



**OHIO
CHILDREN'S
BUDGET**
2020-2021



February 2019

ISSUE BRIEF

ISSUE: Resources for Educating Economically Disadvantaged Students

In fiscal year 2018 (FY 2018), there were nearly 828,000 economically disadvantaged students in Ohio and economically disadvantaged student aid totaled \$408.7 million. Students who are identified as “economically disadvantaged” are those who qualify for the National School Lunch Program (NSLP), otherwise known as the federal free and reduced priced lunch program, live in a family with an income level that would qualify them for the federal free and reduced priced lunch program, and students whose family receives public assistance.

According to the Ohio Department of Education (ODE), the number of students who were economically disadvantaged increased by nearly 67 percent since 2001. Meanwhile, funding has increased only 23 percent over the same period.

School district report card results continue to show dramatic disparities in performance for economically disadvantaged students compared to their peers.

Policy

Ohio’s current funding formula component for school districts to support poor students is known as Economically Disadvantaged Student Aid and has been in place since FY 2014. Funding is structured as follows:

- The number of economically disadvantaged students in each school district is measured by the percentage of students eligible to receive free or reduced lunch through the federal school lunch program.
- The current funding formula for economically disadvantaged aid uses a base amount of \$272 per pupil. A district with the statewide average percentage of economically disadvantaged students would receive this amount for each identified student. In FY18 the statewide percentage of economically disadvantaged students was 48.7%
- In recognition that school districts with high concentrations of low-income students need additional resources in order to adequately



meet the educational needs of these children, the formula provides higher per-pupil amounts of state aid in districts with higher percentages of economically disadvantaged students.

Challenges

The \$272 base per-pupil amount for this funding is not tied to any rational determination of the resources needed to serve these students. Further, total funding for economically disadvantaged students has not increased to match the increase in the number of students identified as economically disadvantaged.

Opportunities

Ohio must increase its commitment to the education of economically disadvantaged students. The following areas need to be addressed:

- 1) Academic needs of disadvantaged students, including intervention and dropout recovery;
- 2) Social and emotional needs of disadvantaged students; and
- 3) Targeted professional development for teachers and other building and district staff

Academic research on the costs of educating economically disadvantaged students along with examination of how other states address such needs in their school funding formulas suggest it is typical to find that economically disadvantaged students cost on average roughly 30 percent more to educate than their non-disadvantaged peers.

Thus, while other states are employing base weights that are typically 0.25-0.35, ***Ohio's formula provides funding that is 19 percent of the base per-pupil amount (\$1,150/\$6,010) in a district where every student is deemed economically disadvantaged.*** Funding in districts with lower ratios of economically disadvantaged students is even lower.

Support Child Well-Being: Recommendations

The education community recommends the DeWine Administration take the following actions to better ascertain costs and address the needs of Ohio's economically disadvantaged students:

- 1) Conduct a study of the actual cost of addressing the needs of economically disadvantaged students. The study should address the cost of providing adequate social and emotional support to low-income students in addition to the cost of providing academic support.
-

- 2) Conduct a second study to assess statewide and regional shortages of school social workers, psychologists and other support personnel. Develop recommendations for alleviating these shortages.
- 3) Until such a study is undertaken, the state must increase the base per-pupil amount in the economically disadvantaged aid component of the school funding formula. Increasing the per-pupil base amount from \$272 per pupil to \$425 per pupil as in interim step would provide funding at a rate of roughly 30 percent more than the cost for a typical student in the school districts with the highest concentrations of economically disadvantaged students in Ohio.
- 4) The ODE should explore an alternate measure for identifying economically disadvantaged students. This is necessary because the “Community Eligibility Provision” implemented in 2013 as part of the federal free and reduced price lunch meal program has complicated the use of this measure, because it allows for a school building that reaches 40 percent of students with economic disadvantage to qualify the entire building. Therefore, Ohio needs an alternate measure to accurately distribute state funding to support low-income students.

This issue brief authored by: Dr. Howard Fleeter, Fleeter & Associates and Dr. Tracy Nájera, Executive Director, Children’s Defense Fund-Ohio

For more information and to access other issue
briefs, please visit:

www.ohiochildrensbudget.org

info@ohiochildrensbudget.org
