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: January 2010 Foundation Payment #2
DATE: January 19, 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 **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.

SFSF Funds

Beginning with this payment, districts that failed to complete required reporting related to any ARRA grant will have their SFSF funds withheld until the compliance issues have been addressed. Similar to EMIS withholdings, districts impacted by this compliance issue will find that the statement of settlement does not match the funds received. Questions should be directed to Barbara.mattei-smith@ode.state.oh.us.

Board of Developmental Disabilities Payments and Deductions: 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.

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 is eliminated beginning with this payment.

Statement of Settlement

JV50/JV51: Tuition adjustment(s) for non-handicapped children to district of attendance and residence pursuant to Section 3313.64 of the Ohio Revised Code are included in this payment.

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JV52/JV53: Tuition adjustment(s) for handicapped children to district of attendance and residence pursuant to Section 3313.64 of the Ohio Revised Code 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 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

Please note the change in the Board of DD payment discussed above.

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 October 2009 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.