



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 Options and Finance
RE: August 2008 Foundation Payment #1
DATE: August 5, 2008

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

SPECIAL REMINDER:

This August #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. Median income files were updated which resulted in a slight change for those districts receiving alternative parity aid.
3. Valuation amounts associated with PILOT and other compensation payments received by school districts were certified by the Tax Department and added to the recognized value of some districts, thus increasing their charge off amounts.
4. EdChoice Scholarships awarded for FY 2009 was incorporated into the scholarship deduction. This update increased the deduction for EdChoice and resulted in an adjustment to PBA calculations that require the exclusion of EdChoice students from the calculation (e.g., increased learning opportunities.)
5. FY09 August #1 preschool handicapped units are paid at 100%.

B. Statement of Settlement

1. Some districts will note with this payment that 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. This withholding does not appear on the statement of settlement. (See Special Reminder above.)

2. A Final #2 SF-3 for FY08 was run to adjust for open enrollment data submitted by districts to their area offices. Please note that districts in the Northeast regions have not yet been updated.
3. Preschool handicapped units for the Final #2 were paid at 99.78723319% in this payment.
4. The FY08 Open Enrollment CTA Weighted Adjustment (JV12) was included with this payment.
5. SF-6 Excess Cost Tuition payments (JV98 and JV99) are included with this payment.

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 76.01384 % for 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 9.615385 % of the calculated total.
3. This payment uses FY 2008 ADM as a projection of FY 2009 ADM. Units' years of experience are increased by 1 and J40404 K-12 ADM is based on FY2008 ADM as a projection for FY2009.
4. An FY2008 Final #2 (JV28) was calculated due to open enrollment adjustments which affected regular student population counts. Please note that districts in the Northeast regions have not yet been updated.
5. Preschool handicapped units are paid at 100 %.

D. MRDD

1. All calculations based on FY 2008 data except the years of experience are increased by 1 for all units.
2. Preschool handicapped units paid at 100 %.

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