



Paolo A. DeMaria
Associate Superintendent

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

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

RE: July 2007 Foundation Payment #1

DATE: July 13, 2007

With the start of a new biennium, this payment reflects the factors based on Am. Sub. H.B. 119 with exceptions noted:

A. SF-3

1. ADM data is based on a projected October count ADM as prepared for the budget. These estimates are used for both the October and February count; as such, the ADM values may be slightly overstated.
2. GAP aid calculations have not been updated. The amount paid in the June #2 SF3 was used for the July #1 payment.
3. Base Cost funding includes poverty based assistance (PBA) and parity aid and is used to calculate the state share percentage.
4. The charge-off will be applied to the sum of formula aid, PBA and parity aid. However, the calculation of base cost funding did not include this change for the July #1. Once completed, poverty based assistance, parity aid, and the state share percentage for some districts will be reduced.
5. The formula aid amount is \$5,565.
6. Special Education weights remain at F2007 levels (90% of the statutory level.)
7. The hourly rate for PBA intervention funding is \$21.01.
8. PBA teacher professional development, dropout prevention and community outreach are fully funded (the 70% phase-in has been removed.)
9. Closing the Achievement gap funding in PBA has been calculated based on the building data for the 2005-2006 school year. The funding will be updated with school year 2006-2007 data when it becomes available in August.
10. The cost of doing business factor (COBD) has been removed from current year calculations.
11. Regular Transportation is being paid at 101% of the previous year's amount.
12. Special Education Transportation will be paid at F2007 levels until current year data is available.
13. PBA class size reduction funding has been renamed to "increased learning opportunity" and the salary allowance is \$56,754.
14. Units' years of experience has been increased by 1.
15. The formula aid, reappraisal, and PBA guarantees have been eliminated.
16. Tax year 2006 valuation figures used.

B. Statement of Settlement

1. PBA is no longer restricted for districts who receive less than \$10,000 annually. A line has been added to the Unrestricted Aid section to reflect unrestricted PBA funds; however, the unrestricted amounts will not appear on this line until the July #2 payment.

C. ESC Notes

1. Early childhood and gifted have been broken into separate lines on the J40404 report and the statement of settlement.
2. State per pupil amount of \$37.00/\$40.52 for multi-county ESC's paid @ 100% for locals, 99.90129% for cities/exempted villages, and 0.00% for community schools.
3. Based on FY2007 EMIS data with the noted following exceptions:
 - a. Units years of experience increased by 1.
4. J40404 K-12 ADM is based on FY2007 ADM projected for FY2008.
The calculation is as follows:
Current Year Formula ADM
+ SF3 Total Kindergarten * .5
+ Pre-school ADM attending the Educational Service Center
+ SF3 JVSD-1-12 * .80
+ SF3 JVSD-SE-1-12 * .80

D. Miscellaneous.

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