Ohio | Department of Education

Ted Strickland, Governor
Deborah S. Delisle, Superintendent of Public Instruction

TO: Superintendents and Treasurers of City, Local, Exempted Village School Districts and Education Service Centers
FROM: Kim Murnieks, Executive Director, Center for School Options and Finance
RE: May 2010 Foundation Payment #2
DATE: May 18, 2010

This payment reflects the factors in Am. Sub. H.B.1 of the 128th General Assembly.

SPECIAL NOTES:

With the inclusion of the TPP direct reimbursements in this payment, the overall payment is considerably higher than the normal payment. As a cash management process, the state will be releasing funds to districts over a three day period beginning on May 19th.

The May payment reflects EMIS withholding penalties. Payment withholdings have been implemented for districts that received an out of compliance letter based upon data submitted to ODE and that had not resolved their missing data 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 more information regarding the status of your district's data submission, please contact your EMIS coordinator.

Foundation Payments

Foundation payments are calculated according to the **E**videnced-**B**ased **M**odel (**EBM**) and reported on the **PA**thway to **S**tudent **S**uccess (**PASS**) form. The PASS worksheet displays the detailed data and calculations that support the funding reported on the PASS form. Reference manuals for the PASS form and the PASS worksheet are posted on the ODE web site.

EMIS October Count for Funded ADM

For the current payment, FY2010 EMIS data as of 4/23/2010 and FY2010 Community School and EdChoice counts were used in the add-in for the ADM calculation. FY2009 data is still being used for the number of students for the Autism Scholarship add-in.

Career Technical Funds

This payment reflects updated career technical funding. Am. Sub. Senate Bill 155 changed the calculation of career-technical funding for FY2010 by incorporating FY2009 GRADS grant funding into the career-technical funding base. When House Bill 1 was passed last year, career-technical education funding was calculated as a fixed

percentage increase (0.75%) based on the career-technical funds the district received in FY2009.

Transportation

Special education transportation funding was updated in this payment.

Other Adjustments

Open Enrollment and Other Adjustments were updated to reflect the FY2010 student data reported during October count week as of April 23, 2010. Autism Scholarship has been updated to reflect FY2010 participation data.

The CTE service deductions were updated to reflect the FY2010 student data reported during October count week as of April 23, 2010.

Preschool Units

Preschool unit calculations were paid at 98.8895340% in this payment and updated to reflect the unit based on FY2010 EMIS data.

Regular Student Population

The calculation of regular student population was updated to reflect the FY2010 student data reported during October count week as of April 23, 2010.

Board of Developmental Disabilities Deductions

There is no provision or calculation of a deduction from the resident school district and the Board of DD deduction as part of “other adjustments” on the PASS form has been eliminated.

Statement of Settlement

We have posted a spreadsheet to assist districts with the percentage based calculations used for the statement of settlement at: http://education.ohio.gov/GD/DocumentManagement/DocumentDownload.aspx?DocumentID=83748

JV24 – The final of three FY2010 payments to reimburse districts for fixed sum levy losses due to the reduction of TPP assessment rates is included in this payment.

JV25 – The final of three FY2010 payments to reimburse districts for fixed rate levy losses due to the reduction of TPP assessment rates is included in this payment. For city, local and exempted village districts, Am. Sub. HB 1 requires that the offset used

for determining the direct reimbursement for TPP be the greater of the FY2009 offset or the offset calculated for the current year. To determine the distribution across levies, visit the Department of Taxation's website at: http://tax.ohio.gov/divisions/personal_property/PPT_law_changes_070303.stm.

JV29 – The FY2009 Tangible Personal Property (TPP) loss reimbursement calculated using the FY2009 July #2 data was recalculated using FY2009 June #2 data to produce a more accurate offset and direct payment calculation. The final adjustment of this "true up" adjustment is included in this payment. The true-up is the difference between the original calculation upon which payments were made in FY 2009 and the recalculated amount for those districts that have either a positive difference (a positive adjustment) or a negative difference (a negative adjustment).

JV50, JV51 – SF14 tuition adjustments for non-handicapped pupil tuition are included in this payment.

JV52, JV53 – SF14 H tuition adjustments for handicapped pupil tuition are included in this payment.

Monthly Payment Calculations – Continuing with this payment, the statement of settlement contains a new blended approach to calculating payments and recoveries: a percentage based method is used for payments and the installment method used in calculating the bi-monthly payment amount in previous fiscal years is used for recovery of overpayments.

ESC

The state per pupil amount of $37.00/$40.52 for multi-county ESC's is paid at 100% for locals, cities/exempted villages, community schools. Subsequently, a budget reduction of $5,600,000 per executive order 2008-01S was applied reducing each ESC's annual amount by 10.740209% of the calculated total.

ADM was updated based on FY2010 EMIS data as of April 23, 2010.

Preschool unit calculations were paid at 98.8895340% in this payment and updated to reflect the unit based on FY2010 EMIS data.

Special education transportation funding was updated in this payment.

Boards of Developmental Disabilities

Funding for students attending a Board of Developmental Disabilities has been updated per Section 265.30.20 of Am. Sub. H.B. 1. This section overwrites the payment and distribution formula in 3317.20 with a calculation whereby a per pupil amount for the prior fiscal year is calculated as the total funding received divided by the number of students served. Each Board of DD will receive this per pupil amount

increased by 0.75% and multiplied by the number of school-aged pupils served in the current year.

Preschool unit calculations were paid at 98.8895340% in this payment based on updated FY2010 data from the Office of Early Learning and School Readiness. The school age payment is based on the October 2009 ADM data as submitted to the Office of Exceptional Children.

Special education transportation funding was updated in this payment.

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