



Paolo A. DeMaria Associate Superintendent

TO: Superintendents and Treasurers of City, Local, Exempted Village School Districts,

Educational Service Centers, and MRDDs

FROM: Paolo A. DeMaria, Associate Superintendent, Center for School Options and Finance

RE: July 2008 Foundation Payment #1

DATE: July 8, 2008

This payment reflects the factors based on Am. Sub. H.B. 119 and Am. Sub. H.B.562.

SPECIAL REMINDER:

This July #1 payment reflects EMIS withholding penalties for some districts. Payment withholdings have been implemented for districts that have not fully resolved FY 2008 year-end data reporting issues. The withholding will not be reflected on the statement of settlement, thus, if the check or EFT received by your district does not match the amount on the statement of settlement it is likely your district was subject to EMIS withholding. For posting purposes, each line of the statement of settlement should be reduced by the same percentage that the overall payment has been reduced due to withholding. When your data reporting issues are resolved, the withheld portion of your payment will be released and sent to you. If you had more than one withholding, you will receive multiple payments upon submission of a corrective action plan.

For more information regarding the status of your district's year-end data submission, please contact your EMIS coordinator.

A. SF-3

- 1. This payment is based on FY 2008 June #2 ADM data as a proxy for FY09 ADM
- 2. Payment factors have been updated for FY 2009 as follows:
 - The new Formula Amount is \$5,732; add on building blocks is \$50.90;
 - The special education weights remain at the FY 2008 levels (90% of statutory level);
 - PBA intervention funding is based on an hourly rate of \$21.64 and the salary allowance for increased learning opportunities is \$56,621;
 - Regular transportation is being funded at 101% of the FY 2008 amount;
 - All unit based calculations are increased by increasing the years of experience by
 1;
 - Tax year 2007 valuation and revenue data are used in this SF-3;
 - Parity aid is based on 8.5 mills for districts at less than the 368th wealth per pupil.
- 3. Closing the Achievement Gap funding in PBA has been calculated based on the building data for the 2006-2007 school year. This funding will be updated with school year 2007-2008 data when it becomes available in August.
- 4. Special Education Transportation will be paid at FY 2008 levels until current year data becomes available.

B. Statement of Settlement

- 1. Some districts will note that with this payment some portion of their payment has been withheld because they have not fully complied with data reporting requirements as of the end of FY 2008 but this withholding does not appear on the statement of settlement. (See Special Reminder above.)
- 2. Excess Cost adjustments reported on form SF-6 for special education services provided in the previous fiscal year are made with this payment for the resident district (JV99) and for the district of attendance (JV98).
- 3. A Final #4 for FY 2007 has been run to comply with a requirement in the recently passed budget corrective bill (Am. Sub. H.B. 562) to recalculate FY2007 SF-3 aid based a change in one district's valuation. The recalculation will result in minor adjustments to other districts (JV65).

C. ESC

- 1. Some ESCs will note that with this payment some portion of their payment has been withheld because they have not fully complied with year-end data reporting requirements but this withholding does not appear on the statement of settlement. (See Special Reminder above.)
- 2. The state per pupil amount of \$37.00/\$40.52 is calculated at 100% for pupils from locals, cities, exempted villages and community school pupils. Subsequently, a budget reduction of \$5,000,000 per executive order 2008-01S was applied reducing each ESC's annual amount by approximately 9.480515 % of the calculated total.
- 3. This payment uses FY 2008 ADM as a projection of FY 2009 ADM and units' years of experience are increased by 1.
- 4. A Final #4 calculation for FY 2007 was done to comply with a requirement in the recently passed budget corrective bill (Am. Sub. H.B. 562) to recalculate FY2007 SF-3 aid based a change in one district's valuation. This recalculation affected the distribution of preschool handicapped funding slightly for other entities.

D. MRDD

- 1. All calculations based on FY 2008 data except the years of experience are increased by 1 for all units.
- 2. A Final #4 calculation for FY 2007 was done to comply with a requirement in the recently passed budget corrective bill (Am. Sub. H.B. 562) to recalculate FY2007 SF-3 aid based a change in one district's valuation. This recalculation affected the distribution of preschool handicapped funding slightly for other entities.

If there are any questions in regards to the adjustments or the statement of settlement, please contact this office or your area coordinator.

