State Foundation Payment Letter
Fiscal Year 2027 October #1 Traditional School District, ESC and CBDD Payment on October 9, 2026

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.

All of the provisions of the enacted state budget (House Bill 96 of the 136th General Assembly) have been fully implemented.

Traditional School Districts

Information Relevant to the October #1 Payment

- FY 2026 ADM and categorical data for gifted, preschool special education, career technical, special education, English Learners and economically disadvantaged students are based on compilations as of 9/28/2026.
- FY 2025 T- 2 data is used in Special Education Transportation funding calculation. It is based on data pulled as of 12/19/2025. The calculated funding is prorated to 96.58%.
- Statewide average per rider and per mile amounts are based on data from FY 2025 T-1 and T-2 reports. Those statewide average per rider and per mile amounts are applied to FY 2026 miles and riders as of 5/4/2026 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 reflected on the statement of settlement with their respective journal voucher codes for proper accounting. This payment includes:

- **(JV01) FY2026 Final #1 Traditional School Districts.**
- **(JV02) FY2026 Final #2 Traditional School Districts.**
- **(JV09) College Credit Plus Deduction.**
- **(JV50) & (JV51) Tuition Adjustments**. These adjustments for non-special education students reflect the FY 2026 period 1 & 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 2026 period 1 & 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.**

Known Issues and Updates in this Payment

- In the course of an internal review, it was discovered that a small number of preschool special education students who were open enrolled from one district to another and then being educated at an ESC, were being counted twice having the effect of inflating the enrollment of the original district. The FY26 and FY27 preschool education enrollment has been corrected for those districts beginning with the FY27 October #1 payment. While this has the effect of reducing the payment associated with

preschool special education for those districts, it also will result in most other districts seeing a very slight increase due to the proration of preschool special education funding.

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. 100% 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 2026 as of 9/28/2026 receives this funding. It is paid at 86.96% of the calculated amount.
    c. FY 2025 T- 2 data used in Special Education Transportation funding calculation is based on compilations as of 12/19/2025. The calculated funding amount is prorated to 96.58%.
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 from FY 2026 Report Card.
    b. Preschool Special Education Funding – Funds are transferred from client districts based on their preschool count for FY 2026. This calculated funding amount is distributed based on 100% of the calculated amount.
    c. ORC Section 3313.845 contracts are based on FY 2027 data as of 9/28/2026.

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 2026 data as of 9/28/2026. This calculated funding amount is distributed based on 100% of the calculated amount.
    b. FY 2025 T- 2 data used in Special Education Transportation funding calculation is based on compilations as of 12/19/2025. The calculated funding amount is prorated to 96.58%.
2. **Local** – Preschool Special Education Funding – Funds are transferred from client districts based on their preschool count for FY 2026. This calculated funding amount 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)
- 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 or your area coordinator.