

## State Foundation Payment Letter

### Fiscal Year 2025 December #1 Traditional School District, ESC and CBDD Payment on December 6, 2024

#### General Information on State Foundation Payments

Foundation payments to traditional school districts, educational service centers, and boards of developmental disabilities are calculated twice a month. This letter, generated with each foundation payment, provides details about updated payments to these entities including deductions, adjustments, and transfers.

The state budget (Amended Substitute House Bill 33 of the 135<sup>th</sup> General Assembly) included several changes to the calculation of state foundation funding. For Fiscal Year 2025 the phase-in percentage increased to 66.67% and transportation minimum state share increased to 41.67%. All of the budget bill provisions have been fully implemented and appropriation limits increased starting with the first payment of the fiscal year.

#### Traditional School Districts

##### Information Relevant to the December #1 Payment

- Base Cost Enrolled ADM is based on FY 2024, FY 2023, and FY 2022 data.
- FY 2025 ADM and categorical data for special education, English Learners, economically disadvantaged, and for the first time this year, gifted and CTE students are based on compilations as of 11/26/2024.
- FY 2025 Preschool data used in this payment are based on compilations as of 11/26/2024. The calculated amount is paid at 100%.
- **Issue: FY 2023 T- 2 data was used in Special Education Transportation funding calculation mistakenly. As a result, some districts will see increases and others will see decreases when compared to the November #2 payment. This will be fixed in the December #2 payment. We apologize for the inconvenience.**
- For the first time this year, regular Transportation funding calculation is based on FY 2024 T-1 statewide average per rider and per mile amounts compiled as of 11/26/2024. Those statewide average per rider and per mile amounts are applied to FY 2025 mileage and ridership data as of 11/26/24 and distributed based on 100% of the calculated amount.

#### Statement of Settlement

The Statement of Settlement shows the amount of funding by component paid monthly from SFPR and non-SFPR sources. Typically, the bi-monthly amounts fluctuate based on data updates that occur during each payment period. On the statement of settlement, funds are generally paid out on a [percentage basis or the remaining payments of the year basis](#).

The adjustments below are applied to the FY 2025 December #1 payment. These items are reflected on the statement of settlement with their respective journal voucher codes for proper accounting. This payment includes:

- **(JV01) FY2024 Final #1 Payment Adjustments.** Any negative adjustments will be applied through the remaining payments of the fiscal year.
- **(JV02) FY2024 Final #2 Payment Adjustments.** Any negative adjustments will be applied through the remaining payments of the fiscal year.
- **(JV07) Transportation Noncompliance.**
- **(JV09) College Credit Plus Deductions.**
- **(JV10) Transportation Noncompliance.**
- **(JV50) & (JV51) Tuition Adjustments.** These adjustments for non-special education students reflect the FY 2024 period 1 and period 2 amounts. Positive adjustments are paid out as they occur, and negative adjustments are distributed among the remaining payments of the year.
- **(JV52) & (JV53) Tuition Adjustments.** These adjustments for special education students reflect the FY 2024 period 1 and period 2 amounts. Positive adjustments are paid out as they occur, and negative adjustments are distributed among the remaining payments of the year.
- **(JV61) Solvency Assistance Repayment.**
- **(JV84) Private Treatment Facility Tuition.**
- **(JV88) Private Treatment Facility Excess Cost.**

### Known Issues and Updates in this Payment

- Contract Career Tech and Special Education FTE transfers found on the Other Adjustment Report did not reflect FY 2025 data as expected. As a result, FY 2024 data is still reflected in the December #1 payment. Contract Career Tech and Special Education FTE will reflect FY 2025 data starting with the December #2 Payment.

### Education Service Centers (ESC)

ESC funding comes from 2 sources:

1. **State** – Funds are distributed as follows:
  - a. State Operating Subsidy – Each ESC receives a base amount of \$356,250 plus \$24.72 times the number of students in excess of 5,000 up to 35,000 and an additional \$30.90 times the number of students in excess of 35,000. 66.67% of the difference between this calculation and the Funding Base (FY 2020 funding) is added to the Funding Base to get to the State Operating Subsidy.
  - b. Gifted Unit Funding – Each ESC with a state approved gifted unit for FY 2025 as of 11/26/2024 receives this funding. This payment is distributed based on 100% of the calculated amount.
  - c. **Issue:** FY 2023 T- 2 data was used in Special Education Transportation funding calculation mistakenly. As a result, some districts will see increases and others will see decreases when compared to the November #2 payment. This will be fixed in the December #2 payment. We apologize for the inconvenience.

2. **Local** – Funds are transferred from school districts to ESCs for the following purposes:
  - a. Per-Pupil Transfer – Each ESC receives \$6.50 per-pupil or an alternative amount per-pupil based on the enrollment of client school districts. The enrollment figure is extracted from the FY 2024 Report Card.
  - b. Preschool special education funding is based on the calculation of preschool funding for client districts and the count of preschool children for FY 2025. This payment is distributed based on 100% of the calculated amount.
  - c. ORC Section 3313.845 contracts are based on FY 2025 data as of 11/26/2024.

## County Boards of Developmental Disabilities (CBDD)

CBDD funding comes from 2 sources:

1. **State** – Funds are distributed as follows:
  - a. School Age Special Education Funding – Each CBDD receives this funding based on FY 2025 data as of 11/26/2024.
  - b. **Issue:** FY 2023 T- 2 data was used in Special Education Transportation funding calculation mistakenly. As a result, some districts will see increases and others will see decreases when compared to the November #2 payment. This will be fixed in the December #2 payment. We apologize for the inconvenience.
2. **Local** – Preschool Special Education Funding – Funds for preschool special education funding are transferred from client districts based on the calculation of preschool funding for client districts and the count of preschool children for FY 2025. This payment is distributed based on 100% of the calculated amount.

## Additional Resources

- [A complete list and description of JV codes](#)
- [Archive of the twice-monthly letters](#)
- [College Credit Plus Deduction Reports](#)
- [District Profile Reports](#)
- [Foundation Legacy Payment Reports \(2002-2021\)](#)
- [Foundation Payment Reports](#)
- [FY25 State Foundation Funding Calculator for Traditional School Districts](#)
- [Line-by-Line explanation - FY 2025 Foundation Formula](#)
- [Payment Data Calendar](#)
- [Payment Schedule](#)
- [Property Tax Rollback](#)
- [Statewide Payment Reports in Excel Format](#)
- [Set-aside calculations](#)
- [Tuition Rates calculations](#)
- [TPP Reimbursements](#)

Questions should be directed to Jim Comeaux at [James.Comeaux@education.ohio.gov](mailto:James.Comeaux@education.ohio.gov) or your [area coordinator](#).