Ohio | Department of Education

School Finance Newsletter

Year-end closing procedures announced; final cash requests due TODAY (June 6)

As in the past, the state's accounting system will shut down in June as part of state government's year-end fiscal closing procedures. Therefore, ODE must adjust its timetable to approve payment cash requests before the fiscal year ends. To ensure timely payment, the ODE Office of Grants Management must receive any remaining July project cash requests through the CCIP by **today (June 6) at 11:59 p.m.** The Office of Grants Management will process the requests as quickly as possible. Requests received after this deadline will not be submitted to the state's accounting system for payment until after July 1.

Please remember that all cash requests must comply with the provisions of the Cash Management Improvement Act (34 CFR 80.21). To receive approval consideration, cash requests must be made for immediate needs for the month requested. If a submitted cash request does not comply with the standards, it will be returned unapproved and may not be paid until after July 1.

Finally, please complete any necessary budget revisions for FY 2012 in the CCIP. No activities specified by the budget revisions are permitted to take place until approval from the ODE program office is received. Contact your program consultant if you have questions about budget revisions and their due dates. Questions may be directed to the Office of Grants Management at (614) 752-1483.

USDOE seeking public comment on RttT grants

The U.S. Department of Education (USDOE) has announced a district-level competition for Race to the Top (RttT) grants. Fifteen to 20 grants, totaling about $400 million in FY 2012, will be available. A draft of the criteria for the grants has been published and USDOE is inviting public comment until 5 p.m. on Friday, **June 8**. They will use the comments to help develop the final requirements, priorities, selection criteria and definitions. To view the official announcement and make comments, click here.

Schools to receive FY 2011 supplemental state aid payments

The state will be making a supplemental payment to school districts and community schools in mid-June through a payment outside of the foundation payment. The payment is necessary for the state to meet federal requirements for use of state fiscal stabilization funds (SFSF). House Bill 114 contains language allowing ODE to make this one-time payment.

Use of the SFSF requires the state to ensure certain levels of overall funding were spent for the K-12 primary funding formula in FY 2011. It has been determined that previous funding for Ohio's schools through PASS calculations for FY 2011 did not meet the necessary threshold and this payment allows us to meet this requirement.

ESC service agreements are due June 11
The deadline for Educational Service Center (ESC) primary service agreements for inclusion in the FY 2013 July #1 foundation payment has been extended from June 1 to Monday, **June 11**. All school districts with an enrollment of fewer than 16,000 are required by law to submit an agreement. Send the agreement and cover sheet to ESCcontract@education.ohio.gov. As of June 4, fewer than half of the districts had submitted an agreement. ODE will not make a deduction from a school district or payment to an ESC without an approved agreement.

MBR legislation update provided
Ohio Senate Bill 316, which contains the education policy portions of the Mid-biennium Budget Review (MBR), was passed by the Senate last month and assigned to the House Education Committee. In mid-May, the House deferred action on its version of Senate Bill 316, while setting aside some dates in mid-June to consider the bill. The bill is expected to go to a conference committee.

House Bill 487, which addresses much of the management efficiency framework in the MBR revisions, was passed by the General Assembly in late May and is currently awaiting the Governor's signature. More information on the bill can be found here.

House Bill 386 passes – casino tax revenues for education to begin in 2013
Tax revenue from Ohio's new casinos will start flowing to schools in January 2013. The Constitutional amendment authorizing the four casinos specified that 34 percent of the tax on gross casino revenue shall be distributed to schools and used to support primary and secondary education. The payments will be made by the Ohio Department of Taxation (ODT). ODE will provide ODT information on enrollment by school and by county, which will be the basis for calculating the share for each city, exempted village or local school district, joint vocational school district, community school and STEM school. The Senate added amendments to House Bill 386 to clarify the calculation, and specify that casino tax distributions would be made in January and August. These amendments were accepted by the conference committee and the legislation was finalized in late May. More information on the bill can be found here.

ARRA 1512 reporting data collection due by June 15
The American Reinvestment and Recovery Act (ARRA) 1512 Quarterly Survey, which opened June 1 and will close **June 15**, is collecting activity through the second quarter of calendar year 2012, ending June 30. All LEAs receiving ARRA funding through various initiatives – including Title I, Part A Grants to Local Educational Agencies (Recovery Act); Race to the Top (RttT); School Improvement Grants (SIG); Education Jobs and the Teacher Incentive Fund – are required to report their data through this survey. Please note that those LEAs who receive FY 2013 ARRA/SIG competitive 1003(g) funds (for SIG buildings approved to receive such funds) do not have to obligate those ARRA funds by Sept. 30, 2012.

As per a January waiver approval from the U.S. Department of Education, districts that have unexpended FY 2009 Title II, Part D funds (Enhancing Education through Technology State Program) also need to complete the 1512 Quarterly Survey. These districts have until Sept. 30, 2012, to obligate the funds.

Related guidance is posted on ODE's Stimulus Updates website under the heading *Data and Reporting Guidance.* Please remember that no submissions can be accepted after June 15. Direct any questions concerning the ARRA 1512 reporting to recovery@education.ohio.gov.

Career-technical FY 2012 state funding information available

Please review the FY 2012 Career-Technical Education Weighted Funds Certification Letter, which is posted here. The letter, which is actually a Web application, provides the amount of career-technical state funding each district is to receive in FY 2012 with adjustments. The Web application also will allow each district to know the amount that must be expended per the rule (3301-61-16) and Auditor of State Bulletin 2000-16. (There is a link to the Bulletin on the Web page.) Please remember to appropriately expend career-technical funding within the fiscal year it is generated. Direct questions to Dwight Anstaett at dwight.anstaett@education.ohio.gov or (614) 466-4835.

Take steps now to ensure open enrollment data is correct
As your district conducts the year-end open enrollment student count process for this year, please ask staff members in superintendents' and treasurers' offices, as well as EMIS coordinators, to work together to promote accuracy in all data submitted through EMIS. The following steps provide a checklist of activities to undertake:

- Ensure that EMIS correctly reflects the appropriate codes for open enrollment students.
- Review EMIS data and reports frequently and carefully. Failure to do so may result in reduced payments to districts. Once EMIS closes **July 13**, it cannot be reopened.
- Establish good controls for ensuring that data is complete, accurate and submitted on time. Doing so helps alleviate problems with payments throughout the year.
- Work with fellow districts to resolve any issues and engage area coordinators when necessary to assist in the process.
- Make sure session days are recorded correctly, as well as information related to joint vocational and postsecondary enrollment option students.

Procedures for community school enrollment data entry outlined
As in 2011, *existing* community schools again will enter profile information directly into the School Options Enrollment System (SOES), which will open **June 14**. Entering a school calendar as well as student enrollment data is required for this process to be considered complete. The FY 2013 SOES profile can be accessed in the current year SOES database by clicking on *Entity*, *Profile Entry*. Community schools have until **Sunday, July 8** to enter their profiles and calendars.

During the week of **July 9-13**, profile information entered by community schools into SOES before the July 8 deadline will be forwarded to school sponsors for approval. Sponsors will receive the information via electronic survey (SAFE Account). If all of the information provided by the community school is approved by the sponsor, the school's student rollover (or automatic transfer of records) from the previous year will occur within a week of sponsor approval. If the sponsor finds information provided by the community school to be incorrect, the community school/sponsor must submit a corrected hard-copy version of the profile to ODE, using the form posted here. Direct any questions regarding the profile to SOES@ode.state.oh.us or at (614) 466-0070.

Details of May transportation subsidies provided
Two different transportation subsidies were included in May #2 payments:

- JV04 is the funding for payment in lieu of transportation. This represents a payment to each district of $225.22 per student claimed as Type IV (impractical to transport) on the T1 report for FY 2012. These funds are to be paid to the families of the students claimed on the T-1 after the district has verified attendance at their school for the school year. The amount paid to parents should be pro-rated if attendance for a partial year has occurred.

- JV07 is a subsidy that supplements district pupil transportation funding. This amount is calculated on miles reported to ODE on T1 forms during the FY 2011 school year. Eligible miles for this report are those for transportation of students to vocational, nonpublic, community or STEM schools on extra service days (asynchronous calendar days).

Several pupil transportation reports are due soon
The Calendar of T1 Report Deadlines lists several items that are due to ODE in upcoming months:

- The **T1 report**, which must be completed and submitted by **July 1**, collects the number of miles travelled by public school buses on asynchronous calendar days for vocational, nonpublic, STEM and community school students. This is a Web-based report accessed through the School Foundation Payment System (SFPS). Typically, this report is completed by the transportation office staff, and then requires signatures by the treasurer and superintendent before submission.

- The **T2 contractor report,** due on **July 15**, is a paper-based report that contractors must fill out and submit to public schools that they serve. The report details all costs incurred in the provision of transportation for the reporting period. The total dollar figure on the T2 contractor must match the total amount expended by the district for the contracted service. Public schools that use contractors need this data to fill out their T2 report.

- The **T2 report**, which must be completed and submitted by **Aug. 1**, collects all costs for pupil transportation services provided during the school year. The report also separates special education transportation cost from regular education cost. This is a Web-based report that is accessed through the SFPS system. Typically, this report is completed cooperatively between the transportation office staff and the treasurer. The report must be signed by the treasurer and superintendent before submission. Boards of Developmental Disabilities that provide school-age student transportation also are required to submit this report to receive pupil transportation funding.

Please remember important deadlines for June and July
The School Finance Calendar of Significant Events and Deadlines lists many responsibilities of school treasurers. Below are selected important dates:

June 11 – As noted above, the deadline for ESC primary service agreements for inclusion in the FY2013 July #1 foundation payment has been extended from June 1 to June 11.

June 30 – School district fiscal year-end activities:
- o Final appropriation measure approved by board and submitted to county auditor;
- o Final certificate of estimated resources for fiscal year amended;
- o Temporary appropriations measure for next fiscal year adopted;
- o Last date to obligate state and federal grants (except certain ARRA and SIG funds);
- o Tax settlement of general personal and classified property taxes.

July 31 – Plans for makeup of excess calamity days via online lessons are due. See details here.

For more information, contact your area coordinator or the ODE staff member below.
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