

# Greenbook

## LBO Analysis of Enacted Budget

### State Board of Education

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#### TABLE OF CONTENTS

|   |   |
|---|---|
| Quick look.....                                     | 1 |
| Agency overview .....                               | 1 |
| Analysis of FY 2024-FY 2025 budget .....            | 2 |
| Budget provisions regarding educator licensure..... | 3 |

# LBO Greenbook

## State Board of Education

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### Quick look...

- The budget establishes a separate administrative structure and a stand-alone budget for the State Board of Education as a result of the budget’s transfer of control of the Ohio Department of Education (renamed the Department of Education and Workforce) from the State Board to the Governor-appointed Director of Education and Workforce.
- The Superintendent of Public Instruction is appointed by the State Board to serve as its administrative head. The State Board and Superintendent retain their duties and powers regarding educator licensure and discipline, teacher and school counselor evaluation, the Educator Standards Board, the annual teacher recognition program, and school district territory transfers.
- The State Board consists of 19 members, 11 elected and eight appointed by the Governor.
- The budget appropriates \$30.4 million over the biennium to fund the State Board’s operations.
- The State Board’s budget is fully supported by fees. It receives no GRF funding.

| FY 2020<br>Actual   | FY 2021<br>Actual | FY 2022<br>Actual | FY 2023<br>Actual | FY 2024<br>Appropriation | FY 2025<br>Appropriation |
|---|-------------------|-------------------|-------------------|--------------------------|--------------------------|
| <b>Fund 4L20 ALI 210600, Operating Expenses (ALI 200681 prior to FY 2024)</b> |                   |                   |                   |                          |                          |
| \$12,653,068  | \$10,539,112      | \$12,227,102      | \$12,768,475      | \$15,086,000             | \$15,300,000             |
| % change  | -16.7%            | 16.0%             | 4.4%              | 18.2%                    | 1.4%                     |

### Agency overview

The Ohio Constitution establishes the State Board of Education and requires a Superintendent of Public Instruction to be appointed by the State Board. The selection and terms of members of the State Board, as well as the powers and duties of the State Board and the Superintendent are prescribed by law. Prior to the budget, the Ohio Department of Education (ODE) served as the administrative unit through which the Superintendent administered the policies and statutorily prescribed powers and duties of the State Board and the Superintendent. The budget reorganizes the functions and responsibilities of the State Board, the Superintendent, and ODE by renaming ODE as the Department of Education and Workforce (DEW) and transferring control over the Department from the State Board and Superintendent to the new position of Director of Education and Workforce (DEW Director), who is appointed by the Governor with the advice and consent of the Senate. As a result, the budget creates a separate administrative structure and a stand-alone budget for the State Board to carry out the responsibilities that the State Board and Superintendent retain, including educator licensure, the educator disciplinary process, teacher and school counselor evaluation systems, powers and duties regarding the Educator Standards Board, and oversight of school district territory transfers. The budget also requires the State Board to make recommendations to the DEW Director regarding priorities for primary and secondary education and permits the Superintendent to serve as an adviser to the DEW Director.

The budget requires the DEW Director, DEW, State Board, and Superintendent to complete any action necessary to implement the transfer of powers by January 1, 2024. The State Board may request DEW's assistance in exercising the State Board's powers and duties. To the extent the DEW Director determines that assistance is necessary and practicable, the budget requires DEW to provide the requested assistance.

The State Board consists of 19 members, 11 of which are elected and eight of which are appointed by the Governor. State Board members receive compensation for the performance of official duties and travel reimbursement. The State Board remains subject to all provisions of law regarding state departments, offices, or institutions. The State Board must employ personnel to carry out its duties and powers. Subject to the State Board's policies, rules, and regulations, the Superintendent exercises general supervision of those employees and may appoint them, fix their salary, and terminate their employment.

## **Analysis of FY 2024-FY 2025 budget**

The State Board's operations are funded by a single non-GRF line item: Fund 4L20 ALI 210600, Operating Expenses, with appropriations of \$15.1 million in FY 2024 and \$15.3 million in FY 2025. Much like Fund 4L20 ALI 200681, Teacher Certification and Licensure, was used by ODE prior to the transfer of K-12 governance to DEW, ALI 210600 mainly will be used to support teacher certification and licensure activities, investigate cases of educator misconduct, and manage the Retained Applicant Fingerprint Database (RAPBACK), a continuous criminal record monitoring service, for Ohio educators.<sup>1</sup> The budget earmarks \$700,000 in FY 2024 from ALI 210600 to upgrade the State Board's licensure system to be able to interface with RAPBACK.

The State Board's budget will sustain additional types of costs as a stand-alone agency. Accordingly, the budget permits item 210600 to also support other State Board of Education duties prescribed by law and any other necessary operating expenses. The budget permits the Director of Budget and Management to make any necessary appropriation transfers between the State Board and DEW in order to continue levels of program services and efficiently deliver state funding to those programs.

The State Board's budget is funded by license fees paid by teachers and school or district staff that are deposited into the State Board of Education Licensure Fund (Fund 4L20). License fees for educators generally equate to \$40 per year on an annualized basis. Coinciding with the transfer of state K-12 governance to DEW, the budget expands the uses of Fund 4L20 to pay the State Board's operating expenses, including any cost incurred to perform a duty prescribed by law, in addition to the cost of administering requirements related to the issuance and renewal of educator credentials as under continuing law. Prior law limited the use of this fund solely for the cost of administering requirements related to the issuance and renewal of licenses, certificates, and permits.

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<sup>1</sup> RAPBACK provides participating entities notice that an individual they have enrolled in the database has been arrested or convicted of a criminal offense. The Attorney General's (AGO) Bureau of Criminal Investigation charges participating agencies an initial fee for each individual entered in RAPBACK and an ongoing annual fee per individual, both of which are \$5.

## **Budget provisions regarding educator licensure**

The budget makes a number of changes to the laws regarding licenses and permits for educators and other school employees. These provisions involve changes to the Ohio Teacher Residency Program, which is a program for entry-level teachers (resident educators) that must be completed in order to qualify for a professional educator license, to provide additional flexibility and support to teachers as they work through the program. The budget also includes various provisions regarding licenses or permits for substitute teachers, out-of-state teachers, student teachers, military individuals wishing to become a teacher, computer science teachers, school counselors, and athletic coaches, among other individuals. For a detailed description of these provisions, see the **“Educator and other school employee licensing and permits”** section of the [LSC bill analysis \(PDF\) for H.B. 33 of the 135<sup>th</sup> General Assembly](#), which is available on the General Assembly’s website: [legislature.ohio.gov](http://legislature.ohio.gov).