sizes

Principals, nurses, non-instructional aides, secretaries and clerks are funded on a per-building basis. Under the formula, an elementary school has 418 students, a middle school has 557 students and a high school has 733 students. For example, if your district has a high school with 2,200 students, it would be funded for three high-school principals.

Less local contribution

Columbus also has lost students: 17 percent in the past decade. But Columbus easily stands to get the biggest state-funding increase in the next two years: \$54 million under the maximum percentage growth allowed.

This would occur because Strickland is reducing the amount that the state expects local districts to contribute in property taxes from 23 mills to 20. Essentially, the state would pay for 3 mills worth of overall funding that it does not cover today.

Strickland is doing this to help address so-called "phantom revenue." The current school-funding formula incorrectly assumes that local property-tax revenue grows with inflation (phantom revenue), leading to less state funding.

The new plan also would help districts with high property wealth. With \$9.8 billion worth, Columbus schools have the state's largest taxable property value by far. Three mills in Columbus are worth about \$29 million a year.

A similar factor would affect other higher-wealth districts.

If the governor's funding plan is fully implemented next year, with no caps on growth, New Albany schools would get a 570 percent increase, while Olentangy schools would receive nearly 500 percent more. The increases would be 178 percent for Upper Arlington, 98 percent for Dublin, 92 percent for Columbus and 54 percent for Hilliard.

Olentangy, Upper Arlington, New Albany and Dublin rank among the top 50 districts based on property value per pupil, out of 612 districts.

"I'm certainly pleased that the governor is putting the needs of K-12 students in our state as a high priority," said Upper Arlington Superintendent Jeff Weaver. "The proposal leaves a lot of questions to be answered. With all-day kindergarten, we would have to find 12 teachers and a dozen classrooms, and we don't have a dozen classrooms."

Administration officials say that schools could use nearby community or day-care centers if they face a space crunch.

Willoughby-Eastlake in Lake County stands to get the maximum increases over the next two years. But Superintendent Keith Miller wrote recently to state legislators that he doesn't have room for the extra 11 kindergarten teachers he would need to hire at a cost of \$600,000 a year. The extra 20 days, he said, would cost \$4 million in salaries.

"None of his proposals will help the school-funding problem," Miller wrote. "They will require us to ask our voters for additional money."

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By expecting local districts to raise less in property taxes (20 mills instead of 23), the state would cover the cost of 3 mills of funding that it does not cover today. The dollar amount depends on the property value in a district: the greater the property wealth, the bigger the benefit. Columbus, for example, has by far the largest property value in the state at \$9.8 billion.

This would not affect the 389 districts -- nearly two-thirds of those in the state -- that are levying only the minimum 20 operational mills.

Student enrollment

Districts with declining enrollment would be hurt under the formula, while growing districts generally would see a benefit.

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