

APPENDIX

Testimony by Wm Phillis before Primary & Secondary Subcommittee of House Committee, March 15, 2017.

The Charter industry and school vouchers are negatively affecting the financing of the public-common school system. Table 1 displays the amount of fund deducted from school districts for charters and vouchers since fiscal year 1999.

Table 1

	TOTAL FOUNDATION FUNDING	COMMUNITY SCHOOL DEDUCTION	VOUCHERS	TOTAL FOUNDATION FUNDING AFTER COMMUNITY SCHOOLS & VOUCHERS DEDUCTIONS
FY99	\$ 4,291,780,779.95	(\$10,985,022)		\$ 4,280,795,758.02
FY00	\$ 4,549,657,503.29	(\$51,658,903)		\$ 4,497,998,600.15
FY01	\$ 4,898,374,512.49	(\$91,199,488)		\$ 4,807,175,024.42
FY02	\$ 5,220,455,380.41	(\$138,941,700)		\$ 5,081,513,680.41
	\$ 5,682,350,214.32	(\$203,733,492)		\$ 5,478,616,722.73
FY04	\$ 5,800,908,755.70	(\$301,139,480)		\$ 5,499,769,275.79
FY05	\$ 5,963,931,642.83	(\$421,736,138)		\$ 5,542,195,504.83
FY06	\$ 6,272,235,124.09	(\$481,559,416)		\$ 5,790,675,707.61
FY07	\$ 6,355,941,832.37	(\$530,582,459)	\$ (13,031,830.00)	\$ 5,812,327,543.64
FY08	\$ 6,457,640,481.02	(\$584,929,196)	\$ (42,355,791.56)	\$ 5,830,355,493.13
FY09	\$ 6,642,929,666.10	(\$585,238,080)	\$ (56,769,142.01)	\$ 6,000,922,444.12
FY10	\$ 6,536,792,132.37	(\$679,872,827)	\$ (69,648,850.12)	\$ 5,787,270,455.15
FY 11	\$ 6,514,716,125.53	(\$721,951,120)	\$ (78,849,287.31)	\$ 5,659,336,372.17
FY 12	\$ 6,268,418,458.61	(\$774,404,507)	\$ (71,728,696.82)	\$ 5,422,285,254.30
FY 13	\$ 6,322,863,047.83	(\$824,049,484)	\$(133,428,633.53)	\$ 5,365,384,930.30
FY 14	\$ 6,604,002,785.43	(\$901,656.421)	\$(153,871,203.11)	\$ 5,548,475,161.32
FY 15	\$ 7,030,888,945.00	(\$931,259,030)	\$(176,999,488.18)	\$ 5,922,630,426.82
FY 16	\$ 7,455,642,113.58	(\$922,956,418)	\$(198,248,225.69)	\$ 6,334,437,470.04
FY17	\$ 7,766,534,865.13	(\$912,2Q1,929)	\$(240,651,199.80)	\$ 6,613,681,736.32

This committee is reminded that the Constitution requires the state to establish and maintain one thorough and efficient system of common schools—a system that was declared unconstitutional and has never been remediated.

The charter school industry in Ohio has a record of gross corruption in fiscal matters and on average, low academic performance; yet has removed over \$10 billion from school districts since the inception of the program. Over \$1.2 billion have been deducted for voucher programs since fiscal year 2007. The state’s first responsibility is to demonstrate that its common school system is thorough and efficient—and not allow funds to be drained from the system for an array of privately-operated education entities not required by the Constitution. Charter and voucher schools are not common schools.

Privately-operated charters will receive about \$1 billion this year via deductions from school districts. This biennium (FY 2016 and FY2017) private schools will receive tax funding as follows:

Line item	FY 2016	FY 2017	Total
511-Auxillary Services*	\$144,254,342	\$149,909,112	\$294,163,454
532-Administrative Cost Reimbursement	\$65,165,374	\$67,719,856	\$132,885,230
573-EdChoice Expansion**	\$23,500,000	\$31,500,000	\$55,000,000
659-Auxillary Services Reimbursement	\$1,328,910	\$1,328,910	\$2,657,820
Total	\$234,248,626	\$250,457,878	\$484,706,504

*These funds flow to public school districts but are spent for goods and services in the privates

**Separate state budget appropriation

The state will deduct over \$177 million from school districts for vouchers this year. Therefore, this school year private schools will receive tax money in the amount of \$411 million. In addition, school districts are obligated to provide transportation for private school and charter school students. By law, districts have a greater obligation to transport charter school students than district students.

Therefore, the total amount of Ohio tax revenue going to charter and private schools this year is in the range of \$1.4 billion.

Nearly all school districts receive less per pupil state revenue than charter schools and many districts receive less per pupil state revenue than private schools.

Among the data revealed in the new Innovation Ohio [report](#):

- Vouchers now **affect children in 83% of Ohio's school districts**
- This year, **more than \$310 million in public money will be sent to private, mostly religious schools through vouchers.**
- Including additional direct state payments and reimbursements made to private, mostly religious schools, **more than \$568 million in Ohio taxpayer money is going to support these schools**
- **Local taxpayers subsidize vouchers** with \$105 million in locally raised money to make up for districts losing state funding to Ohio's voucher programs
- Students who take vouchers **perform worse than their public school peers** on state assessments
- Some of the **highest performing school districts in the state lose money** and students to vouchers, turning the original intent of the program on its head

June 2017 Report: Expanding Vouchers Chips away at Public schools

- Despite traditional public schools struggling to recover funding since the recession, voucher program spending increased by 352 percent since 2008
- Program eligibility has increased by adding programs that allow more students to use vouchers
- Senate Bill 85 would create the "Opportunity Scholarship", which could cost 6.4 times as much annually as the voucher programs it would replace (or \$1.2 billion a year, providing vouchers for three fourths of Ohio school children)
- The 2018-2019 House budget increases funding the EdChoice Expansion voucher by 57 percent over the 2016-17 budget