

Ohio ACE ESA Program Connects 75,000+ Students to Critical Education Funding in 18 months

Overview

In the fall of 2021, the Ohio State Legislature created the **Afterschool Child Enrichment (ACE)** educational savings account (ESA) program to provide supplementary funds to students who experienced learning disruptions during the COVID-19 pandemic. Tasked with daunting project logistics and timeline, the Ohio Department of Education and Workforce (DEW) partnered with Merit to support the program from end-to-end—dispensing funds, standing up an online education marketplace, recruiting families and service providers, and ensuring the funds were spent correctly.

With Merit as their partner, DEW's program was able to allocate nearly \$125 million dollars, through more than 115,000 awards, to approximately 75,000 students across the state in only 18 months.

In the process, the Ohio Department of Education and Workforce's ACE program has become an example of a modern ESA.

\$125M

program funds allocated

75K+

students enrolled

115K+

awards granted to students

1,200+

qualified service providers

18

months to completion



Challenge

State faced with implementing an intricate ESA program quickly

The COVID-19 pandemic brought learning gaps that presented challenges for families and students nationwide. States were forced to create innovative solutions to target the problem and fill the cracks that came with remote learning; for the Ohio State Legislature, that meant creating the Afterschool Child Enrichment (ACE) educational savings account program in 2021, funded by the state's share of federal CARES Act coronavirus relief funds.

The ESA program's goal was to provide educational resources to eligible students, to help them recover from the impact of the pandemic by connecting them with resources they may otherwise not receive—after-school camps, music lessons, educational technologies, and more.

In charge of administering the program, the Ohio Department of Education and Workforce (DEW) needed to verify student grant economic eligibility, ensure the funds were spent only on allowable activities and services, and gather comprehensive data for the state legislature.

Where government agencies often use paper-based or siloed mixed-technology systems for ESA program administration, DEW realized these options would be time-consuming for their staff, would not accurately capture real-time data, and could lead to misappropriated funds and even termination of potentially beneficial initiatives.

Given the intricate allocation and expenditure requirements, along with tight timelines of only 30 days to establish the program and 120 days to begin accepting applications, DEW sought a trusted partner capable of quickly standing up and managing the complex program.

Solution

Merits for Education

The Ohio Department of Education and Workforce set out to find an end-to-end solution, ultimately selecting Merit's Software with a Service to facilitate the recruitment of providers and payment of claims.

From providing a digital wallet for each family and public outreach campaigns, to recruiting education marketplace service providers, and building ready-to-view dashboards and reports—Merit developed and delivered program administration and support systems, with a combination of trusted technology and teams.

Standing Up the Digital Infrastructure

DEW went digital with the ACE program to ensure that

participants had easy access to participate and could minimize lengthy paperwork delays when submitting applications and utilizing funds.

Merit provided both an informational website where families could learn more about and apply to the program, as well as a program portal, accessible both via web and mobile app. The Ohio ACE portal acted as a single destination for families to manage balances, make pre-qualified purchases from service providers, and submit claims for additional expenditures.

Merit's verified identity platform managed portal access by delivering digital credentials to families who had been accepted to the program, allowing parents to manage multiple children's funds in a single account.

Distributing and Ensuring Correct Expenditure of Funds

With millions of dollars of federal funding in the program, Merit held and managed the disbursement of the program's funds through the online platform via a digital wallet for each family.

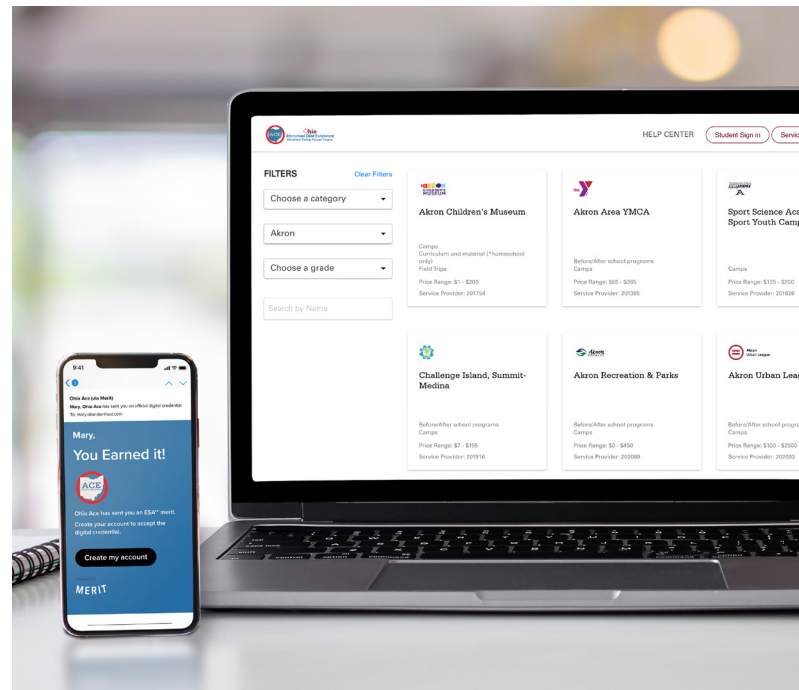
Funds were easily spent on the online education marketplace, where goods and services had been pre-qualified and could be filtered by location and service type to make shopping easy and straightforward for parents.

The program also allowed for funds to be spent on any allowable activity from other providers, by submitting a claim on the Ohio ACE portal. Merit's team diligently reviewed all claims to confirm funds were spent only on activities and services that met strict program guidelines to ensure the appropriate use of education funds.

Midway through the program, the state legislature doubled grant amounts and expanded eligibility, increasing the per child credit amount from \$500 to \$1,000. While this was an exciting adjustment for children and their families, this could be a challenging pivot for other vendors. As a true partner who understands large-scale government programs, Merit worked with the Department to make the adjustments within the administrative and support systems to facilitate the changes and adjust the processes.

Recruiting Service Providers and Amplifying Program Awareness

DEW ran a comprehensive marketing outreach campaign to reach families of eligible children. For months, potential program participants would encounter program promotion on cable TV, social media, online and mobile display ads, on the radio, on bus shelters and billboards in an effort to increase awareness about the opportunity and encourage them to apply. Merit



also contributed additional print, web and television media coverage to their already extensive efforts across the state.

Merit's teams proactively connected with local and national businesses to recruit educational service providers to join the online education marketplace. By building out a network of vendors' products and services that were pre-verified simplified spending program funds for families who would not need to go through the claim process. Vendors, meanwhile, would easily be able to accept, process and collect payments, with simplified access to the network of program participants.

“My business has grown 3-4x in the few months that I have been participating in the Ohio ACE program. Even with additional instructors, we can't keep up with demand.”

— Shira Goldsmith, Owner and Instructor, Goldsmith Swim and More



Results

Students empowered to access meaningful education resources

Through the Ohio ACE program, students across the state were able to participate in field trips, language classes, music lessons, tutoring, tuition at learning extension centers, day camps for academics, music, art, and much more. In only 18 months, the program made 100,000 awards where other programs took nearly ten years to reach the same scale.

The online education marketplace grew to over 1,200 verified service providers, allowing families to access resources that help the upward trajectory of their students' lives while contributing to economic growth and prosperity.

Dashboards and reports made it simple for DEW to share program progress with the state legislature along the way, helping contribute to the program's growth and overall success.

The Ohio ACE program grew to be one of the nation's most extensive education saving accounts. The Department stopped accepting applications in September of 2023, but reopened the application platform the end of October. The successful ESA program continues to build and maximize, creating pathways that support and uplift our youth.

“Our partnership with Merit, paired with the reliability of the technology platform, is making this program a success for families and students across Ohio.”

— Ohio Department of Education and Workforce

About Merit

Merit's Software with a Service (SwaS) transforms large-scale government programs in weeks rather than years, contributing to a 95% customer satisfaction score. Our combined approach of technology and boots-on-the-ground support simplifies life-saving emergency response and recovery, initiatives to revitalize the workforce and connect people to quality jobs, and eligibility qualification for direct-to-beneficiary programs, including multi-million-dollar education grants in over 20 states. The Merit platform provides secure access and real-time verification for licenses, credentials, and eligibility status. A proud GovTech 100 company, Merit is venture-backed by firms such as Andreessen Horowitz, corporations including Experian, and family investors. Visit us at: www.merits.com