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## Making sense of the financial data on the Ohio school report card

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# OASSA Guest Author Article

**By: Dr. Lisa Shoaf, Associate Dean, Professional Studies at John Carroll University & Dr. Lydia Kruse, School Psychologist and Part-Time Faculty at John Carroll University**

## Making Sense of the Financial Data on the Ohio School Report Card

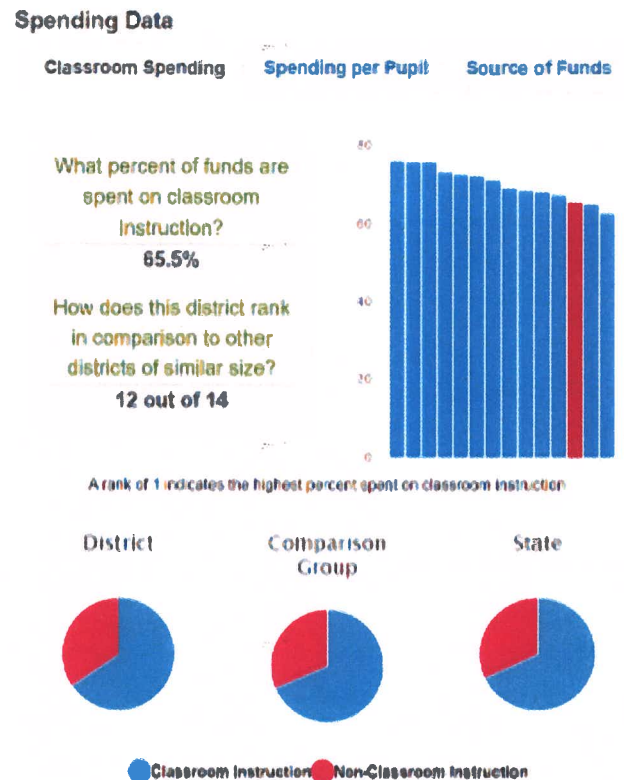
### Introduction

Since 2004, the Ohio Department of Education has published an Ohio School Report Card for every public school district and school in the state (accessible at <https://reportcard.education.ohio.gov/>). A “Financial Data” section, which illustrates a district’s spending data and its relationship to student performance that year, was added to districts’ School Report Cards in 2013. Because, according to the *Guide to 2022 Ohio School Report Cards* (<https://education.ohio.gov/getattachment/Topics/Data/Report-Card-Resources/2022-Report-Card-Guide.pdf.aspx?lang=en-US>), the School Report Card audience is comprised of parents, caregivers, community members, educators and policymakers, these data allow readers, like Ohio School Board members, to easily compare district spending and performance and promote transparency of information and financial accountability. The Financial Data are summarized in two categories: (a) Spending Data and (b) Spending and Performance.

### Spending Data

The first portion of the Financial Data section of the School Report Card explains the district’s “Spending Data,” which helps a board member see how their district’s spending compares with other districts. This section provides information in three categories: “Classroom Spending,” “Spending Per Pupil,” and “Source of Funds.”

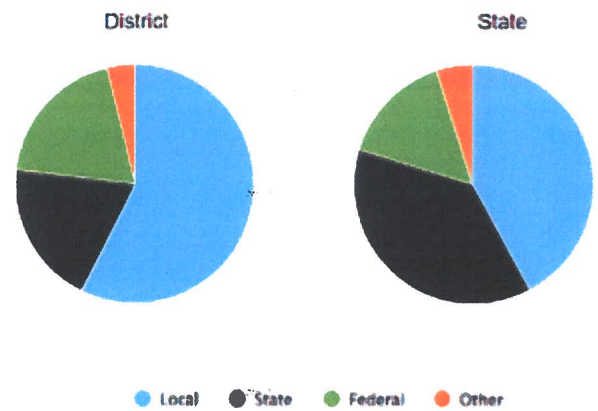
Classroom Spending defines the amount of money the district spends on classroom instruction versus non-classroom instruction. Examples of items included in classroom instruction are textbooks, classroom supplies, teacher salaries, instructional aides, and technology support. Items not included in classroom instruction are costs such as transportation, building maintenance, school lunch, and administrative costs. Below is an image from the Columbus City School District 2021-2022 School Report Card that shows the breakdown of classroom spending. (Columbus City School District was selected as the example for the article simply because of the location to the state capital.) The pie graphs in the image illustrate the spending on classroom instruction (blue) versus the non-classroom instruction (red). For the Columbus City Schools, the ratio of spending on classroom instruction is comparative between the district, comparison group and state.



Different than Classroom Spending, Spending per Pupil includes all costs associated with educating the child both within the classroom and district operations. School board members will find a breakdown of the exact dollar amount of their district’s operating spending per pupil, classroom vs. non-classroom spending, federal funds vs. state and local funds and the respective state averages (that are the same across all districts’ School Report Cards) for comparison. In this section, the School Report Card answers the questions, “Is [district] among the 20% of public districts with the lowest **operating** expenses per pupil?” and “Is [district] among the 20% of public districts with the highest **academic** performance index scores?” School board members may find it helpful to review the answers to these questions for their district.

The revenue is further defined in the Source of Funds category under Spending Data. Source of Funds includes Local, State, Federal and Other. Local sources of money are revenue through local businesses and property taxes and school district income taxes. State revenue is money received from the state of Ohio, and federal revenue is money received from the federal government. Federal aid supports federal requirements such as special education services, although the money received does not cover the total cost of services in the district. The Other category includes revenue from grants, donations, or interest earned on investments (investments have to be low risk and not longer than five years).

The pie graphs below provide a comparison between the Columbus City School District’s spending and the combined spending of the state (all school districts) broken down by source of funds and illustrate that the Columbus City School District is more dependent on local revenue than the state average.



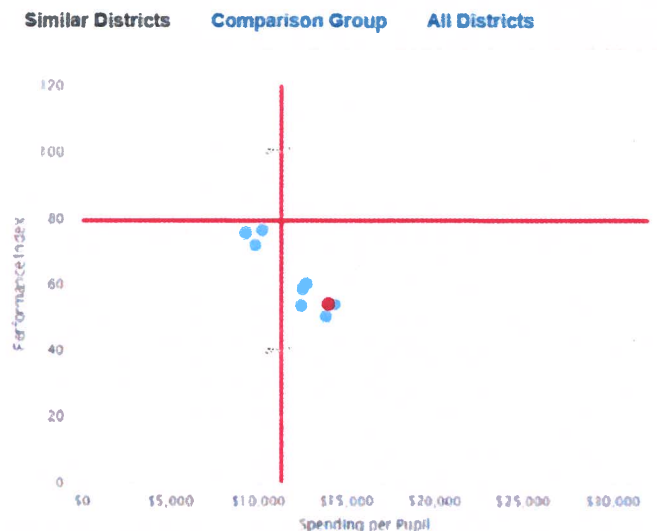
### Spending and Performance

The second portion of the Financial Data section of the School Report Card, labeled “Spending and Performance,” compares a district’s average spending per student to the district’s performance and similar districts and schools. The data are represented by three scatter plot graphs showing the relationship between two variables: a district’s Performance Index (“calculation that measures student performance on the Ohio State Tests” according to ODE) and per pupil spending (“calculated by dividing the total expenditures by [average daily membership] where each student counts the same” according to ODE). The graphs reveal the relationship of a district’s Performance Index and Spending Per Pupil (represented by a red dot) relative to the same data for similar districts, a comparison group, and all Ohio districts (represented by blue dots).

“Similar Districts” and the “Comparison Group” for each district are determined in different ways. “Similar Districts,” up to only 20 per district, are selected based on their similarity to the reference district on the following seven criteria: student enrollment, percent population in urbanized territory, population density, median adjusted gross income on tax returns, percent economically disadvantaged enrollment, percent adults with at least a Bachelor’s degree, and percent minority racial/ethnic enrollment. School board members can review similar districts to their district using this database: <https://reports.education.ohio.gov/report/report-card-data-similar-districts>. The graph to the right provides the relative position of spending per pupil and the Performance Index for Columbus City School District compared to Similar Districts.

### Spending and Performance

This measure answers the question – what is the relationship of average spending per student to performance, and how does that compare to similar districts and schools?



In contrast, the method for determining a Comparison Group is simpler; districts are included in the Comparison Group if they share similar student enrollment (e.g., 10,000 or more for Columbus City School District) and all relevant districts are included in the Comparison Group (i.e., there is no maximum). All Districts, the third Spending and Performance graph, reveals a district's spending and performance compared to all 611 Ohio school districts.

All three of the Spending and Performance graphs are enhanced by red quadrant lines that ODE reports "represent the statewide average performance index score and the statewide average spending per pupil," so school board members can easily evaluate whether districts with similar levels of per pupil spending experience higher or lower levels of performance than their own and vice versa.

## Conclusion

The Financial Data component of the School Report Card is meant to provide constituents with an understanding of the revenue and expenditures of the school district. The goal is to make this information more transparent and encourage fiscal responsibility in the districts.

The Financial Data section can help school board members to answer important questions to promote accountability and improvement, such as the following:

- Does your district spend similarly to other districts with similar enrollment?
- Does your district spend similarly to other districts with similar Performance Indexes?
- Is your district's spending aligned with the district's goals?
- Is your district's revenue comparable with the overall state?
- Does your district rely more heavily on one type of revenue?
- Are the similar districts and comparison group informative in helping you to lead your district?

Many school districts use the Financial Data from the School Report Card to provide comparisons for the community about per pupil spending, local tax revenue and state revenue, particularly if the district has lower local tax revenue and a high performance index. These types of comparisons demonstrate good stewardship of resources. The comparisons can also illuminate the challenges for school districts such as having to rely more heavily on local revenue. The recent expansion of the Financial Data component of the School Report Card provides school board members and the greater community a deeper and more comparative understanding of school district expenditures and revenue.

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Dr. Lisa Shoaf has served at John Carroll University for over twenty years. Prior to working for John Carroll, Lisa was a school administrator in Lake County. She teaches courses in teacher preparation and educational leadership. She is the coordinator of the Educational Leadership Program in the Department of Education and conducted state training for school principals and superintendents on the Ohio Teacher and Principal Evaluation System. Most recently, Lisa began her service as Associate Dean of Professional Studies for the College of Arts and Sciences and greatly appreciates working with students and colleagues in her new role.

Dr. Lydia Kruse  
Lydia Kruse has worked as a school psychologist in three states, part-time faculty at John Carroll University (JCU), and the JCU school psychology program coordinator.