

State Foundation Payment Letter

Fiscal Year 2024 December #1 Traditional School District, ESC and CBDD Payment on December 8, 2023

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 recently enacted state budget (Amended Substitute House Bill 33 of the 135th General Assembly) included several changes to the calculation of state foundation funding. The implementation of the budget changes have fully implemented.

Traditional School Districts

Information Relevant to the December #1 Payment

- With the December #1 payment for the first time in FY 2024 payments, Career Technical Education, Gifted, Transportation, and Preschool Special Education Data from FY2024 are used. See the [Payment Data Calendar](#) for additional information.
- ADM data used in the calculation of Base Cost Enrolled ADM are based on **FY 2023**, FY 2022, and FY 2021 data.
- **FY 2024** ADM and categorical data for special education, English Learners and economically disadvantaged students are based on compilations as of 11/30/23.
- FY 2024 Preschool data used in this payment are based on compilations as of 11/30/23. The calculated amount is paid at 100%.
- FY 2023 T- 2 data used in Special Education Transportation funding calculation is based on compilations as of 11/30/23. The calculated funding amount is prorated to 91.51% to stay within the appropriation.
- Regular Transportation funding calculation is based on **FY 2023** statewide average per rider and per mile amounts applied to FY 2024 T-1 mileage and ridership data as of 11/30/23 and distributed based on 100% of the calculated amount.
- **TY 2022** Property Valuation and **TY 2021** Income Data were used in calculations of local capacity and targeted assistance.

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 2024 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) FY2023 Final #1 Payment Adjustments.** Any negative adjustments will be applied through the remaining payments of the fiscal year.
- **(JV02) FY2023 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.**
- **(JV50) & (JV51) Tuition Adjustments.** These adjustments for non-special education students reflect the FY 2023 period 1 and 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 2023 period 1 and 2 amounts. Positive adjustments are paid out as they occur, and negative adjustments are distributed among the remaining payments of the year.

Known Issues and Updates in this Payment

- None.

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. 50% 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. The funding bases were updated to reflect the new **FY2024** district/ESC alignments with the November #2 payment.
 - b. Gifted Unit Funding – Each ESC with a state approved gifted unit for FY 2024 as of 11/30/23 receives this funding. This payment is distributed based on 100% of the calculated amount.
 - c. **FY 2023** T- 2 data used in Special Education Transportation funding calculation is based on compilations as of 11/30/23. The calculated funding amount is prorated to 91.51% to stay within the appropriation.
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 2023 Report Card.
 - b. Preschool special education funding is based on the parameters for the calculation of preschool funding for client districts and the count of preschool children for FY 2024. This payment is distributed based on 100% of the calculated amount.
 - c. ORC Section 3313.845 contracts are based on FY 2024 data as of 11/30/23.

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 2024 parameters and FY 2024 data as of 11/30/23.
 - b. **FY 2023** T- 2 data is used in Special Education Transportation funding calculation based on compilations as of 11/30/23. The calculated funding amount is prorated to 91.51% to stay within the appropriation.
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 2024. 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](#)
- [Foundation Legacy Payment Reports \(2002-2021\)](#)
- [Foundation Payment Reports](#)
- [Line-by-Line explanation -FY 2024 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 or your [area coordinator](#).