



OAGC Response to the Gifted Cost Study

July 25, 2018

The Ohio Department of Education released the gifted education cost study in late May. The cost study was the result of language in the last budget:

SECTION 265.480. The Department of Education shall conduct a study to determine the appropriate amounts of funding for each category and sub-category of students identified as gifted under Chapter 3324 of the Revised Code, as well as the most appropriate method for funding gifted education courses and programs. The study shall include, but not be limited to, costs for effective and appropriate identification, staffing, professional development, technology, materials, and supplies at the district level. The Department shall emphasize adequate funding and delivery of services for smaller, rural school districts, including statewide support needed for this population.

Not later than May 1, 2018, the Department shall issue a report of its findings and recommendations to the Governor, the President of the Senate, the Speaker of the House of Representatives, the Director and members of the Joint Education Oversight Committee, and the members of the primary and secondary education committees of the Senate and the House of Representatives. (*Am. Sub. HB 49 of the 132nd Ohio General Assembly, pages 3090-3091*)

The purpose of this document is not to outline the specific recommendations for each of the components of gifted cost study, rather, it is to respond to those issues with which we disagree or have suggestions for changes. The full study can be viewed [here](#) for those who wish to get into the details.

Cost Study Brief Summary

The Ohio Department of Education (ODE) contracted the gifted study to an outside consultant, the Ohio Education Research Center (OERC) who identified sample districts to do a gap analysis. OERC worked with these districts to determine what costs are sufficient as well as what funding components are necessary to support gifted education. The study concluded that the cost of funding gifted education is \$230.2 million, of which \$101 million should be paid by the state of Ohio as researchers opined that state share should be applied to the gifted funding component. The state is currently paying \$73.5 million through the current formula. No state share is applied to current gifted formula amount. This means that based on the cost study, state share would increase by about 35% while local share would increase by over 265%.

The OERC researchers recommended that the state share index should be applied to the gifted funding formula. Unfortunately, they chose not to issue direct recommendations on other policy issues that would greatly affect the implementation of new funding. In particular, questions about whether the state should mandate gifted services or whether districts should use state gifted funding explicitly on gifted students were left unanswered. Without some level of gifted funding accountability, any change to gifted education funding is not likely to support our most vulnerable gifted students. Most disappointingly, very little emphasis was spent on the unique needs of gifted rural students and how educational service centers (ESCs) or other regional partnerships could be funded to support rural gifted services.

Along with the cost study, OERC provided a list of policy issues that could be addressed including:

- Gifted Education Disparities;
- Fiscal and Programming Accountability;
- Mandate for Service Provisions;
- Fiscal Data Reporting Improvements;
- EMIS Portability;
- Build ESC Capacity to Serve Rural and Other Underserved Areas;
- Rural Gifted Education Disparities;
- Shared Service Related Efficiencies;
- Talent Development and Identification;
- Gifted Education Funding and Community Schools and STEM Schools, and
- Online Professional Development

OAGC largely agrees with OERC that these issues need to be addressed as part of the whole discussion of gifted education funding. We are particularly concerned about disparities in identification and service across the state, funding accountability, and the ability to create a structure to meet the needs of Ohio's gifted rural students along with chronically overlooked under-represented populations. Below, please see a discussion of OAGC's concerns with the gifted cost study and suggestions for corrections:

Major Concerns

1. Shifting the Gifted Funding Responsibility to Local Districts While Minimizing State Responsibility

Other Ohio gifted cost studies (2001 and 2008) have estimated state gifted funding to be approximately \$120 million to \$140 million. To determine that only \$101 million of state gifted funding is now needed in **2018** is bewildering. The assumptions made throughout the study, most particularly that the state share index should be applied to the gifted formula, clearly move the burden of gifted funding to local districts. This shift would almost certainly assure that gifted students in lower wealth districts, especially in rural areas, will never have access to adequate opportunities. Local districts currently report spending \$108.7 million on gifted education, \$73.5 million of which comes from the state with no state share index applied to that amount. The OERC study concludes that adequate gifted funding should be \$230.2 million, and that the state should be responsible for \$101 million or an increase of 37%. Local districts would have to increase their funding to \$129.2 million from their current spending of \$35.2 or an increase of 265%. The reason for this shift is the OERC conclusion that the state share index should be applied to the gifted funding formula, which it does not currently do. OERC states that gifted funding should be treated in the same way as funding for students with disabilities, English language learners and career technical education. However, there are two major differences between these other student sub-groups and the gifted student sub-group: districts are not required to provide gifted education services, and there is no funding accountability for state gifted funds. The OERC report states that one of the criteria for a solid funding structure is that incentives should be provided for districts to both identify and serve students. ***With the majority of the funding under the proposed OERC recommendation to be provided by districts, there is absolutely no incentive for districts to identify and serve gifted students. OAGC recommends either applying some level of funding accountability to this formula, a mandate for gifted services, or eliminating the state share index in this formula. At a bare minimum, based on the cost study, the current gifted formula should be updated with new coordinator and gifted intervention specialist salaries. The current formula uses the \$37,370 for both coordinators and gifted intervention specialist salaries. OERC believes the true cost is \$85,776 per gifted coordinator and \$89,378 for gifted intervention specialists. Using these salary levels and the current gifted funding formula, the increase***

in gifted funding would be \$24.9 million for gifted coordinators and \$71.9 million for gifted intervention specialists for a total increase of \$96.9 million.

2. Funding Accountability and/or State Mandate

While OERC freely made the policy decision to apply the state share index to gifted funding formula, the center demurred when it came to the most important questions of the study: namely, how will districts be held accountable for gifted funding and when will it be time to mandate gifted services? Without a true policy decision about whether districts should be spending state gifted funds on gifted students or whether a new formula should also include a mandate to serve, is there really any point to changing the funding formula? The education management associations argue that the gifted performance indicator is sufficient to serve as accountability for funding. However, poor performance on this measure has never triggered any state response. Currently, almost half of Ohio's districts spend less on gifted students than the state gifted funds they receive. In fact, there are 46 districts that reported spending no funds on identified gifted students. Funding accountability is a wholly separate issue from performance accountability. Funding accountability needs to be thoroughly reviewed as part of any funding discussion for gifted students in Ohio. ***The status quo for gifted students will not change if districts can continue to choose whether gifted students are provided appropriate academic opportunities or not. While OERC should be commended for indicating that gifted students would be better served with a mandate and funding accountability, they fell short of an actual recommendation. All other categorial areas receive some level of funding accountability. It is time to ensure that state gifted funds are spent on gifted children.***

3. Lack of Emphasis on ESCs to Support Rural Districts

A major part of the study was to have been an examination of how the state could better support gifted students in smaller, rural areas. While the OERC report included a short discussion of policy suggestions to support rural gifted students, the report provides no concrete recommendations, and, in fact, indicates that the potential use of educational service centers (ESCs) to help support gifted students was outside the scope of their report. This is highly disappointing. The fact of the matter is that the reduction of gifted funds to ESCs in 2014 (from \$8.1 million to \$3.7 million) has had a huge, long-lasting damaging impact on how ESCs currently support gifted students in smaller, rural districts. There is a perception for some at the state level to view ESC gifted funding as somehow double-dipping. On a practical level though, without ESC gifted support, many small districts will never have the capacity to serve gifted students. Some of the policy recommendations provided in the report of state support for gifted students rate further exploration. ***However, a very quick and inexpensive fiscal policy decision to increase ESC gifted funding specifically to support rural districts would have been a welcome recommendation. This would cost an additional \$4.4 million.***

4. Using a 140:1 Student/Gifted Intervention Specialist Ratio for K-8 Grade Levels

While one can make different choices in constructing a new gifted funding element, OAGC is not interested in challenging the OERC authors on every decision made in the study. However, there are few choices made that do merit some discussion, most particularly, the decision to use a 140:1 student/gifted intervention specialist ratio at the K-8 grade level based on a seven-period day. This ratio stretches gifted intervention specialists to a level that will degrade services to gifted students and is contrary to most district contracts which would include both a daily planning period as well as a duty period. While there are many ways to serve gifted students, some of which are lower cost, this ratio goes well above the

recommended level in the gifted operating standards for 80:1 for self-contained and students who are in cluster-group settings. ***The 140:1 Student/Gifted Intervention Specialist ratio needs to be reviewed and reduced to a more reasonable level. OAGC recommends the ratio of 100:1 which would increase the funding level by \$16.6 million.***

Other Concerns:

1. Using 3300:1 Ratio for Coordinators & Imposing a Cap on the Number of Coordinators to be Funded

The use of the 3300: 1 ratio of ADM to coordinators comes from the current funding formula. The formula was based on the 2008 operating standards which called for a 3000:1 ratio. The formula uses 3300:1 merely to reduce the funding level for coordinators. Capping the number of coordinators at eight merely serves to hurt our largest districts. There is no basis for the cap. ***The ADM to coordinator ratio should be restored to 3000:1 and no cap on the number of coordinators should be applied. The additional cost for these changes is \$2.2 million.***

2. Using a Lower Minimum in the Formula

Reducing the minimum level of gifted intervention specialist support from the current formula level is not justified. It simply reduces funding to smaller districts and is really not supported by best practice. ***The minimum level of gifted intervention specialist should remain at .3 not reduced to .2. The cost of maintaining the .3 minimum gifted intervention specialist level is \$300,000.***

3. Assuming that Only Four Years of Professional Development is Required for General Education Teachers

OERC calculates a level of funding for professional development for classroom teachers, but they assume that the funding can be eliminated or reduced in four years. This is not realistic nor is it best practice. Classroom teachers serving gifted students will need to have sustained levels of professional development beyond the minimal levels for four years. Additionally, there will always be teacher turnover in districts – especially in terms of which teachers will have gifted students placed in their classrooms. ***Gifted professional development should be assumed to be an on-going cost.***

For more information about the gifted cost study, please contact OAGC Executive Director, Ann Sheldon at anngift@aol.com or 614-325-1185.