



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: January 2010 Foundation Payment #1
DATE: January 5, 2010

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

Foundation Payments

Foundation payments are calculated according to the **Evidenced-Based Model (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.

The EdChoice deduction has been updated in this payment.

Statement of Settlement

JV50/JV51: Corrections were made in this payment to a tuition adjustment made in the December #2 payment. The tuition payment program required modification after passage of Am. Sub. H.B. 1, and a test record was created to verify the modifications were correctly programmed. This record was inadvertently included with “real” tuition records when the tuition program was run. The record was removed and the adjustments related to that record were reversed.

JV84: Tuition deducted for private treatment facilities is included in this payment.

JV88: Payments to private treatment facilities for excess costs 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.

This blended approach will calculate payments by setting the payment to an amount that brings the paid year-to-date to a level equal to the percentage of the year that has expired. For example, if the annual calculation for payment number 12 of 24 is \$120 million, regardless of what has transpired previously, the entity will be paid an amount that results in a paid year-to-date amount (year-to-date column + payment column) of \$60 million, or 50 percent of the annual amount. However, when the calculation of the



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annual amount results in an amount below what has already been paid and a negative payment situation is created, the amount to be recovered (the difference between the balance and the paid year-to-date) is divided by the number of remaining payments in the fiscal year, resulting in equal installments for payback.

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, and **83.52134%** for community schools. Subsequently, a budget reduction of \$5,600,000 per executive order 2008-01S was applied reducing each ESC's annual amount by **10.769231%** of the calculated total.

Boards of Developmental Disabilities

Preschool unit calculations were paid at 100% in this payment based on final unit approval for FY 2009 submitted to the Office of Early Learning and School Readiness. The school age payment is based on the final FY2009 ADM data as submitted to the Office of Exceptional Children.

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