



# School Funding Matters

Giving Ohioans a voice in shaping the future of public education

## Five Myths about Ohio School Funding

### MYTH 1: School districts receive more money as property values increase.

**REALITY:** State law freezes the amount that districts can collect in property tax at the level of the year the levy was approved. So even if property values increase, school districts do not receive more funds. This forces districts to go back to voters with levies just to keep pace with inflation.

### MYTH 2: Schools get a lot of money from the Ohio Lottery.

**REALITY:** Proceeds from the lottery make up only a small portion of Ohio's total education spending, paying 6-8% of the expense of a typical school district. While money from the lottery is allocated to education, gains from lottery profits are partially offset by reductions in other funds allocated for schools.

### MYTH 3: All school districts spend about the same amount per student.

**REALITY:** Spending ranges from \$6,876 per student (Columbus Grove) to \$18,750 (Cuyahoga Heights).

### MYTH 4: Research proves that property taxes are the best way to fund schools.

**REALITY:** While property taxes have traditionally been used to fund schools, there is no evidence that relying on property tax is the best approach. In fact, many indications are that it has built-in biases. Some districts, including some in Ohio, are turning to other means to fund schools, including income tax.

### MYTH 5: The federal government provides ample funding for NCLB and other mandates.

**REALITY:** No Child Left Behind sets up requirements for school districts but provides no funding for meeting them, placing an additional strain on school resources. On average, the federal government supplies only 8% of most districts' funding, while the state makes up 42%. Local taxes provide almost half.

## And did you know that...

...in 2007 alone, about one third of all Ohio school districts placed a levy on the ballot for a total of 200 school levies? Of those, only 53% passed.

...18 of the school districts with levies on the November 2008 ballot (approximately one-third) were rated Excellent on the 06-07 state report card?

*Learn more and stay in touch about Ohio school funding issues at*

**[www.SchoolFundingMatters.org](http://www.SchoolFundingMatters.org)**

KnowledgeWorks Foundation

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## **A decisive moment for Ohio schools**

Ohio's public schools are at a critical juncture. The next few months could help determine whether all our children will be prepared to succeed in the new global economy - or whether opportunity will be stifled for some by inadequate and inequitable resources.

With political attention now closely focused on school funding, Ohio citizens have a unique opportunity to decide what kind of schools they want and how to pay for those schools.

## **Why School Funding and Why Now?**

**Ohio's school funding system is in crisis.** Increasingly, Ohio's local school districts are faced with tough budget choices that affect education quality and are putting levies back on the ballot over and over again. Ohio's school funding system has been found unconstitutional since the first DeRolph ruling in 1994 and remains so today.

**But change is on the way.** Governor Ted Strickland has vowed to address school funding and present a proposal for change by spring 2009. He is seeking input from many people around the state as he puts this proposal together and...

***It is crucial that you – Ohio's public – have a voice.***

To ensure effective change, your voice and the voices of others in communities across Ohio need to be heard. This is a critical time for Ohio's communities to become more informed and engaged about how our schools are funded and what reforms would improve the system.

## **About this initiative**

School Funding Matters is an initiative of KnowledgeWorks Foundation. Our goal is to provide Ohioans with the information and resources they need to understand and participate in the public dialogue about how Ohio schools are funded. We also provide a platform to help citizens connect with others across the state who are working to bring about school funding reform.

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