

Doug Fries, Superintendent
Greenville City Schools

November 4, 2013

Dear Mr. Dackin,

My understanding is that you have taken on the task of Chairman of Superintendent Ross's Open Enrollment Task Force. I know you are being contacted by several school superintendents. I sincerely appreciate you taking on this task and challenge and being willing to listen. I hope you can play a part of influencing a funding plan that is fair for all students in the state.

I believe open enrollment is a freedom parents should have, I do not believe that it should allow both state and local share of funding to be transferred to the receiving district.

At Greenville City we are losing this year a net total of approximately 382 open enrolled students. The loss of these students is a financial net loss of approximately 2,194,590 dollars including both state and local share. This is a tremendous hardship to our school district and community.

Changing the funding of open enrolled students to state share only seems to be a more fair way of doing business and should have been implemented years ago. Resident students only get state share it should be same for open enrolled students out. This still allows for choice and lessens the burden on the losing district that cannot continue to put this financial pressure on their tax payers and at the same time meet the instructional accountability standards for students.

I think BASA is demonstrating that poverty is the big contributor to report card grades being lower with poverty students. If we know this, I am not sure we should contribute further to this problem by continuing this flawed system.

Like Mr. Scheu at Sidney, I have been on both ends of the open enrollment gain and loss. In fact, I was the Superintendent gaining at Lincolnview that Mr. Amstutz referred to in his communication. Although I would like to take credit for increasing the carry over balance at Lincolnview for ten years from 2002-2012 from \$2,000,000 to close to \$10,000,000 I know we did not do this completely by being a fiscally responsible school district and administration. We were capitalizing on this flawed system of funding open enrollment. We would still have been gaining with just state share, just not to that amount.

I do want to mention that much of this gain at Lincolnview was due to the most outstanding treasurer in the State of Ohio, who knows how to manage money, provide financial data, and make investments to the advantage of the school district. In thirty years of education he is without a doubt the best employee I ever worked with. However, the truth of the matter is the system is not designed fairly.

This same open enrollment gain to surrounding districts is happening to us at Greenville. The formula over-compensates the receiving end and their budget grows more than needed and the losing district gets put in unsustainable positions. This is not fair to all students in city schools facing poverty which we know statistically effects accountability. Presently our district has 49.5 percent free and reduced lunch.

Every day we get faced with unenviable positions in school administration. In the end we try to do what's right for all students. I think the common sense conclusion to this issue is to only transfer the state share to open enrollment which allows for choice and keeps the financial burden fair and protects poverty students in city schools.

Thanks for considering our concern and for putting the time into this task force.

Feel free to contact me with questions or concerns. Also if you would like me to participate in a meeting on this topic, feel free to contact me.

Sincerely,

Douglas W. Fries Superintendent

Ken Amstutz, Superintendent, Van Wert City Schools

Hi Steve! It's been a long time since we sat together in UD graduate classes!

First, I want to thank you for being the Chairman of Superintendent Ross's Open Enrollment Task Force. I'm sure it will be a daunting, yet rewarding commitment of your time and energy. Second, I am in receipt of John Scheu's email to you regarding the "upside-down" nature of the Sidney City Schools open enrollment. The Van Wert City School District is in a similar situation which I would like to share with you.

For FY13, the VWCS had 362 students open enroll out with 113 students coming in via open enrollment, a net loss of 249 students. The loss of these students is a financial net loss \$1,429,682.92, including state and local share of \$5,745.00. In the seven years I have been the superintendent of VWCS, I have conducted two surveys to determine "why" with no valid results. If I am figuring correctly, the VWCS lost \$521,704.00 in local funds to neighboring districts. I wish that our taxpayers fully understood open enrollment because I'm positive they would be outraged if they knew that more than \$0.5 million was leaving our district due to open enrollment. I understand "state" dollars going with the student, but I have never understood "local" dollars following as well. A very flawed system!

I truly believe that parents should have the right of school choice for their children; however, I do not believe that the intent was to create such an inequity. Case in point... The Lincolnview Local School District receives the lion's share of our financial loss due to open enrollment. In FY13, Lincolnview received \$908,973.50 from VWCS due to open enrollment. On an \$8.0M budget, the VWCS is providing approximately 12% of their operating budget. To further my point, their carry-over balance has risen to "15 months" (growing larger every year) and they have not had FY of deficit spending in over 20 years. Check their most recent 5-year forecast to verify my thinking. I have absolutely nothing against the people of Lincolnview; however, it just makes my point more vivid that one school district is getting rich at the expense of another.

I appreciate your willingness to listen to my concerns. As you are aware, asking our taxpayers for new money is nearly an impossible task. The VWCS has been operating with limited resources and in May our taxpayers renewed our 1% income tax for a continuing period of time - a huge vote of confidence for the good things we are doing. The more \$500,000 of local taxpayer dollars (2.5 mills or 0.25% income tax) we are losing to other districts annually due to open enrollment would go a long way to keep us solvent and off the ballot. How simple will it be for our taxpayers to approve such a levy? The school districts receiving our students would still greatly benefit from the state share of the funding formula.

Thanks for your consideration and if at any point you would like me to share my thoughts with your task force or attend a hearing I would be very willing to do so. Be sure to let me know if you would like to have further clarification.

Thanks – Ken

John Scheu, Superintendent
Sidney City Schools

Hi Steve

I read with interest in the paper over the weekend, that you are the chairman of the Open Enrollment Task Force. As superintendent of Sidney City Schools, the Open Enrollment issue has been a financial tsunami for us. A recent count of students leaving our district numbers $606 \times \$5745$ (FY 2014 amount) = \$3,481,470.00 loss in annual revenue (approximately 100 students Open Enroll into Sidney). Mike Watkins, SCS Treasurer and I met with Dick Ross early in the school year and discussed this issue with him, among other educational topics we discussed (Barbara Matei-Smith was also present). I find myself torn between believing that parents should have a choice of what school to send their child to, but also strongly feeling that the Open Enrollment calculation is major league flawed. And let me add I have been on both sides of this issue as a superintendent in a district who gained from Open Enrollment and now one that is hurt by this calculation. But I have always felt that the calculation is flawed and grossly unfair. Students that leave SCS and Open Enroll out take with them both state and local share totaling \$5745. Students that remain in Sidney City Schools only receive the state share of funding, which is approximately \$3500. How to remedy this unfair dilemma?

1. Students who leave on Open Enrollment take just the state share with them- either their home school amount or receiving school state share; it makes absolutely no sense that these students take both state and local share while students left behind only are funded at the state share. This would still maintain the integrity of allowing parents to choose their child's school- but in a much more equitable and logical manner.
2. For EMIS purposes during count week/final student count to reconcile those open enrollment students between districts and so that ODE does not need to transfer funds from district to district throughout the year it seems to make sense that students could be funded where they are educated. This actually seems too logical to occur!

Either of these two remedies should be given serious consideration. Sidney City Schools ranks in the top 2% in the state for dollars leaving our school district through Open Enrollment. A neighboring school district has 45% of their enrollment courtesy of students leaving SCS via Open Enrollment. It would still be of benefit for them to receive students from Sidney in this manner even if the rules were changed to a more equitable and logical manner- just not the same illogical formula now being used. I would be happy to testify on this matter before your committee or any House/Senate sub committee, as I feel quite strongly about this issue. Thank-you for listening.

Jeffrey N. Layton
Superintendent
Northwestern Local Schools

Stephan,

I realize you are out of town currently. I wanted to be sure you received feedback from a colleague regarding open enrollment to share with the recently appointed Open Enrollment Task Force.

I would be willing to come discuss some of my points with the task force at your convenience as well. I would appreciate your sharing this communication with members of the task force.

I am superintendent of Northwestern Schools, located in Wayne County. We have a current total enrollment of 1450 students , 197 of which are incoming open enrolled.

My largest concern at this time is one of the changes stated in SB 123. SB 123 can be accessed at the following link: http://www.legislature.state.oh.us/BillText130/130_SB_123_I_Y.pdf
I recently reviewed SB 123 and agree with the provisional changes within with the exception of Page 53 section 6 where language was added, ***“For fiscal years after fiscal year 2015, every district’s open enrollment net gain is zero.”*** This language has me very concerned.
Please review this yourself and see if you feel I interpreted this correctly below. I have asked for clarity from Senator Sawyer, the bill’s sponsor, and have a meeting scheduled with him on Nov. 12th to get clarity of this bill and to share my thoughts with him regarding open enrollment.

As I interpret the additional sentence it would affect Northwestern (as an example) in the following manner:

Northwestern currently has an incoming open enrollment population of 197 students. We have 20 resident students as outgoing open enrollment students attending elsewhere. This leaves us with an open enrollment net gain of 177 students.

As current language funds:

We have a net gain of 177 OE students. We receive \$5,740 per open enrolled student - \$5,740 X 177 = \$1,015,980 in revenue this school year.

As of FY 2016 SB 123 language would fund:

We would be educating and nurturing 197 students we are educating from other districts as we are currently. We additionally provide transportation (although not required) and extracurricular programs to these students, yet would be considered to have a net gain of 00 OE students as I read SB 123. We receive \$5,740 per net gain of open enrolled students (in current dollars) - \$5,740 X 00 = \$00 in revenue this school year.

I sure hope I am misunderstanding this. I believe the dollars should follow the child. If what I think I am interpreting is correct Northwestern would lose \$1,015,980 in annual open enrollment revenue under this bill. If the money follows the child as it does for Peterson Scholarship, Autism Scholarship, for charter and community schools, etc. the it should also be the case for regular education students who choose to enroll in other public schools that are progressive and offer extraordinary programs. Northwestern is a Peterson Scholarship provider and was last year as well so I am well-aware of these provisions.

Northwestern has thrived through open enrollment. Our HS is not a “School of Promise” by accident. Open enrollment was the major motivation behind the feasibility study prior to initiating and sustaining our innovative STEM programs, Dual Credit Courses, and other outstanding innovations here. In the past 8 years we have gone from 64 incoming open enrolled students purposefully to the current 197. This has coincided with our growth from 0 on-campus Dual Credits worth of courses available to the current 50 Dual Credits available on our campus. It has coincided with our growth from 0 STEM programs to our current MS programs that includes: Flight & Space, Medical Detectives, Robotics, Pre-Engineering. Also, our HS STEM programs consisting of 4 Engineering courses, 4 Biomedical Courses, a programming course, and a Robotics Club. Without the open enrollment revenue driving these innovations and providing the needed revenue to grow these programs they would never

have occurred or would have atrophied due to lack of sustainability financially, with the needed class sizes and efficiency, or with student numbers from outside our district boundaries.

Simply put, competition drives innovation.

First, I'd like the aforementioned SB 123 language reconsidered.

Second, I'd like to see incoming open enrollment become more competitive, which will only further promote students achievement through parent and student motivation. This can be done through modification of legislation, which will drive improvements to open enrollment practices and policies. Below is my summary regarding open enrollment and the guidelines that I would like to see implemented:

Open Enrollment Legislative Study Council Recommendations

I. Funding:

- **Maintain current funding levels for OE students – with annual increases to account for inflationary costs**
- **Permit base Per Pupil student funding increases for OE students (funding follows the student as has been the process)**

II. Following recommendations for annual approval of OE students:

A. Process for approval:

- **Tier I approval: Approve all OE applications (received by May 31) by June 15.**
- **Tier II approval: Approve all OE applications (received by July 31) by Aug 5.**
- **Tier III approval: Any OE students applying after July 31 are situational/circumstantial and are completely at School District's discretion by Superintendent approval with no time constraints and can be approved in no particular time order.**

B. Can reject OE applicants based on following:

- **Parent/Guardian misleading or lying on application o**
- **Parent/Guardian falsifying documents**
- **Discipline reasons – past ISS or OSS**
- **Attendance – past attendance**
- **Grades – prior school year grades at or below a 1.5 "C-" average**

III. Can reject current OE students forcing a return to home school district at conclusion of any grading period for the following reasons (with a 1 week notice):

- **Discover lying on application**
- **Discipline reasons – Current SY ISS or OSS**
- **Poor attendance – current SY attendance – absences and/or tardiness (a number could be set firmly with these)**
- **Grades – in grading period being at or below a 1.5 "C-" average**

IV. Effect of continuing strong open enrollment support, practice, and strengthening guidelines:

- **OE is a good thing for Ohio students – creating opportunities that otherwise would be neither possible nor accessible to motivated children no matter the school district of residence**
- **OE promotes competition - thereby improving quality & number of programs, student support, rigor, and quality of instruction of all schools**
- **OE improves efficiency of receiving schools – we just fill our classrooms - are an example of a school that has dramatically increased open enrolled students – by more than 130 students (over 12 grades) – without employing a single additional staff-member**
- **Parent Motivation: Tightening the rules as stated above promotes parent initiative in student attendance, behavior, truthfulness, academics, and timeliness – these will improve parent-school collaboration**
- **Student Motivation: Tightening the rules as stated above promotes parent initiative in student attendance, behavior, truthfulness, academics, and timeliness – these will improve student motivation**
- **Tightening the rules as stated above will prevent some home school districts from “dumping” through misinformation and encouraging low motivated students to enroll in other districts through open enrollment thus pushing them out. Yes, there are some schools whose leaders exhibit unscrupulous practices) – some school districts do this, which perpetuates the repeated cycle of low performance by particular families and students and making them outcasts**

Thanks for taking the time to review my thoughts and concerns on open enrollment funding and practices.

Jeffrey N. Layton
Superintendent
Northwestern Local Schools