

Department of Education

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- The base cost formula amount increases by 3.0% each year to \$5,565 in FY 2008 and \$5,732 in FY 2009.
- A new program in poverty-based assistance provides funding for closing achievement gaps.
- Provision is made for the establishment of five STEM schools sponsored by public/private partnerships.

OVERVIEW

This overview briefly describes the Ohio Department of Education (ODE), the makeup of the appropriations provided for ODE in the budget, and the major provisions in the budget that affect ODE and the primary and secondary education system in Ohio. These major provisions include changes to the school funding formula, early childhood education initiatives, STEM (science, technology, engineering, and mathematics) initiatives, and the transfer of adult career-technical education programs to the Board of Regents. Also included is a brief discussion of the three provisions vetoed by the Governor.

Duties and Responsibilities

ODE oversees a public education system consisting of 612 public school districts, 49 joint vocational school districts, and approximately 310 public community schools. This system enrolls approximately 1.8 million students in grades kindergarten through twelve and graduates approximately 125,000 students each year. In addition, ODE monitors 60 educational service centers, other regional education providers, several early learning programs, and approximately 852 state-chartered nonpublic schools. ODE also administers the school funding system, collects school fiscal and performance data, develops academic standards and model curricula, administers the state achievement tests, issues district and school report cards, administers Ohio's school choice programs, provides professional development, and licenses teachers, administrators, treasurers, superintendents, and other education personnel.

ODE is governed by a nineteen-member State Board of Education. Eleven of those nineteen members are elected by the citizens and the other eight members are appointed by the Governor. The Superintendent of Public Instruction, who is hired by the State Board of Education, is responsible for ODE's day-to-day operation.

Agency in Brief

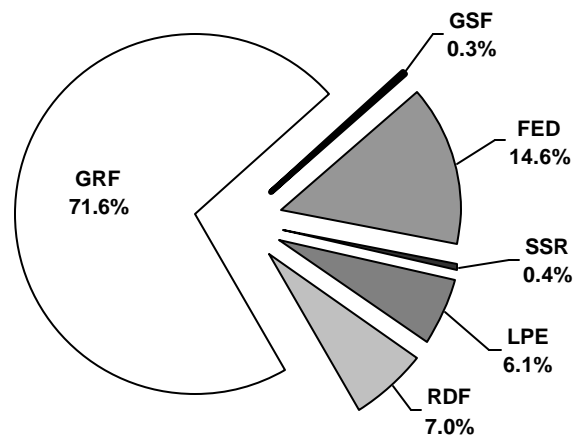
Agency In Brief					
Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2008	2009	2008	2009	
693	\$10.89 billion	\$11.27 billion	\$7.75 billion	\$8.09 billion	Am. Sub. H.B. 119

*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2007.

The budget provides a total appropriation of \$10.89 billion in FY 2008 and \$11.27 billion in FY 2009 for ODE. Chart 1 and Table 1 present the appropriations by fund group. It can be seen from Chart 1 that ODE receives most of its funding from the GRF at 71.6%. The GRF combined with the

Lottery Profits Education Fund (LPE), which alone makes up 6.1%, accounts for a total of 77.7% of the biennial appropriations. Federal funds (FED) account for another 14.6%. Appropriations from the Revenue Distribution Fund Group (RDF) make up 7.0%. RDF appropriations provide direct reimbursements to school districts and joint vocational school districts for their property tax losses due to the phase-out of the business tangible personal property tax and due to utility deregulation. The remaining two fund groups, State Special Revenue Fund Group (SSR) and General Services Fund Group (GSF), account for a combined total of 0.7%.

Chart 1: Biennial Appropriations by Fund Group, FY 2008 - FY 2009



It can be seen from Table 1 that the budget increases GRF appropriations by 1.2% in FY 2008 and 4.4% in FY 2009. The relatively large increase in LPE appropriations in FY 2008 (8.0%) and subsequent decrease in FY 2009 (-3.0%) are due to excess lottery profits from FY 2007 being appropriated to FY 2008. In FY 2007, lottery profits exceeded appropriations by \$31.4 million. The budget permits the Director of Budget and Management to retain these excess funds in the Lottery Profits Education Fund and appropriates an additional \$31.0 million in FY 2008 above the estimated lottery profits from FY 2008. Total GRF and LPE appropriations increase by 1.7% in FY 2008 and 3.8% in FY 2009.

Table 1: Appropriations by Fund Group					
Fund	FY 2007	FY 2008	% Change	FY 2009	% Change
GRF	\$7,658,577,679	\$7,748,106,952	1.2%	\$8,092,712,743	4.4%
GSF	\$33,471,395	\$33,201,050	-0.8%	\$33,565,838	1.1%
FED	\$1,651,852,503	\$1,665,660,368	0.8%	\$1,571,144,583	-5.7%
SSR	\$55,385,406	\$49,020,758	-11.5%	\$49,365,797	0.7%
LPE	\$637,900,000	\$688,900,000	8.0%	\$667,900,000	-3.0%
RDF	\$521,647,522	\$702,720,379	34.7%	\$854,440,342	21.6%
Grand Totals	\$10,558,834,505	\$10,887,609,507	3.1%	\$11,269,129,303	3.5%
GRF and LPE	\$8,296,477,679	\$8,437,006,952	1.7%	\$8,760,612,743	3.8%

The significant increases in the RDF appropriation of 34.7% in FY 2008 and 21.6% in FY 2009 are due to reimbursements to school districts of tax losses resulting from the phase-out of the tax on general business tangible personal property instituted by Am. Sub. H.B. 66 of the 126th General Assembly. The budget provides \$611.6 million in FY 2008 and \$763.3 million in FY 2009 to fund this replacement revenue for school districts and joint vocational school districts. The decrease in the SSR appropriation of 11.5% in FY 2008 is largely due to the appropriation for Early Learning Initiative provider grants being transferred to the Department of Job and Family Services.

School Funding Formula Changes

The budget makes various changes to the school funding formula used to determine the amount and distribution of state operating funding to school districts and joint vocational school districts. These include inflationary increases in the base cost formula amount and base funding supplements, a new program for distributing funds through poverty-based assistance, a more targeted distribution of parity aid, and a simplification of the guarantees in the formula. These changes are described below.

Base Cost Funding

Base Cost Formula Amount. The budget largely retains the former method of determining the base cost formula amount. The base cost consists of three components: (1) base classroom teacher compensation, (2) other personnel support, and (3) nonpersonnel support.

The budget increases the base classroom teacher compensation by 3.3% in each fiscal year to arrive at levels of \$56,754 in FY 2008 and \$58,621 in FY 2009. This results in per pupil base classroom teacher compensation of \$2,838 in FY 2008 and \$2,931 in FY 2009. The budget establishes other personnel support per pupil at \$1,905 in FY 2008 and \$1,962 in FY 2009, an increase of 3.0% in each fiscal year. The per pupil cost of nonpersonnel support is increased by 2.0% in each fiscal year, the projected inflationary measure of the gross domestic product deflator, resulting in a per pupil value of \$822 in FY 2008 and \$839 in FY 2009. Combining these three components results in a formula amount of \$5,565 in FY 2008 and \$5,732 in FY 2009. The value of each component is summarized in Table 2. As can be seen from the table, the base cost formula amount increases by 3.0% in each fiscal year.

Table 2: Base Cost Formula Amount Components				
Component	FY 2007	FY 2008	FY 2009	Annual % Increase
Base Classroom Teacher Compensation per pupil	\$2,747	\$2,838	\$2,931	3.3%
Other Personnel Support per pupil	\$1,850	\$1,905	\$1,962	3.0%
Nonpersonnel Support per pupil	\$806	\$822	\$839	2.0%
Formula Amount	\$5,403	\$5,565	\$5,732	3.0%

Base Funding Supplements. The budget retains the former formulas for calculating the four base funding supplements. The hourly rate for academic intervention is established at \$21.01 in FY 2008 and \$21.64 in FY 2009, an annual increase of 3.0%. The supplement for professional development is paid at 75% in FY 2008 and FY 2009, the same percentage paid in FY 2007. Given these factors and the prescribed formula amounts, base funding supplements total \$49.42 per pupil in FY 2008 and \$50.90 per pupil in FY 2009, increases of 3.0% in each fiscal year. The per pupil amount for each supplement is given in Table 3.

Table 3: Base Funding Supplements

Supplement	FY 2007	FY 2008	FY 2009	Annual % Increase
Academic Intervention Services	\$25.50	\$26.26	\$27.05	3.0%
Professional Development	\$10.73	\$11.05	\$11.38	3.0%
Data-Based Decision Making	\$5.40	\$5.56	\$5.73	3.0%
Professional Development – Data-Based Decision Making	\$6.36	\$6.55	\$6.74	3.0%
Total	\$47.99	\$49.42	\$50.90	3.0%

Elimination of the Cost of Doing Business Factor. The budget eliminates the cost of doing business factor (CDBF) adjustment. The CDBF was calculated for each county and was based on wages in the county and all contiguous counties. In FY 2005, the CDBF increased the formula amount for the highest cost county by 7.5%. Am. Sub. H.B. 66 of the 126th General Assembly phased down this differential to 5.0% in FY 2006 and 2.5% in FY 2007.

Elimination of the Base Cost Guarantee. Under former law, each district's state base cost funding (including funding for base funding supplements) was guaranteed to be no lower than the lesser of its state aggregate or per pupil base cost funding in FY 2005. The budget removes this guarantee provision.

Inclusion of Poverty-Based Assistance and Parity Aid in the Base Cost. The budget includes poverty-based assistance and parity aid in the base cost calculation. These amounts are added to the total base cost to determine state base cost funding for each school district, which is in turn used to determine the district's state share percentage of base cost funding. Since poverty-based assistance and parity aid payments are completely funded by the state, adding them in the base cost calculation will result in higher state share percentages for most districts. The state share percentages are used to determine the state share of special and career-technical education weighted funding.

Poverty-Based Assistance

Poverty Index. The budget eliminates the use of current year data in calculating the poverty index. As a result, the poverty index will likely be more stable throughout the year as most districts' poverty student counts and ADMs (average daily membership) for preceding years generally will be finalized by the beginning of each year.

Closing the Achievement Gap. The budget establishes this new program to provide additional funding to help districts close achievement gaps. The funding is based on each district's "academic distress index." This index is calculated by dividing the percentage of buildings in the district that are in academic watch (AW) or academic emergency (AE), termed the district's "academic distress percentage," by the percentage of buildings in the state that are in academic watch or academic emergency. Districts qualify for funding in FY 2008 if their academic distress indices and their poverty indices are greater than or equal to one. These districts receive, on a per student basis, 0.15% of the formula amount multiplied by their poverty indices and academic distress indices. In FY 2009, each district that received the subsidy in FY 2008 receives the same amount in FY 2009 unless there is an improvement in the district's academic distress percentage. If this percentage decreases, the district receives an extra 3.5% of the funding it received in FY 2008. Districts that did not receive the subsidy in FY 2008, but that have academic distress indices and poverty indices greater than or equal to one in FY 2009 receive, on a per student basis, 0.15% of the formula amount multiplied by their poverty indices and academic distress indices in FY 2009. This calculation is summarized below.

Closing the Achievement Gap Funding	
In FY 2008:	
Total Funding for qualifying districts = $0.0015 \times \text{formula amount} \times \text{poverty index} \times \text{academic distress index} \times \text{formula ADM}$	
In FY 2009:	
Total Funding for qualifying districts that did not qualify in FY 2008	
= $0.0015 \times \text{formula amount} \times \text{poverty index} \times \text{academic distress index} \times \text{formula ADM}$	
Total Funding for districts that qualified in FY 2008 and have an academic distress percentage lower than FY 2008	
= FY 2008 subsidy amount $\times 1.035$	
Total Funding for districts that qualified in FY 2008 and have an academic distress percentage equal to or greater than FY 2008	
= FY 2008 subsidy amount	
Qualifying districts have academic distress indices and poverty indices at least equal to 1.0	
Academic distress index = $(\% \text{ of district's buildings in AE or AW}) / (\% \text{ of state's buildings in AE or AW})$	

According to the ratings on the local report card for the 2005-2006 school year, out of a total of 3,867 buildings, 447 (11.6%) were in academic watch or academic emergency. Thirty-one districts have both academic distress indices and poverty indices greater than or equal to one and would, therefore, qualify for funding.

Increased Classroom Learning Opportunities (Class Size Reduction). The budget changes the name of the class size reduction program to increased classroom learning opportunities, but maintains the calculation method for the payment. The payment is based on a teacher salary allowance, which the budget establishes as \$56,754 in FY 2008 and \$58,621 in FY 2009, increases of 3.3% in each fiscal year. These are the same amounts established for base classroom teacher compensation in the base cost formula amount calculation.

Intervention. The budget retains the former calculation method for this program, but increases the hourly rate used to calculate the funding by 3.0% each year to \$21.01 in FY 2008 and \$21.64 in FY 2009. This is the same hourly rate used to calculate the base funding supplement for intervention.

Limited English Proficient Student Intervention. The budget retains the former calculation method for this program. This program began in FY 2006. Funding was phased in at 40% in FY 2006 and 70% in FY 2007. The budget retains the phase-in percentage at 70% for FY 2008 and FY 2009. This funding is provided to districts with poverty indices greater than or equal to 1.0 and with at least 2% of students who are limited English proficient (LEP). The percentage and the number of LEP students that was reported on each district's local report card for the 2002-2003 school year were used as a basis for this funding in FY 2006 and FY 2007. The budget continues to use these percentages and numbers in FY 2008 and FY 2009.

Teacher Professional Development, Dropout Prevention, and Community Outreach. The budget retains the former calculation methods for these programs, but provides full funding for FY 2008 and FY 2009. Funding was phased in at 70% in FY 2007.

Poverty-Based Assistance Guarantee. The budget eliminates the poverty-based assistance guarantee. This guarantee ensured that districts receive at least as much poverty-based assistance funding as the disadvantaged pupil impact aid (DPIA) they received in FY 2005 less any DPIA transferred to e-schools. (Students attending e-schools do not receive poverty-based assistance beginning in FY 2006.)

Parity Aid

Under former law, districts with wealth per pupil less than that of the district with the 490th highest local wealth (the 80th percentile) qualified for parity aid. This funding was calculated as the difference between what a district could raise per pupil with 7.5 mills and what the district at the 80th percentile highest wealth level could raise per pupil with 7.5 mills. The budget lowers the number of qualifying districts to the 410 lowest wealth districts in FY 2008 and the 367 lowest wealth districts in FY 2009. The budget also changes the calculation so that it equalizes 8.0 mills in FY 2008 and 8.5 mills in FY 2009. These mills are still equalized to the wealth level of the district at the 80th percentile.

Other Formula Changes

Charge-off Supplement (Gap Aid). The budget removes the revenue districts receive from direct reimbursements for losses above the state education aid offset due to the phase-out of taxes on general business tangible personal property as part of a school district's revenue when calculating the district's gap aid. Gap aid is provided to districts whose actual operating revenue is lower than the local share assumed by the formula.

Transportation. The budget notwithstanding the transportation funding formula and provides increases of 1% per year in transportation funding to school districts receiving transportation funding in FY 2005 under the current formula. In FY 2006 and FY 2007, these same districts received annual increases of 2% in transportation funding.

Special Education Catastrophic Cost. The budget increases the special education catastrophic cost reimbursement threshold from \$26,500 to \$27,375 in FY 2008 and FY 2009 for students in categories two through five and from \$31,800 to \$32,850 in FY 2008 and FY 2009 for students in category six.

Guarantees – Transitional Aid for School Districts. Transitional aid has been provided to districts since FY 2004. For FY 2008 and FY 2009, this funding guarantees that each district receives the same amount of formula funding it received in the previous fiscal year. As stated above, the budget eliminates the base cost funding and the poverty-based assistance guarantees. The budget also eliminates the reappraisal guarantee, which guarantees that districts going through a real property valuation reappraisal or update receive the same amount of funding less any gap aid they received in the previous fiscal year. These various guarantees are essentially included in transitional aid under the budget.

Joint Vocational School Districts. Joint vocational school districts (JVSDs) receive the same formula amount of \$5,565 in FY 2008 and \$5,732 in FY 2009. They are also affected by the elimination of the CDBF and the base cost guarantee. Transitional aid has been provided to JVSDs since FY 2006. For FY 2008 and FY 2009, this funding guarantees that each JVSD receives the same amount of formula funding it received in the previous fiscal year.

Other Major Budget Issues

Early Childhood Education

The budget significantly expands the GRF-funded early childhood program. This program provides funding to school districts and educational service centers that provide educational services for three and four-year-old children from families with incomes at or below 200% of the federal poverty level. The budget increases funding for these programs by \$12.0 million (63.2%) in FY 2008 and by an additional \$5.5 million (17.7%) in FY 2009. The budget stipulates that the increased funding be provided

to programs established after March 15, 2007 and only to providers that are eligible for poverty-based assistance. Under the budget, other school districts may establish preschool programs using another source of funding. Under former law, districts could establish preschool programs only if they were eligible for poverty-based assistance and they could demonstrate that their needs could not be met by existing child care programs.

STEM Initiatives

STEM refers to the fields of science, technology, engineering, and mathematics. The budget establishes the STEM Subcommittee of the Partnership for Continued Learning and authorizes it to establish up to five STEM schools to open for instruction in FY 2009. Partnerships of public and private entities that include school districts, higher education entities, and business organizations may submit proposals for STEM schools to the subcommittee. The schools may serve any of grades six to twelve. The STEM schools will be public schools that will receive operational funding through transfers of state aid from the schools' students' resident school districts much like community schools are funded. In addition, the budget authorizes the subcommittee to award grants to the STEM schools and appropriates \$3.0 million in each fiscal year for these grants.

The budget requires STEM school teachers to be "highly qualified." Generally, this designation requires licensure in the subject being taught among other qualifications. However, the budget allows individuals who do not hold an educator license but have at least a bachelor's degree or five years of work experience in the subject being taught to teach in a STEM school for up to 40 hours per week. The budget also requires the State Board of Education to issue a two-year provisional educator license for teaching science, technology, engineering, or mathematics in grades 6 to 12 in a STEM school to applicants who (1) have a bachelor's degree in a field related to the teaching area and (2) have passed a content assessment in the teaching area.

The budget also authorizes the STEM subcommittee to award grants to STEM Programs of Excellence operated by school districts and educational service centers for any of grades K to 8 and appropriates about \$3.3 million in each fiscal year for these grants. Furthermore, the budget requires the STEM subcommittee to work with an Ohio-based nonprofit enterprise selected by the subcommittee to support the strategic and operational coordination of public and private STEM education in Ohio.

Adult Career-Technical Education Programs

The budget requires the transfer of adult career-technical education programs from ODE to the Board of Regents by January 1, 2009. The specific programs to be transferred are to be identified by the Regents in collaboration with ODE and set forth in a plan for the transfer that must be developed by July 1, 2008.

Vetoed Provisions

- (1) The Governor vetoed a provision creating a Special Education Scholarship Pilot Program to provide scholarships to disabled children in grades kindergarten through twelve to be used to attend alternative public or private special education programs. The program was to be funded through transfers of state aid from the scholarship children's resident school districts. This veto also includes a veto of an earmark of GRF appropriation item 200-421, Alternative Education Programs, of \$50,000 in FY 2008 and \$250,000 in FY 2009 for administration of the program.

- (2) The Governor vetoed a provision prohibiting ODE from withholding payment to a community school for a student whose enrollment in the school is disputed by the student's resident district until the district proves that the student is not enrolled in the school.
- (3) The Governor vetoed a provision permitting ODE to use the earmark of \$900,000 in each fiscal year for the Reading Recovery Program of GRF appropriation item 200-433, Literacy Improvement – Professional Development, for other reading improvement programs and evaluation of the Reading Recovery Program.

ANALYSIS OF THE BUDGET

The Analysis of the Executive Budget in the LSC Redbook for ODE followed the programs and program series established by ODE for the Office of Budget and Management. This analysis, however, follows Am. Sub. H.B. 119 in focusing on line items. The line items have been grouped into 12 areas, but these do not necessarily follow the program series in the Redbook. Also, this analysis concentrates on GRF line items. Except for an increase of \$31.0 million in FY 2008 in LPE appropriation item 200-612, Foundation Funding, that is mentioned in the Overview section, the appropriations for all other non-GRF items for ODE remain the same as in the executive budget proposal. Please refer to the Redbook or the COBLI for a description of these line items.

Line Item Grouping

1: Basic Public School Support

Purpose: This line item grouping includes the major sources of state and federal formula driven support for public schools.

Appropriation Amounts for Basic Public School Support					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-550	Foundation Funding		\$ 5,761,699,328	\$ 6,034,943,246
GRF	200-502	Pupil Transportation		\$ 424,783,117	\$ 429,030,948
GRF	200-521	Gifted Pupil Program		\$ 47,608,030	\$ 48,008,613
General Revenue Fund Subtotal				\$ 6,234,090,475	\$ 6,511,982,807
Federal Special Revenue Fund (FED)					
3M2	200-680	Individuals with Disabilities Education Act		\$ 500,000,000	\$ 405,000,000
3M0	200-623	ESEA Title 1A		\$ 415,000,000	\$ 420,000,000
3L9	200-621	Career-Technical Education Basic Grants		\$ 48,029,701	\$ 48,029,701
Federal Special Revenue Fund Subtotal				\$ 963,029,701	\$ 873,029,701
State Special Revenue Fund (SSR)					
5BJ	220-626	Half-Mill Maintenance Equalization		\$ 10,700,000	\$ 10,700,000
State Special Revenue Fund Subtotal				\$ 10,700,000	\$ 10,700,000
Lottery Profits Education Fund (LPE)					
017	200-612	Foundation Funding		\$ 666,198,000	\$ 667,900,000
Lottery Profits Education Fund Subtotal				\$ 666,198,000	\$ 667,900,000
Total Funding: Basic Public School Support				\$ 7,874,018,176	\$ 8,063,612,508

The budget provides increases of 0.9% in FY 2008 and 4.5% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping increases by 1.7% in FY 2008 and 2.4% in FY 2009. Of the \$15,937.6 million in total biennial funding for this grouping, 80.0% comes from the General Revenue Fund, 11.5% from the Federal Special Revenue Fund Group, 0.1% from the State Special Revenue Fund Group, and 8.4% from the Lottery Profits Education Fund. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Foundation Funding (200-550). This item increases by \$52.9 million (0.9%) in FY 2008 and by \$273.2 million (4.7%) in FY 2009.

200-550, Foundation Funding		
Earmarks	FY 2008	FY 2009
Juvenile Court Payments	\$ 425,000	\$ 425,000
Payments for Valuation Adjustments	\$ 30,000,000	\$ 30,000,000
Catastrophic Cost Supplement	\$ 19,770,000	\$ 20,545,200
Youth Services Tuition	\$ 2,000,000	\$ 2,000,000
Educational Service Centers	\$ 52,000,000	\$ 52,000,000
Private Treatment Facility Project	\$ 1,000,000	\$ 1,000,000
School Breakfast Program	\$ 3,700,000	\$ 3,700,000
School Choice Cleveland	\$ 8,686,000	\$ 8,722,860
School Choice Cleveland – Poverty-Based Assistance	\$ 11,901,887	\$ 11,901,887
Continuous Improvement Planning	\$ 3,312,165	\$ 3,312,165
Remainder – SF3 Payments	\$5,628,904,276	\$5,901,336,134

Juvenile Court Payments. These funds are used to help defray the cost of educating children who are placed in a private institution, school, or residential treatment center by the order of an Ohio court.

Payments for Valuation Adjustments. There are various instances specified in sections 3317.026, 3317.027, and 3317.028 of the Revised Code in which an adjustment is made to the amount of state aid paid to a district due to a change in that district's valuation. Generally, this earmark is used to make the payments for the previous fiscal year. The budget, however, allows payments also to be made in the current fiscal year.

Catastrophic Cost Supplement. This funding is provided to schools to support exceptionally high costs associated with individual special education students.

Youth Services Tuition. These funds are used for state payments to school districts that are required to pay tuition for a child who is in an institution maintained by the Department of Youth Services, but is not included in his or her resident district's ADM for purposes of state aid calculations.

Educational Service Centers. These funds are provided to the 60 educational service centers (ESCs) in Ohio on a per pupil basis. ESCs provide many services including supervisory services, special education, and gifted education. This funding is \$40.52 per pupil for an ESC serving three or more counties and \$37.00 per pupil for all others.

Private Treatment Facility Project. These funds pay for educational services for youth who have been assigned by a court to a facility participating in the Private Treatment Facility Project.

School Breakfast. This funding is used to partially reimburse districts that are required under state law to participate in the School Breakfast Program for their costs related to this participation. A portion of this funding (\$900,000 in each fiscal year) is provided through a

contract to the Children's Hunger Alliance to support its efforts to expand access to child nutrition programs.

School Choice Cleveland. This funding supports the Cleveland Scholarship and Tutoring Program, also known as the Pilot Project Scholarship Program. This program provides scholarships to students who are residents of the Cleveland Municipal School District to be used to attend a participating nonpublic school. Scholarship students are not counted in Cleveland's ADM for funding purposes. In addition to scholarships, the program funds tutoring services for students who remain in the Cleveland Municipal School District.

School Choice Cleveland – Poverty-Based Assistance. This funding also supports the Pilot Project Scholarship Program, but comes through a deduction from the state poverty-based assistance that is allocated to the Cleveland Municipal School District through the school funding formula.

Continuous Improvement Planning. This funding provides support for school improvement through technical assistance to the lowest performing districts to help them as they develop their continuous improvement plans. This funding is provided in conjunction with an earmark of GRF appropriation item 200-431, School Improvement Initiatives.

Remainder – SF3 Payments. This GRF funding is combined with funding from the Lottery Profits Education Fund (LPE) and is provided through the state's school funding formula to support the general operating expenses of public school districts. This combined GRF and lottery funding supports the state share of a base cost formula amount per pupil of \$5,565 in FY 2008 and \$5,732 in FY 2009. In addition to the base cost formula amount, the remainder of these funds is used for the base funding supplements, special education weighted funding, career-technical education weighted funding, poverty-based assistance, parity aid, the excess cost supplement, the teacher training and experience adjustment, the charge-off supplement (gap aid), and transitional aid. The current formulas for distributing SF3 payments are described in the School Funding section of the LSC Redbook for ODE. The budget's changes to these formulas are described in the Overview section. SF3 payments are the primary source of funding for community schools in Ohio. Community school and STEM school students are included in their resident district's ADM to qualify for state payments, which are then deducted from students' resident districts and transferred to the schools where the students are enrolled. SF3 payments also support the Educational Choice Scholarship program that awards scholarships, which can be used to attend participating nonpublic schools. Scholarship students are counted in their resident district's ADM for the purposes of calculating state base cost funding. A deduction of \$2,700 for a kindergarten student or \$5,200 for a student in grades one through twelve is made from the resident district's state aid in order to fund the scholarships.

Pupil Transportation (200-502). This item increases by \$4.2 million (1.0%) in FY 2008 and by \$4.2 million (1.0%) in FY 2009.

200-502, Pupil Transportation		
Earmarks	FY 2008	FY 2009
Bus Driver Training	\$ 830,624	\$ 838,930
Special Education Transportation	\$ 59,870,514	\$ 60,469,220
Remainder – Pupil Transportation	\$ 364,081,979	\$ 367,722,798

Bus Driver Training. These funds are used by ODE to contract with eight educational service centers (ESCs) and one vocational agency to administer the Ohio Preservice Driver Training Program.

Special Education Transportation. This funding is provided to school districts and county MR/DD boards to assist them in providing required transportation services to students with disabilities.

Remainder – Pupil Transportation. This funding is provided to school districts to assist them in providing transportation services to regular students. The budget notwithstanding the formula designed to distribute the funding in FY 2008 and FY 2009 and, instead, provides 1.0% annual increases in each district's state transportation funding in both FY 2008 and FY 2009. It also requires ODE by December 31, 2008 to make recommendations for enhancing regional pupil transportation collaboration among school districts, educational service centers, community schools, and nonpublic schools.

Gifted Education (200-521). This item increases by \$0.5 million (1.0%) in FY 2008 and by \$0.4 million (0.8%) in FY 2009.

200-521, Gifted Education		
Earmarks	FY 2008	FY 2009
Gifted Identification	\$ 4,747,000	\$ 4,794,470
Summer Honors Institute	\$ 1,015,858	\$ 1,026,017
Remainder – Gifted Education Units	\$ 41,845,172	\$ 42,188,126

Gifted Identification. Districts are required by state law to identify students who are gifted, although they are not required to provide gifted services. This funding assists districts in performing this identification.

Summer Honor Institute. This funding supports summer institutes, held at universities and colleges throughout Ohio that provide enrichment opportunities for gifted students who have completed their freshman or sophomore years.

Remainder – Gifted Education Units. This funding is provided through the school funding formula for the additional costs associated with gifted education. Funding is calculated based on gifted units, which is essentially a gifted education personnel based funding.

Line Item Grouping**2: Property Tax Reimbursements**

Purpose: This line item grouping includes reimbursements to school districts for property tax losses due to state tax policy.

Appropriation Amounts for Property Tax Reimbursements					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-901	Property Tax Allocation – Education	\$	794,583,404	\$ 850,868,654
GRF	200-906	Tangible Tax Exemption – Education	\$	21,415,244	\$ 10,707,622
General Revenue Fund Subtotal			\$	815,998,648	\$ 861,576,276
Revenue Distribution Fund (RDF)					
047	200-909	School District Property Tax Replacement – Business	\$	611,596,856	\$ 763,316,819
053	200-900	School District Property Tax Replacement – Utility	\$	91,123,523	\$ 91,123,523
Revenue Distribution Fund Subtotal			\$	702,720,379	\$ 854,440,342
Total Funding: Property Tax Reimbursements				\$ 1,518,719,027	\$ 1,716,016,618

The budget provides increases of 2.2% in FY 2008 and 5.6% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping increases by 15.0% in FY 2008 and 13.0% in FY 2009. Of the \$3,234.7 million in total biennial funding for this grouping, 51.9% comes from the General Revenue Fund and 48.1% from the Revenue Distribution Fund Group. The line items in this grouping are described below.

Property Tax Allocation – Education (200-901). This item increases by \$28.0 million (3.7%) in FY 2008 and by \$56.3 million (7.1%) in FY 2009. The state pays 10% of locally levied property taxes for residential and agricultural real property owners and an additional 2.5% for homeowners, thus decreasing property taxes paid by individual property taxpayers in Ohio. This provision is often referred to as property tax “rollbacks.” This item funds the rollback reimbursements for school districts and joint vocational school districts. In addition, this item funds the portion of the Homestead Exemption Program for the elderly and disabled individuals payable to school districts. The budget expands the Homestead Exemption Program to include all homeowners who are 65 years of age or older or who are disabled, regardless of income. The current program allows the exemption only if the homeowner’s income is less than \$23,000 per year. The budget expands the amount of the exemption to \$8,750 of taxable value (\$25,000 of true value). The current exemption is no more than \$5,000 of taxable value (\$14,286 of true value). The budget establishes the Ohio Tobacco Financing Authority to implement the securitization of 100% of the payment Ohio is expected to receive under the Tobacco Master Settlement Agreement over the next 40 or more years. The net proceeds are estimated to be approximately \$5.04 billion and will be used to finance the capital needs of primary and secondary and higher education. The costs of expanding the Homestead Exemption Program will be paid for by the savings from GRF payments for debt service on bonds that would otherwise have to be issued for the primary and secondary and higher education facilities in the next three years.

Tangible Tax Exemption – Education (200-906). This item decreases by \$10.7 million (33.3%) in FY 2008 and by \$10.7 million (50.0%) in FY 2009. The state exempts the first \$10,000 of tangible personal property from taxation. This item reimburses school districts for this exemption. The reimbursement is being phased out and will be completely eliminated by FY 2010. School districts will be reimbursed at a rate of 31% in FY 2008 and 16% in FY 2009.

School District Property Tax Replacement – Business (200-909). This item increases by \$191.6 million (45.6%) in FY 2008 and by \$151.7 million (24.8%) in FY 2009. Am. Sub. H.B. 66 of the 126th General Assembly started to phase out the tax on general business tangible personal property. This phase-out begins in tax year (TY) 2006 and the tax will be completely phased out by TY 2010. The lost property tax for each district was determined by the Department of Taxation. After the tax is completely phased out, the tax loss will be \$1.1 billion for one year. Districts are compensated for this loss partially through an increase in state aid (the state education aid offset).³ H.B. 66 also created the commercial activity tax (CAT). A portion of the revenues from CAT is deposited into RDF Fund 047. These funds provide direct reimbursements to districts for the value of the loss above the increase in state aid. Former law dedicated 70% of annual CAT revenue until FY 2018 to pay for the state education aid offset and direct reimbursement payments and committed all CAT revenue after FY 2018 to the GRF. The budget dedicates the same 70% of annual CAT revenue in FY 2019 and thereafter for school funding.

School District Property Tax Replacement – Utility (200-900). This item decreases by \$10.5 million (10.4%) in FY 2008 and is flat funded in FY 2009. Am. Sub. S.B. 3 and Am. Sub. S.B. 287 of the 123rd General Assembly deregulated electric and natural gas utilities in Ohio, reduced the property tax assessment rates on utility property, and created new taxes on utility output. A portion of the revenues from these new taxes is deposited into RDF Fund 053. The decrease in assessment rates decreased the property valuation and property tax receipts of school districts containing utility property. The lost property tax for each district was determined by the Department of Taxation. In total, the tax loss was \$198 million for one year. Districts are compensated for this loss partially through an increase in state aid (the state education aid offset). These funds provide direct reimbursements to districts for the value of the loss above the increase in state aid. All school districts were completely reimbursed for these losses for five years, from FY 2002 through FY 2006. Starting in FY 2007, however, only districts whose tax loss, inflated to current dollars, is greater than their increase in state aid from FY 2002 continue to receive direct reimbursement payments. All joint vocational school districts continue to receive direct reimbursements.

³ When a district's taxable property value decreases, its local share of base cost funding, which is equal to 23 mills (2.3%) of its taxable property value, also decreases. This decrease in the local share is made up by increases in the state share. The resulting increase in state aid is called the state education aid offset.

Line Item Grouping

3: Educational Enhancements

Purpose: This line item grouping includes funding for educational enhancements for special education, career-technical education, and the education of students at risk.

Appropriation Amounts for Educational Enhancements					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-540	Special Education Enhancements	\$	138,869,945	\$ 140,006,839
GRF	200-545	Career-Technical Education Enhancements	\$	9,298,651	\$ 9,373,926
GRF	200-416	Career-Technical Education Match	\$	2,233,195	\$ 2,233,195
GRF	200-425	Tech Prep Consortia Support	\$	2,069,217	\$ 2,069,217
General Revenue Fund Subtotal				\$ 152,471,008	\$ 153,683,177
General Services Fund (GSF)					
596	200-656	Ohio Career Information System	\$	529,761	\$ 529,761
General Services Fund Subtotal				\$ 529,761	\$ 529,761
Federal Special Revenue Fund (FED)					
370	200-624	Education of Exceptional Children	\$	1,811,520	\$ 575,454
369	200-616	Career-Technical Education Federal Enhancement	\$	5,000,000	\$ 5,000,000
3AF	200-603	School Medicaid Administrative Claims	\$	486,000	\$ 639,000
3M1	200-678	Innovation Education	\$	5,369,100	\$ 5,363,706
3S2	200-641	Education Technology	\$	10,000,000	\$ 5,000,000
3Y8	200-639	Rural and Low Income Technical Assistance	\$	1,500,000	\$ 1,500,000
309	200-601	Educationally Disadvantaged Programs	\$	12,750,000	\$ 8,750,000
Federal Special Revenue Fund Subtotal				\$ 36,916,620	\$ 26,828,160
Total Funding: Educational Enhancements				\$ 189,917,389	\$ 181,041,098

The budget provides increases of 2.4% in FY 2008 and 0.8% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping decreases by 9.4% in FY 2008 and 4.7% in FY 2009. Of the \$371.0 million in total biennial funding for this grouping, 82.5% comes from the General Revenue Fund, 0.3% from the General Services Fund Group, and 17.2% from the Federal Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Special Education Enhancements (200-540). This item increases by \$3.4 million (2.5%) in FY 2008 and \$1.1 million (0.8%) in FY 2009.

200-540, Special Education Enhancements		
Earmarks	FY 2008	FY 2009
Home Instruction	\$ 2,906,875	\$ 2,906,875
Parent Mentoring	\$ 1,462,500	\$ 1,462,500
School Psychology Interns	\$ 2,783,396	\$ 2,783,396
Sinclair Community College	\$ 750,000	\$ 750,000
Preschool Pilot Bowling Green	\$ 200,000	\$ 200,000
Bellefaire Jewish Children's Bureau	\$ 200,000	\$ 200,000
Preschool Special Education Units	\$ 82,707,558	\$ 83,371,505
Collaborative Language and Literacy Instruction Project	\$ 650,000	\$ 650,000
Delaware-Union ESC	\$ 325,000	\$ 325,000
Lake-Geauga Educational Assistance Foundation (LEAF)	\$ 75,000	\$ 75,000
Project More	\$ 650,000	\$ 650,000
Remainder – MR/DD & Institutional Special Education Weights	\$ 46,159,616	\$ 46,632,563

Home Instruction. This funding reimburses districts for half the cost of providing home instruction to students with orthopedic impairments, other health impairments, and severe behavioral handicaps.

Parent Mentoring. This funding supports parents of children with disabilities who serve as mentors to other parents and school district staff.

School Psychology Interns. This funding supports school psychology interns who spend one year in the schools serving students with disabilities and receiving supervised on-the-job training prior to obtaining licensure as school psychologists.

Sinclair Community College. This funding is provided to Sinclair Community College in Dayton, Ohio, to support Montgomery County's Out of School Initiative. This initiative serves youth primarily between the ages of 15 and 21 who have dropped out or who are not regularly attending school.

Preschool Bowling Green Pilot. This funding is provided to the Bowling Green City School District to support its preschool special education pilot project.

Bellefaire Jewish Children's Bureau. This funding is provided to Bellefaire Jewish Children's Bureau, a nonprofit organization located in Shaker Heights, Ohio.

Preschool Special Education Units. The state preschool special education program serves children with disabilities, ages three through five. Districts are mandated under federal law to provide a free and appropriate public education to these students. State funding for preschool special education and related services provided by school districts, educational service centers, and county MR/DD boards is distributed through units, which are based on the minimum number of students per class, teacher degree, and teacher experience.

Collaborative Language and Literacy Instruction Project. This funding supports the Collaborative Language and Literacy Instruction Project, which is a literacy initiative that provides a teacher training program that emphasizes language development.

Delaware-Union ESC. This funding is provided to the Ohio Center for Autism and Low Incidence (OCALI) to be used to contract with the Delaware-Union Educational Service Center to provide autism transition services.

Lake-Geauga Educational Assistance Foundation (LEAF). This funding is provided to LEAF, an organization that connects students in Lake and Geauga counties to resources that assist them in continuing their education past high school.

Project More. This funding supports one-to-one reading mentoring services provided through Project More.

Remainder – MR/DD & Institutional Special Education Weights. This funding is provided to county boards of MR/DD and state institutions operated by the Department of Mental Health, the Department of Rehabilitation and Correction, and the Department of Youth Services to fund special education and related services provided by these entities. Funding is distributed based on the same weights used for special education students educated in school districts and community schools.

Career-Technical Education Enhancements (200-545). This item increases by \$0.1 million (0.8%) in FY 2008 and \$0.1 million (0.8%) in FY 2009.

200-545, Career-Technical Education Enhancements			
Earmarks	FY 2008		FY 2009
Career-Technical Institutional Units	\$	2,509,152	\$ 2,584,427
Tech Prep Expansion Grants	\$	2,621,507	\$ 2,621,507
High Schools That Work	\$	3,401,000	\$ 3,401,000
Ohio Career Information System	\$	466,992	\$ 466,992
Agriculture 5th Quarter Project	\$	300,000	\$ 300,000

Career-Technical Institutional Units. These funds support career-based intervention programs at institutions. Incarcerated students are provided instructional programming in work and family literacy, career-based intervention, and workforce development. Funding is distributed in the form of units.

Tech Prep Expansion Grants. These funds are used for competitive grants to support Tech Prep enrollment expansion and new Tech Prep programming. Four-year Tech Prep education programs lead to a two-year associate's degree or a two-year certificate in addition to a high school diploma.

High Schools that Work (HSTW) and Making Middle Grades Work (MMGW). These funds support HSTW and MMGW, school improvement initiatives designed to accelerate learning and raise standards through rigorous course work, counseling, parental and community involvement, and teacher collaboration.

Ohio Career Information System (OCIS). These funds support OCIS, a computer-based career information delivery system that provides access to current labor market and

postsecondary educational and training information, scholarships, employability skills information, and classroom career integration activities.

Agriculture 5th Quarter Project. This funding is used to enable students to enroll in a “5th Quarter” of instruction based on the agricultural instructional model of delivering work-based learning through supervised agricultural experience.

Career-Technical Education Match (200-416). This item is flat funded in each fiscal year. These funds provide the dollar for dollar required state match for the administrative portion of the federal Vocational Education State grant.

Tech Prep Consortia Support (200-425). This item is flat funded in each fiscal year. These funds provide support to maintain a quality Tech Prep system in Ohio.

Line Item Grouping

4: Nonpublic School Support

Purpose: This line item grouping includes funding to support chartered nonpublic schools.

Appropriation Amounts for Nonpublic School Support					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-511	Auxiliary Services		\$ 131,740,457	\$ 135,692,670
GRF	200-532	Nonpublic Administrative Cost Reimbursement		\$ 59,810,517	\$ 61,604,832
General Revenue Fund Subtotal				\$ 191,550,974	\$ 197,297,502
State Special Revenue Fund (SSR)					
598	200-659	Auxiliary Services Reimbursement		\$ 1,328,910	\$ 1,328,910
State Special Revenue Fund Subtotal				\$ 1,328,910	\$ 1,328,910
Total Funding: Nonpublic School Support				\$ 192,879,884	\$ 198,626,412

The budget provides increases of 3.0% in FY 2008 and 3.0% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping increases by 3.0% in FY 2008 and 3.0% in FY 2009. Of the \$391.5 million in total biennial funding for this grouping, 99.3% comes from the General Revenue Fund and 0.7% from the State Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Auxiliary Services (200-511). This item increases by \$3.8 million (3.0%) in FY 2008 and \$4.0 million (3.0%) in FY 2009.

200-511, Auxiliary Services		
Earmarks	FY 2008	FY 2009
Postsecondary Enrollment Options	\$ 2,060,000	\$ 2,121,800
Remainder – Auxiliary Services	\$ 129,680,457	\$ 133,570,870

Postsecondary Enrollment Options. The postsecondary enrollment options program allows qualified Ohio high school students to take college courses at state expense for both college and high school credit. These funds are used to pay the costs of the program for participants from nonpublic schools.

Remainder – Auxiliary Services. This funding, which is distributed on a per pupil basis, supports secular services provided to chartered nonpublic schools.

Nonpublic Administrative Cost Reimbursement (200-532). This item increases by \$1.7 million (3.0%) in FY 2008 and \$1.8 million (3.0%) in FY 2009. Chartered nonpublic schools are required by the state to perform some administrative and clerical activities. These funds reimburse the schools for the costs of these mandated activities. The reimbursement is based on the actual costs from the prior year. The budget increases the maximum per pupil reimbursement from \$275 to \$300 per pupil.

Line Item Grouping

5: School Choice

Purpose: This line item grouping includes funding to support the establishment and oversight of community schools.

Appropriation Amounts for School Choice					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-455	Community Schools		\$ 1,533,661	\$ 1,533,661
General Revenue Fund Subtotal				\$ 1,533,661	\$ 1,533,661
Federal Special Revenue Fund (FED)					
3T4	200-613	Public Charter Schools		\$ 13,850,827	\$ 14,212,922
Federal Special Revenue Fund Subtotal				\$ 13,850,827	\$ 14,212,922
Total Funding: School Choice				\$ 15,384,488	\$ 15,746,583

The budget provides a decrease of 47.9% in FY 2008 and flat funding in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping decreases by 6.4% in FY 2008 and increases by 2.4% in FY 2009. Of the \$31.1 million in total biennial funding for this grouping, 9.9% comes from the General Revenue Fund and 90.1% from the Federal Special Revenue Fund Group. The major provisions of the budget affecting school choice as well as the GRF line item in this grouping are described below.

Special Education Scholarship Pilot Program. The budget, as passed by the General Assembly, created the Special Education Scholarship Pilot Program, a new school choice program designed to provide scholarships for disabled children to attend alternative public or private special education programs. This proposed new program was vetoed by the Governor.

Community School Provisions. Community schools are public schools that operate independently of any school district and are governed through a contract between the school's governing authority and a sponsor. The budget restricts the establishment of new start-up community schools, permits a community school to transport students without an agreement with the students' resident districts, and provides penalties for community schools that do not maintain auditable records. Another provision that was vetoed by the Governor would have prohibited ODE from withholding payment to a community school when a district presents a challenge concerning a student's enrollment until after the district proves that the student should not be included in the community school's enrollment.

Community Schools (200-455). This item decreases by \$1.4 million (47.9%) in FY 2008 and is flat funded in FY 2009.

200-455, Community Schools			
Earmarks		FY 2008	FY 2009
Sponsor Oversight	\$	1,308,661	\$ 1,308,661
Sponsor Training	\$	225,000	\$ 225,000

Sponsor Oversight. This funding is used by ODE to provide oversight and evaluation of community school sponsors. ODE has created a framework that provides ongoing evaluations for every sponsor. Those with serious performance problems will be subject to corrective action plans.

Sponsor Training. This funding is used by ODE to develop and conduct training for sponsors and prospective sponsors of community schools.

Line Item Grouping

6: School Operations Support

Purpose: This line item grouping includes funding to support expenses related to management, computer networks, school buses, and food service.

Appropriation Amounts for School Operations Support				
Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund (GRF)				
GRF	200-422	School Management Assistance	\$ 3,360,572	\$ 3,375,572
GRF	200-426	Ohio Educational Computer Network	\$ 30,446,197	\$ 30,446,197
GRF	200-503	Bus Purchase Allowance	\$ 14,000,000	\$ 14,000,000
GRF	200-505	School Lunch Match	\$ 8,998,025	\$ 8,998,025
General Revenue Fund Subtotal			\$ 56,804,794	\$ 56,819,794
General Services Fund (GSF)				
5H3	200-687	School District Solvency Assistance	\$ 18,000,000	\$ 18,000,000
General Services Fund Subtotal			\$ 18,000,000	\$ 18,000,000
Federal Special Revenue Fund (FED)				
3L6	200-617	Federal School Lunch	\$ 244,714,211	\$ 249,903,970
3L7	200-618	Federal School Breakfast	\$ 63,927,606	\$ 69,041,814
3L8	200-619	Child/Adult Food Programs	\$ 69,280,946	\$ 70,691,653
367	200-607	School Food Services	\$ 5,849,748	\$ 6,088,737
Federal Special Revenue Fund Subtotal			\$ 383,772,511	\$ 395,726,174
State Special Revenue Fund (SSR)				
455	200-608	Commodity Foods	\$ 24,000,000	\$ 24,000,000
State Special Revenue Fund Subtotal			\$ 24,000,000	\$ 24,000,000
Lottery Profits Education Fund (LPE)				
017	200-682	Lease Rental Payment Reimbursement	\$ 22,702,000	\$ -
Lottery Profits Education Fund Subtotal			\$ 22,702,000	\$ -
Total Funding: School Operations Support			\$ 505,279,305	\$ 494,545,968

The budget provides flat GRF funding in each fiscal year for this line item grouping. Total funding for this grouping increases by 1.9% in FY 2008 and decreases by 2.1% in FY 2009. Of the \$999.8 million in total biennial funding for this grouping, 11.4% comes from the General Revenue Fund, 3.6% from the General Services Fund Group, 78.0% from the Federal Special Revenue Fund Group, 4.8% from the State Special Revenue Fund Group, and 2.3% from the Lottery Profits Education Fund. The GRF line items in this grouping are described below, including any earmarks made in the budget.

School Management Assistance (200-422). This item increases by \$0.7 million (24.0%) in FY 2008 and \$15,000 (0.5%) in FY 2009.

200-422, School Management Assistance		
Earmarks	FY 2008	FY 2009
Auditor of State	\$ 1,715,000	\$ 1,715,000
Analysis of District Spending	\$ 250,000	\$ 250,000
Remainder – School Management Assistance	\$ 1,395,572	\$ 1,410,572

Auditor of State. These funds are earmarked to be used by the Auditor of State to conduct performance audits of school districts in fiscal caution, fiscal watch, or fiscal emergency. Although appropriated to ODE, these funds are passed directly to the Auditor for expenses associated with performing these audits.

Analysis of District Spending. This funding is provided for a new initiative. The funds are to be used by ODE to work with districts and other entities to develop and deploy analytical tools to be used to analyze district spending patterns to promote more effective and efficient use of district resources.

Remainder – School Management Assistance. This funding supports ODE's Office of Finance and Management Services. This office coordinates state payments to school districts, community schools, and chartered nonpublic schools. The office also assists schools in managing their fiscal resources.

Ohio Educational Computer Network (200-426). This item is flat funded in each fiscal year.

200-426, Ohio Educational Computer Network		
Earmarks	FY 2008	FY 2009
Building Connectivity	\$ 18,136,691	\$ 18,136,691
INFOhio/Union Catalog	\$ 2,469,223	\$ 2,469,223
Information Technology Center Subsidy	\$ 8,338,468	\$ 8,338,468
Remainder – OECN Support	\$ 1,501,815	\$ 1,501,815

Building Connectivity. This funding is used to support the connection of school buildings to the state education network (OSCnet). An estimated \$3,000 per building is allocated to all public schools, including community schools and, through information technology centers, to participating chartered nonpublic schools.

INFOhio/Union Catalogue. This funding supports the INFOhio Network and the Union Catalogue. INFOhio works with Ohio's other state-funded library networks, OPLIN (public libraries) and OhioLINK (universities), to provide resources and information access to Ohio's kindergarten through 12th grade students. The Union Catalogue offers students and teachers anywhere in Ohio access to library and curriculum resources.

Information Technology Center (ITC) Subsidy. This funding supports the 23 ITCs (formerly "DA sites") that provide computer support, software products, and information

services to their member districts, including all but three school districts (Akron, Cleveland, and Columbus), community schools, joint vocational school districts, and educational service centers.

Remainder – OECN Support. This funding is provided as a subsidy to support administrative software that school districts use for accounting, payroll, scheduling, grade reporting, and inventory.

Bus Purchase Allowance (200-503). This item is flat funded in each fiscal year.

200-503, Bus Purchase Allowance			
Earmarks	FY 2008		FY 2009
Special Education and Nonpublic Buses	\$	3,920,000	\$ 3,920,000
Remainder – Regular Buses	\$	10,080,000	\$ 10,080,000

Special Education and Nonpublic Buses. These funds are earmarked for the purchase of buses to transport special education and nonpublic students. They are distributed on a per pupil basis.

Remainder – Regular Buses. This funding is distributed to school districts on a per pupil basis to assist them in purchasing or leasing school buses.

School Lunch Match (200-505). This item is flat funded in each fiscal year. This funding is required by the federal government for Ohio's continued participation in the National School Lunch Program, which provides free and reduced-price lunches to low-income students.

Line Item Grouping

7: Academic Achievement

Purpose: This line item grouping includes funding to support a variety of programs and initiatives designed to improve the academic achievement of Ohio's students.

Appropriation Amounts for Academic Achievement					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-421	Alternative Education Programs	\$	14,910,665	\$ 13,110,665
GRF	200-431	School Improvement Initiatives	\$	21,589,235	\$ 21,924,235
GRF	200-457	STEM Initiatives	\$	10,000,000	\$ 10,000,000
GRF	200-536	Ohio Core Support	\$	7,700,000	\$ 15,125,000
GRF	200-566	Literacy Improvement Classroom Grants	\$	12,062,336	\$ 12,062,336
GRF	200-578	Violence Prevention and School Safety	\$	1,218,555	\$ 1,218,555
General Revenue Fund Subtotal				\$ 67,480,791	\$ 73,440,791
General Services Fund (GSF)					
4D1	200-602	Ohio Prevention/Education Resource Center	\$	832,000	\$ 832,000
General Services Fund Subtotal				\$ 832,000	\$ 832,000
Federal Special Revenue Fund (FED)					
3BV	200-636	Character Education	\$	700,000	\$ 700,000
3CF	200-644	Foreign Language Assistance	\$	85,000	\$ 285,000
3D1	200-664	Drug Free Schools	\$	13,347,966	\$ 13,347,966
3Y2	200-688	21st Century Community Learning Ctr.	\$	30,681,554	\$ 30,681,554
3Y4	200-632	Reading First	\$	35,215,798	\$ 31,215,798
3Y7	200-689	English Language Acquisition	\$	8,000,000	\$ 8,000,000
378	200-660	Learn and Serve	\$	1,561,954	\$ 1,561,954
Federal Special Revenue Fund Subtotal				\$ 89,592,272	\$ 85,792,272
Total Funding: Academic Achievement				\$ 157,905,063	\$ 160,065,063

The budget provides a decrease of 20.7% in FY 2008 and an increase of 8.8% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping decreases by 7.2% in FY 2008 and increases by 1.4% in FY 2009. Of the \$318.0 million in total biennial funding for this grouping, 44.3% comes from the General Revenue Fund, 0.5% from the General Services Fund Group, and 55.2% from the Federal Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Alternative Education Programs (200-421). This item increases by \$0.9 million (6.3%) in FY 2008 and decreases by \$1.8 million (12.1%) in FY 2009. The Governor vetoed an earmark of this item of \$50,000 in FY 2008 and \$250,000 in FY 2009 for administration of the Special Education Scholarship Pilot Program. The program itself was also vetoed by the Governor.

200-421, Alternative Education Programs		
Earmarks	FY 2008	FY 2009
Urban Grants	\$ 6,227,310	\$ 6,227,310
Rural/Suburban Grants	\$ 6,161,074	\$ 6,161,074
Program Administration and Monitoring	\$ 272,281	\$ 272,281
Toledo Tech Academy	\$ 100,000	\$ 100,000
Cincinnati Arts and Technology Center	\$ 100,000	\$ 100,000
Improved Solutions for Urban Students	\$ 2,000,000	\$ -

Urban and Rural/Suburban Alternative Education Grants. These grants are provided to 21 urban school districts and 96 programs that serve over 500 rural and suburban school districts and communities to implement successful innovative practices in alternative education for students with behavioral problems including truancy.

Program Administration and Monitoring. This funding provides professional development and technical assistance to the schools that receive alternative education grants.

Toledo Tech Academy. This funding supports the Toledo Tech Academy, a public high school in Toledo City School District that provides an integrated academic and technical education concentrating on manufacturing technologies. The Academy must use \$25,000 in each fiscal year to enhance and establish For Inspiration and Recognition in Science and Technology (FIRST) programs.

Cincinnati Arts and Technology Center. This funding is provided to the Cincinnati Arts and Technology Center to be used for programs for high risk teens and unemployed urban adults.

Improved Solutions for Urban Students. This funding supports ISUS, Improved Solutions for Urban Systems, a nonprofit organization located in Dayton that operates community schools focused on dropout recovery.

School Improvement Initiatives (200-431). This item decreases by \$2.3 million (9.5%) in FY 2008 and increases by \$0.3 million (1.6%) in FY 2009.

200-431, School Improvement Initiatives		
Earmarks	FY 2008	FY 2009
Rural Appalachian Leadership Development	\$ 450,000	\$ 450,000
Educational Media Centers	\$ 601,165	\$ 601,165
Continuous Improvement Planning	\$ 10,387,835	\$ 10,387,835
Project GRAD	\$ 236,250	\$ 236,250
Early College and High School Transformation	\$ 7,988,985	\$ 8,323,985
Southern State PSEO	\$ 75,000	\$ 75,000
Jobs for Ohio Graduates (JOG)	\$ 1,000,000	\$ 1,000,000
Business and Industry Credentialing	\$ 600,000	\$ 600,000
Amer-I-Can	\$ 250,000	\$ 250,000

Rural Appalachian Leadership Development. This funding supports Ohio's Rural Appalachian Leadership Development Initiative, which focuses on improving school leadership in Ohio's Appalachian region.

Educational Media Centers. This funding supports 24 educational media centers that provide educational materials available for circulation to all of Ohio's K-12 schools to support classroom content delivery aligned with the academic content standards.

Continuous Improvement Planning. This funding provides support for school improvement through technical assistance to the lowest performing districts to help them as they develop their continuous improvement plans. This funding is distributed to 16 regional school improvement teams (RSITs) based on a formula that takes into account the number of low-performing buildings in each region. This funding is provided in conjunction with an earmark of GRF line item 200-550, Foundation Funding. The combined funding for RSITs totals \$13.7 million in each fiscal year.

Project GRAD (Graduation Really Achieves Dreams). This project aims to reduce the dropout rate by addressing the academic and social problems of inner-city students.

Early College and High School Transformation. This funding supports two initiatives: early college high schools and high school transformation. Early college high schools are partnerships between school districts and universities that provide students from disadvantaged backgrounds the opportunity to attend a special high school program that takes place on a college campus. The students follow individualized learning plans in order to graduate from high school with an associate degree or up to two years of college credit. Funding for these schools is also provided in the Board of Regents budget. High school transformation is a program that transforms large urban high schools into small learning communities.

Southern State PSEO. This funding is provided to Southern State Community College to support its pilot postsecondary education options program with Miami Trace High School.

Jobs for Ohio's Graduates (JOG). The JOG program is a school-to-career transition system that helps at-risk youth, ages 14 to 21, graduate from high school and achieve academic, career, personal, and social success.

Business and Industry Credentialing. These funds are to be used by ODE to support start-up costs for gaining business and industry credentialing program accreditation and to support the development of a data collection system across industry test providers.

Amer-I-Can. This funding supports Amer-I-Can, a program that offers a "life-management skills" curriculum for high school youth to help them to be successful in school and life.

STEM Initiatives (200-457). This item is newly created in the budget.

200-457, STEM Initiatives			
Earmarks	FY 2008		FY 2009
Grants to STEM schools	\$	3,000,000	\$ 3,000,000
STEM Programs of Excellence	\$	3,283,000	\$ 3,283,000
Young Buckeye STEM Scholars	\$	350,000	\$ 350,000
Mathematics Initiatives	\$	2,600,000	\$ 2,600,000
Ohio Resource Center for Math and Science	\$	200,000	\$ 200,000
JASON Expedition Project	\$	282,000	\$ 282,000
Science Initiatives	\$	285,000	\$ 285,000

Grants to STEM Schools. These funds are to be provided as grants to STEM schools. The budget creates the STEM Subcommittee of the Partnership for Continued Learning and authorizes the subcommittee to issue a request for proposals to partnerships of public and private entities that include school districts, higher education entities, and business organizations for the establishment of up to five STEM schools to open for instruction in FY 2009. STEM schools are public schools that may serve any of grades six to twelve.

STEM Programs of Excellence. These funds are to be provided as grants to STEM Programs of Excellence operated by school districts and educational service centers for any of grades kindergarten through eight. The budget authorizes the STEM Subcommittee of the Partnership for Continued Learning to award these grants.

Young Buckeye STEM Scholars. These funds support the Young Buckeye STEM Scholars After School and Summer Program designed by the Ohio Academy of Science.

Mathematics Initiatives. This funding is used primarily for the Ohio Mathematics Academy Program (OMAP). OMAP is an intensive, five-day teacher institute with two one-day sessions that focus on classroom implementation of the mathematics academic content standards.

Ohio Resource Center for Mathematics and Science. This funding supports the Ohio Resource Center, which identifies and disseminates professional development and instructional resources organized around Ohio's academic content standards to Ohio educators.

JASON Expedition Project. This funding provides professional development training for teachers participating in the JASON Expedition project, statewide management of the project, and a 75% subsidy for statewide licensing of JASON Expedition content with priority given to content aligned with state academic content standards. The JASON Expedition project provides a supplemental science curriculum for middle school students.

Science Initiatives. This funding is used primarily for the Ohio Science Institute (OSI). OSI is an intensive, five-day teacher institute with two one-day sessions that focus on classroom implementation of the science academic content standards.

Ohio Core Support (200-536). This item decreases by \$22.3 million (74.3%) in FY 2008 and increases by \$7.4 million (96.4%) in FY 2009. The Ohio Core are minimum state graduation requirements that were established in Am. Sub. S.B. 311 of the 126th General Assembly and apply starting with students who enter 9th grade in FY 2011.

200-536, Ohio Core Support			
Earmarks	FY 2008		FY 2009
Mid-Career Training	\$	2,600,000	\$ 3,000,000
ESC Teacher Preparation	\$	1,500,000	\$ 2,100,000
Dual Enrollment	\$	3,600,000	\$ 3,600,000
PSEO Supplement	\$	-	\$ 5,675,000
Advanced Placement Summer Institutes	\$	-	\$ 750,000

Mid-Career Training. This funding provides intensive training to mid-career professionals and currently licensed teachers to assist them in obtaining licenses for teaching mathematics, science, or foreign language.

ESC Teacher Preparation. This funding supports alternative teacher licensing programs developed by educational service centers in participation with institutions of higher education.

Dual Enrollment. This funding is provided for districts and chartered nonpublic schools to contract with institutions of higher education to provide dual credit (high school and college) in mathematics, science, and foreign language for high school students enrolled in the districts.

PSEO Supplement. This funding supports new grants to school districts for postsecondary enrollment options (PSEO) programs.

Advanced Placement (AP) Summer Institutes. This funding supports summer training for teachers designed to assist them in teaching AP courses and preparing their students for AP exams.

Reading/Writing Improvement Classroom Grants (200-566). This item is flat funded in each fiscal year. These grants help schools in academic watch and academic emergency support literacy improvement services for their students who are struggling in reading.

Violence Prevention and School Safety (200-578). This item is flat funded in each fiscal year.

200-578, Violence Prevention and School Safety			
Earmarks	FY 2008		FY 2009
Safe School Center	\$	224,250	\$ 224,250
Remainder – Violence Prevention and School Safety	\$	994,305	\$ 994,305

Safe School Center. This GRF funding is combined with a grant from the Ohio Department of Alcohol and Drug Addiction Services (ODADAS) to support the Ohio Resource Network for Safe and Drug Free Schools and Communities (ORN). The ORN provides training for schools and communities on alcohol and drug abuse prevention and school safety.

Remainder – Violence Prevention and School Safety. This funding is provided to school districts to assist them in creating safe learning environments.

Line Item Grouping

8: Early Childhood Education

Purpose: This line item grouping includes funding to support early childhood education programs.

Appropriation Amounts for Early Childhood Education					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-408	Early Childhood Education	\$	31,002,195	\$ 36,502,195
GRF	200-442	Child Care Licensing	\$	1,302,495	\$ 1,302,495
General Revenue Fund Subtotal				\$ 32,304,690	\$ 37,804,690
Federal Special Revenue Fund (FED)					
3C5	200-661	Early Childhood Education	\$	18,989,779	\$ 18,989,779
3H9	200-605	Head Start Collaboration Project	\$	275,000	\$ 275,000
Federal Special Revenue Fund Subtotal				\$ 19,264,779	\$ 19,264,779
State Special Revenue Fund (SSR)					
5W2	200-663	Early Learning Initiative	\$	2,200,000	\$ 2,200,000
State Special Revenue Fund Subtotal				\$ 2,200,000	\$ 2,200,000
Total Funding: Early Childhood Education				\$ 53,769,469	\$ 59,269,469

The budget provides increases of 59.1% in FY 2008 and 17.0% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping increases by 12.6% in FY 2008 and 10.2% in FY 2009. Of the \$113.0 million in total biennial funding for this grouping, 62.0% comes from the General Revenue Fund, 34.1% from the Federal Special Revenue Fund Group, and 3.9% from the State Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Early Childhood Education (200-408). This item increases by \$12.0 million (63.2%) in FY 2008 and \$5.5 million (17.7%) in FY 2009.

200-408, Early Childhood Education			
Earmarks		FY 2008	FY 2009
Support and Technical Assistance	\$	620,044	\$ 730,044
Remainder – Early Childhood Education Grants	\$	30,382,151	\$ 35,772,151

Support and Technical Assistance. This funding is used by ODE to administer the early childhood education program and provide technical support to districts receiving funding under the program.

Remainder – Early Childhood Education Grants. This funding supports early childhood programs that provide educational services for three and four-year-old children from families with incomes at or below 200% of the federal poverty level. These programs must align their curricula to the early learning program guidelines for school readiness developed by ODE,

administer diagnostic assessments adopted by the State Board of Education, require all teachers annually to attend at least 20 hours of professional development, and document and report child progress in meeting guidelines for school readiness. The budget stipulates that the increased funding for these grants be provided to programs established after March 15, 2007, and only to providers that are eligible for poverty-based assistance. The budget permits other districts to establish preschool programs using another source of funding. Under former law, districts could establish preschool programs only if they were eligible for poverty-based assistance and they could demonstrate that their needs could not be met by existing child care programs. The budget also delays the deadline for all teachers in state-funded early learning programs to have an associate degree from FY 2008 to FY 2010 for programs established before FY 2007 and to FY 2012 for programs established after FY 2007.

Child Care Licensing (200-442). This item is flat funded in each fiscal year. These funds are used by ODE to license and inspect preschool and school-age child care programs operated by school districts, chartered nonpublic schools, Head Start agencies, and county boards of mental retardation and developmental disabilities.

Line Item Grouping

9: Adult Education

Purpose: This line item grouping includes funding to support adult education programs.

Appropriation Amounts for Adult Education					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-447	GED Testing		\$ 1,544,360	\$ 1,544,360
GRF	200-509	Adult Literacy Education		\$ 8,669,738	\$ 8,669,738
GRF	200-514	Postsecondary Adult Career-Technical Education		\$ 19,481,875	\$ 19,481,875
General Revenue Fund Subtotal				\$ 29,695,973	\$ 29,695,973
Federal Special Revenue Fund (FED)					
366	200-604	Adult Basic Education		\$ 19,425,000	\$ 20,396,250
368	200-614	Veterans' Training		\$ 710,373	\$ 745,892
Federal Special Revenue Fund Subtotal				\$ 20,135,373	\$ 21,142,142
State Special Revenue Fund (SSR)					
454	200-610	Guidance and Testing		\$ 400,000	\$ 400,000
State Special Revenue Fund Subtotal				\$ 400,000	\$ 400,000
Total Funding: Adult Education				\$ 50,231,346	\$ 51,238,115

The budget provides flat GRF funding in each fiscal year for this line item grouping. Total funding for this grouping increases by 2.1% in FY 2008 and 2.0% in FY 2009. Of the \$101.5 million in total biennial funding for this grouping, 58.5% comes from the General Revenue Fund, 40.7% from the Federal Special Revenue Fund Group, and 0.8% from the State Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

GED Testing (200-447). This item is flat funded in each fiscal year. This funding supports 79 General Education Development (GED) testing centers and about 30 satellite testing centers in Ohio and provides partial reimbursements to school districts for the cost of providing summer proficiency programs to students from the 12th grade class who did not graduate because of their inability to pass one or more parts of the 9th grade proficiency tests or the OGT.

Adult Literacy Education (200-509). This item is flat funded in each fiscal year.

200-509, Adult Literacy Education			
Earmarks		FY 2008	FY 2009
State Literacy Resource Center	\$	488,037	\$ 488,037
Adult High School	\$	175,000	\$ 175,000
English as a Second Language	\$	130,000	\$ 130,000
Remainder – ABLE	\$	7,876,701	\$ 7,876,701

State Literacy Resource Center. These funds support the Ohio Literacy Resource Center, housed at Kent State University. The center serves as a resource for adult literacy providers, helps in the coordination of adult literacy services, serves as the link between the National Institute for Literacy and Ohio service providers, and provides support for the ABLELink system, which is the statewide data management system for Adult Basic and Literacy Education programs.

Adult High School. These funds provide reimbursements to districts for the cost of conducting high school credit classes for adults.

English as a Second Language. This funding is distributed to four organizations in major Ohio cities to support English as a second language (ESL) programs.

Remainder – Adult Basic and Literacy Education (ABLE). These funds provide the state match for federal Adult Basic and Literacy Education (ABLE) grants. ABLE programs provide instruction in basic literacy, workplace literacy, family literacy, English for speakers of other languages, and preparation for the GED test. The federal government provides approximately 56% of the funding, the state provides 30%, and the remaining 14% is generated locally.

Postsecondary Adult Career-Technical Education (200-514). This item is flat funded in each fiscal year. The budget requires that adult career-technical education programs be transferred from ODE to the Board of Regents by January 1, 2009, according to a plan to be developed by the Regents in collaboration with ODE.

200-514, Postsecondary Adult Career-Technical Education			
Earmarks	FY 2008		FY 2009
Ohio Young Farmers	\$	40,000	\$ 40,000
Remainder – Postsecondary Adult Career-Technical Education	\$	19,441,875	\$ 19,441,875

Ohio Young Farmers. This funding is used for statewide coordination of the activities of the Ohio Young Farmers. This organization supports agricultural education through conferences, scholarships, and the dissemination of information to farmers in Ohio.

Remainder – Postsecondary Adult Career-Technical Education. This program provides education and training through full-time and part-time adult career-technical training programs. School districts, JVSs, and other public educational institutions, including corrections, are eligible for funding. Funding also supports 58 adult workforce education centers, 40 of which are full service centers that, in addition to education and training, provide career guidance and counseling, assessment services, job placement, financial aid, and transitional services.

Line Item Grouping

10: Educator Quality

Purpose: This line item grouping includes funding to support programs that aim to improve the quality of educators in Ohio.

Appropriation Amounts for Educator Quality				
Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund (GRF)				
GRF	200-410	Educator Training	\$ 19,628,817	\$ 20,628,817
GRF	200-433	Literacy Improvement – Professional Development	\$ 15,515,000	\$ 15,515,000
GRF	200-448	Educator Preparation	\$ 1,301,000	\$ 1,301,000
General Revenue Fund Subtotal			\$ 36,444,817	\$ 37,444,817
General Services Fund (GSF)				
4L2	200-681	Teacher Certification and Licensure	\$ 5,966,032	\$ 6,323,994
General Services Fund Subtotal			\$ 5,966,032	\$ 6,323,994
Federal Special Revenue Fund (FED)				
3CG	200-646	Teacher Incentive Fund	\$ 6,552,263	\$ 3,994,338
3D2	200-667	Honors Scholarship Program	\$ 6,573,968	\$ 6,665,000
3Y6	200-635	Improving Teacher Quality	\$ 102,692,685	\$ 102,698,246
374	200-647	Troops to Teachers	\$ 100,000	\$ 100,000
Federal Special Revenue Fund Subtotal			\$ 115,918,916	\$ 113,457,584
State Special Revenue Fund (SSR)				
5BB	200-696	State Action for Education Leadership	\$ 1,250,000	\$ 1,250,000
State Special Revenue Fund Subtotal			\$ 1,250,000	\$ 1,250,000
Total Funding: Educator Quality			\$ 159,579,765	\$ 158,476,395

The budget provides a decrease of 3.1% in FY 2008 and an increase of 2.7% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping decreases by 1.8% in FY 2008 and 0.7% in FY 2009. Of the \$318.1 million in total biennial funding for this grouping, 23.2% comes from the General Revenue Fund, 3.9% from the General Services Fund Group, 72.1% from the Federal Special Revenue Fund Group, and 0.8% from the State Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Educator Training (200-410). This item decreases by \$0.2 million (0.9%) in FY 2008 and increases by \$1.0 million (5.1%) in FY 2009.

200-410, Educator Training		
Earmarks	FY 2008	FY 2009
National Board Certification	\$ 9,250,000	\$ 10,250,000
Entry Year Teachers and Principals	\$ 9,515,817	\$ 9,515,817
Local Knowledge/Skills-Based Compensation	\$ 200,000	\$ 200,000
Administrator Training	\$ 350,000	\$ 350,000
Ohio University Leadership Program	\$ 63,000	\$ 63,000
Ohio School Leadership Institute	\$ 250,000	\$ 250,000

National Board Teacher Certification. ODE supports and encourages teachers who work to obtain certification from the National Board of Professional Teaching Standards. The National Board is a nonprofit organization that has developed standards for what teachers should know and be able to do. The Board has a certification process by which a teacher with at least a baccalaureate degree participates in a series of assessments in which his or her teaching practice is measured against the standards. Funds for this program will support 400 applications in both FY 2008 and FY 2009, providing \$2,225 of the \$2,300 application fee. Candidates pay the remaining \$75 of the fee themselves. The budget increases the subsidy for the application fee by \$225 for each teacher from \$2,000 in FY 2007. Funding will also be used to provide annual stipends of \$2,500 to an estimated 2,300 teachers in FY 2008 and 2,140 teachers in FY 2009 who are National Board certified. National Board certified teachers receive this stipend for ten years after obtaining certification. Formerly, teachers receiving certification after 2004 received an annual stipend of \$1,000, whereas teachers receiving certification earlier receive an annual stipend of \$2,500. The budget increases the stipend for all certified teachers to \$2,500. The budget also provides \$39,500 in each fiscal year for a new program offered by the National Board called TAKE ONE. This program provides support, development, and training of beginning teachers, including retention strategies for highly qualified teachers in high-needs schools. Funds will support the \$395 application fee for 100 candidates to participate in the program each year. In addition, up to \$300,000 in each fiscal year is set aside for ODE to support candidates in both National Board programs.

Entry Year Teachers and Principals. This funding supports intensive professional development for beginning teachers and principals. All school districts in Ohio are required to provide an entry-year program for all teachers in their districts who are in their first full-time position teaching under a specific provisional license. All teachers with provisional licenses must successfully complete an entry year program and the Praxis III assessment in order to obtain a professional license. Principals also must complete an entry-year assessment before obtaining full licensure. Trained mentors support the entry year teachers and principals throughout their first years.

Local Knowledge/Skills-Based Compensation. This funding supports the participation of Ohio schools in the Teacher Advancement Program (TAP) developed by the Milken Family Foundation and operated by the National Institute for Excellence in Teaching. The program allows high performing teachers to earn higher salaries and advance professionally without leaving the classroom.

Administrator Training. This funding supports professional development for practicing administrators. Most of these funds are allocated through grants to state professional associations that provide training to school administrators, although a portion is used for training directly sponsored by ODE.

Ohio University Leadership Program. This funding is provided to Ohio University to support the Ohio University Leadership Project. This project provides professional development programs for school leaders, including principals, superintendents, and treasurers.

Ohio School Leadership Institute. This funding supports the Ohio School Leadership Institute, which provides training for school leaders.

Literacy Improvement – Professional Development (200-433). This item decreases by \$0.7 million (4.0%) in FY 2008 and is flat funded in FY 2009.

200-433, Literacy Improvement - Professional Development		
Earmarks	FY 2008	FY 2009
Educator Training in Literacy	\$ 9,290,000	\$ 9,290,000
Professional Development Partnerships	\$ 5,000,000	\$ 5,000,000
Reading Recovery	\$ 900,000	\$ 900,000
Contemporary Arts Center	\$ 100,000	\$ 100,000
Remainder – Literacy Administrative Support	\$ 225,000	\$ 225,000

Educator Training in Literacy. This funding supports the State Institutes for Reading Instruction (SIRI). SIRI provides intensive, year-round training opportunities for teachers statewide.

Professional Development Partnerships. This funding supports the field faculty network and literacy specialist project which has several components, including development of the core curriculum in professional development in reading and writing, and training literacy specialists in pre-kindergarten through grade 12. Funding also supports the literacy networks initiative, which provides regional professional development for school administrators in standards-based instruction in English language arts, the adolescent literacy project to advance adolescent literacy education, and the early literacy project to provide greater access to resources that are aligned to the early learning standards. In addition, funding provides for the staff supporting these components.

Reading Recovery Network. This funding is used to cover the cost of release time for teacher trainers in the reading recovery program. Reading recovery is a literacy intervention program focused on first grade students. The budget as passed by the General Assembly also allowed the funds to be used to provide grants to schools to pilot other literacy programs and to fund studies of the reading recovery program. The Governor vetoed the option to use the funds for these purposes.

Contemporary Arts Center. This funding is provided to the Contemporary Arts Center, a museum in Cincinnati, to be used for art education for children and a children's museum.

Remainder – Literacy Administrative Support. This funding supports the administrative staff responsible for the fiscal oversight, data analysis, and leadership for ODE's Office of Reading Improvement.

Educator Preparation (200-448). This item decreases by \$0.4 million (21.2%) in FY 2008 and is flat funded in FY 2009. These funds are used to support the work of the Educator Standards Board, established by Am. Sub. S.B. 2 of the 125th General Assembly, which is responsible for the development and implementation of statewide standards for Ohio's teachers and principals.

Line Item Grouping

11: Curriculum-Assessment-Accountability

Purpose: This line item grouping includes funding to support the state model curriculum, state assessments, and the state school accountability system.

Appropriation Amounts for Curriculum-Assessment-Accountability				
Fund	ALI	Title	FY 2008	FY 2009
General Revenue Fund (GRF)				
GRF	200-424	Policy Analysis	\$ 556,687	\$ 556,687
GRF	200-427	Academic Standards	\$ 7,197,730	\$ 7,197,730
GRF	200-437	Student Assessment	\$ 77,150,819	\$ 76,187,144
GRF	200-439	Accountability/Report Cards	\$ 7,096,040	\$ 8,223,540
GRF	200-446	Education Management Information System	\$ 16,110,510	\$ 16,586,082
General Revenue Fund Subtotal			\$ 108,111,786	\$ 108,751,183
Federal Special Revenue Fund (FED)				
3BK	200-628	Longitudinal Data Systems	\$ 1,795,570	\$ 307,050
3Z2	200-690	State Assessments	\$ 12,883,799	\$ 12,883,799
Federal Special Revenue Fund Subtotal			\$ 14,679,369	\$ 13,190,849
State Special Revenue Fund (SSR)				
5U2	200-685	National Education Statistics	\$ 300,000	\$ 300,000
State Special Revenue Fund Subtotal			\$ 300,000	\$ 300,000
Total Funding: Curriculum-Assessment-Accountability			\$ 123,091,155	\$ 122,242,032

The budget provides increases of 13.3% in FY 2008 and 0.6% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping increases by 10.5% in FY 2008 and decreases by 0.7% in FY 2009. Of the \$245.3 million in total biennial funding for this grouping, 88.4% comes from the General Revenue Fund, 11.4% from the Federal Special Revenue Fund Group, and 0.2% from the State Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Policy Analysis (200-424). This item is flat funded in each fiscal year. This funding is used to support a system of administrative, statistical, and legislative education information to be used for policy analysis.

Academic Standards (200-427). This item decreases by \$4.5 million (38.4%) in FY 2008 and is flat funded in FY 2009.

200-427, Academic Standards			
Earmarks	FY 2008		FY 2009
Ohio's Partnership for Continued Learning	\$	150,000	\$ 150,000
Project Lead the Way	\$	1,000,000	\$ 1,000,000
Art Academy Cincinnati	\$	50,000	\$ 50,000
Remainder – Content Standards & Model Curricula	\$	5,997,730	\$ 5,997,730

Ohio's Partnership for Continued Learning. Chaired by the Governor, the Partnership for Continued Learning is a partnership between the State Board of Education and the Ohio Board of Regents charged with taking a comprehensive look at the preschool through college educational system in order to further academic achievement. This funding is combined with an earmark of \$150,000 each fiscal year in the Board of Regents' budget. As mentioned previously, the budget increases the responsibilities of the Partnership related to STEM education.

Project Lead the Way. Project Lead the Way is a national program that partners with schools around the country to prepare students to be successful in science, engineering, and engineering technology fields. This funding supports professional development of Project Lead the Way teachers and counselors, data collection, program technical assistance, and marketing.

Art Academy of Cincinnati. This funding is provided to the Art Academy of Cincinnati to support technology needs for the annual operation of its undergraduate, graduate, and noncredit programs and for administrative staff support.

Remainder – Content Standards and Model Curricula. This funding supports the development and dissemination of the state academic content standards and model curricula. Academic content standards describe what the state of Ohio expects all of its students to know and be able to do each year as they progress through preschool, elementary school, middle school, and high school. ODE defines model curricula as model lesson plans created at the state level for use by school districts to develop local courses of study that are aligned to the academic content standards. The budget also permits ODE to use these funds to develop program models, offer online continuing education courses, and support the coordination of the physical education standards. The budget requires that the State Board of Education adopt physical education standards by December 31, 2007. It also requires school districts, community schools, and chartered nonpublic schools to report to ODE the number of minutes per week and the number of classes of physical education provided to K-8 students in school year 2006 - 2007 and scheduled to be provided to those students in school year 2007-2008.

Student Assessment (200-437). This item increases by \$17.1 million (28.6%) in FY 2008 and decreases by \$1.0 million (1.3%) in FY 2009.

200-437, Student Assessment		
Earmarks	FY 2008	FY 2009
Kindergarten Readiness Assessment	\$ 207,364	\$ 212,486
Remainder – State Assessments	\$ 76,943,455	\$ 75,974,658

Kindergarten Readiness Assessment. This assessment is used to determine the literacy skills of children entering kindergarten. These funds are used to produce documents for teachers and parents regarding the assessment and the preparation of children for kindergarten.

Remainder – Student Assessment. This funding supports the development, printing, distribution, collection, scoring, and reporting of required state assessments, including achievement tests, diagnostic assessments, and the Ohio Graduation Tests.

Accountability/Report Cards (200-439). This item decreases by \$0.4 million (4.8%) in FY 2008 and increases by \$1.1 million (15.9%) in FY 2009.

200-439, Accountability/Report Cards		
Earmarks	FY 2008	FY 2009
Value-Added Training	\$ 3,028,540	\$ 3,028,540
Remainder – Accountability/Report Cards	\$ 4,067,500	\$ 5,195,000

Value-Added Training. These funds support the training of teachers in understanding and using value-added data to improve student instruction.

Remainder – Accountability/Report Cards. These funds are used to produce local report cards for every school district and public school building in the state. These report cards present data on the state's performance indicators as well as descriptive and financial data. ODE plans on incorporating the value-added progress dimension on district and building report cards beginning in FY 2008.

Education Management Information System (200-446). This item increases by \$0.4 million (2.8%) in FY 2008 and \$0.5 million (3.0%) in FY 2009. The Education Management Information System (EMIS) is ODE's primary system for collecting student, staff, course, program, and financial data from Ohio's public schools. The budget replaces the penalties for district and community schools that fail to meet EMIS data reporting requirements with a specified series of sequential actions that ODE may take.

200-446, Education Management Information System			
Earmarks	FY 2008		FY 2009
Information Technology Center (ITC) Subsidy	\$	1,338,620	\$ 1,372,085
School/ESC Subsidy	\$	8,256,569	\$ 8,462,984
Remainder – Data Definitions and Standards	\$	6,515,321	\$ 6,751,013

Information Technology Center Subsidy. These funds are distributed to the 23 information technology centers for costs related to processing, storing, and transferring data for the effective operation of EMIS.

School District/ESC Subsidy. These funds are distributed to school districts, community schools, educational service centers, joint vocational school districts, and other entities that report data through EMIS.

Remainder – Data Definitions and Standards. This funding is used to develop and support a common core of data definitions and standards as adopted by the Education Management Information System Advisory Board, including the ongoing development and maintenance of the data dictionary and data warehouse.

Line Item Grouping

12: State Administration

Purpose: This line item grouping includes funding for the administrative costs of ODE.

Appropriation Amounts for State Administration					
Fund	ALI	Title		FY 2008	FY 2009
General Revenue Fund (GRF)					
GRF	200-100	Personal Services	\$	11,533,494	\$ 12,110,169
GRF	200-320	Maintenance and Equipment	\$	4,549,479	\$ 4,778,203
GRF	200-420	Computer/Application/Network Development	\$	5,536,362	\$ 5,793,700
General Revenue Fund Subtotal				\$ 21,619,335	\$ 22,682,072
General Services Fund (GSF)					
138	200-606	Computer Services – Operational Support	\$	7,600,091	\$ 7,600,091
452	200-638	Miscellaneous Educational Services	\$	273,166	\$ 279,992
General Services Fund Subtotal				\$ 7,873,257	\$ 7,880,083
Federal Special Revenue Fund (FED)					
3Z3	200-645	Consolidated Federal Grant Administration	\$	8,500,000	\$ 8,500,000
Federal Special Revenue Fund Subtotal				\$ 8,500,000	\$ 8,500,000
State Special Revenue Fund (SSR)					
4R7	200-695	Indirect Operational Support	\$	5,449,748	\$ 5,810,464
4V7	200-633	Interagency Operational Support	\$	392,100	\$ 376,423
620	200-615	Educational Improvement Grants	\$	3,000,000	\$ 3,000,000
State Special Revenue Fund Subtotal				\$ 8,841,848	\$ 9,186,887
Total Funding: State Administration				\$ 46,834,440	\$ 48,249,042

The budget provides increases of 5.0% in FY 2008 and 4.9% in FY 2009 in GRF funding for this line item grouping. Total funding for this grouping increases by 4.8% in FY 2008 and 3.0% in FY 2009. Of the \$95.1 million in total biennial funding for this grouping, 46.6% comes from the General Revenue Fund, 16.6% from the General Services Fund Group, 17.9% from the Federal Special Revenue Fund Group, and 19.0% from the State Special Revenue Fund Group. The GRF line items in this grouping are described below, including any earmarks made in the budget.

Personal Services (200-100). This item increases by \$0.7 million (6.0%) in FY 2008 and \$0.6 million (5.0%) in FY 2009. The budget requires ODE to employ a Director of Agricultural Education and at least three program consultants who focus on agricultural education.

200-100, Personal Services			
Earmarks	FY 2008		FY 2009
Outside Professionals	\$	25,000	\$ 25,000
Remainder – Personal Services	\$	11,508,494	\$ 12,085,169

Outside Professionals. This funding is to be used by the State Board of Education to pay for outside professionals to help inform the Board on topics of education policy.

Remainder – Personal Services. This funding primarily supports the wages and benefits of approximately 143 full-time equivalent (FTE) ODE personnel. These personnel support ODE's five administrative centers but generally do not work directly with a specific program, including personnel in human resources, accounting, board relations, policy analysis, and communications. The wages and benefits of the remaining ODE personnel (approximately 511 FTEs) are supported through other appropriation items.

Maintenance and Equipment (200-320). This item increases by \$0.2 million (4.7%) in FY 2008 and \$0.2 million (5.0%) in FY 2009. This funding supports the maintenance and equipment needs of ODE's five administrative centers. As with personal services, maintenance and equipment expenditures are also supported through other appropriation items.

Computer/Application/Network Development (200-420). This item increases by \$0.2 million (3.3%) in FY 2008 and \$0.3 million (4.7%) in FY 2009. This funding is used to develop and implement information technologies that meet the needs of the various business centers in ODE.

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Line Item Detail by Agency

FY 2005: FY 2006: Adj. FY 2007 Appropriations: FY 2008 Appropriations: % Change 2007 to 2008: FY 2009 Appropriations: % Change 2008 to 2009:

Report For: Main Operating Appropriations Bill

Version: Enacted

EDU Education, Department of

GRF	200-100	Personal Services	\$ 11,174,342	\$ 9,678,768	\$ 10,880,655	\$ 11,533,494	6.00%	\$ 12,110,169	5.00%
GRF	200-320	Maintenance and Equipment	\$ 4,523,134	\$ 3,935,861	\$ 4,344,235	\$ 4,549,479	4.72%	\$ 4,778,203	5.03%
GRF	200-408	Early Childhood Education	\$ 18,582,811	\$ 19,016,393	\$ 19,002,195	\$ 31,002,195	63.15%	\$ 36,502,195	17.74%
GRF	200-410	Educator Training	\$ 27,577,601	\$ 19,282,518	\$ 19,802,057	\$ 19,628,817	-0.87%	\$ 20,628,817	5.09%
GRF	200-411	Family and Children First	\$ 3,125,265	----	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-416	Career-Technical Education Match	----	\$ 2,224,310	\$ 2,233,195	\$ 2,233,195	0.00%	\$ 2,233,195	0.00%
GRF	200-420	Computer/Application/Network Development	\$ 4,418,075	\$ 4,170,217	\$ 5,361,525	\$ 5,536,362	3.26%	\$ 5,793,700	4.65%
GRF	200-421	Alternative Education Programs	\$ 15,136,156	\$ 13,344,758	\$ 14,032,666	\$ 14,910,665	6.26%	\$ 13,110,665	-12.07%
GRF	200-422	School Management Assistance	\$ 1,623,648	\$ 2,593,664	\$ 2,710,572	\$ 3,360,572	23.98%	\$ 3,375,572	0.45%
GRF	200-424	Policy Analysis	\$ 487,926	\$ 542,419	\$ 556,687	\$ 556,687	0.00%	\$ 556,687	0.00%
GRF	200-425	Tech Prep Consortia Support	\$ 2,076,080	\$ 2,054,233	\$ 2,069,217	\$ 2,069,217	0.00%	\$ 2,069,217	0.00%
GRF	200-426	Ohio Educational Computer Network	\$ 31,303,989	\$ 30,447,712	\$ 30,446,197	\$ 30,446,197	0.00%	\$ 30,446,197	0.00%
GRF	200-427	Academic Standards	\$ 8,211,391	\$ 9,701,756	\$ 11,679,181	\$ 7,197,730	-38.37%	\$ 7,197,730	0.00%
GRF	200-431	School Improvement Initiatives	\$ 9,916,955	\$ 19,302,814	\$ 23,842,828	\$ 21,589,235	-9.45%	\$ 21,924,235	1.55%
GRF	200-433	Literacy Improvement - Professional Development	\$ 17,869,347	\$ 10,015,502	\$ 16,165,000	\$ 15,515,000	-4.02%	\$ 15,515,000	0.00%
GRF	200-437	Student Assessment	\$ 31,643,452	\$ 59,230,269	\$ 60,011,936	\$ 77,150,819	28.56%	\$ 76,187,144	-1.25%
GRF	200-439	Accountability/Report Cards	\$ 2,012,954	\$ 3,451,843	\$ 7,457,290	\$ 7,096,040	-4.84%	\$ 8,223,540	15.89%
GRF	200-441	American Sign Language	\$ 195,254	----	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-442	Child Care Licensing	\$ 1,538,618	\$ 879,057	\$ 1,302,495	\$ 1,302,495	0.00%	\$ 1,302,495	0.00%
GRF	200-445	OhioReads Volunteer Support	\$ 3,510,566	\$ 3,708,350	\$ 3,905,000	\$ 0	-100.00%	\$ 0	N/A
GRF	200-446	Education Management Information System	\$ 15,198,026	\$ 15,563,949	\$ 15,674,805	\$ 16,110,510	2.78%	\$ 16,586,082	2.95%
GRF	200-447	GED Testing	\$ 1,486,406	\$ 1,828,631	\$ 1,544,360	\$ 1,544,360	0.00%	\$ 1,544,360	0.00%
GRF	200-448	Educator Preparation	\$ 20,915	\$ 1,235,276	\$ 1,651,000	\$ 1,301,000	-21.20%	\$ 1,301,000	0.00%
GRF	200-449	Head Start/Head Start Plus Start Up	\$ 4,479,487	----	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-452	Teaching Success Commission Initiatives	\$ 530,687	\$ 34,057	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-455	Community Schools	\$ 3,940,532	\$ 1,488,757	\$ 2,942,095	\$ 1,533,661	-47.87%	\$ 1,533,661	0.00%
GRF	200-457	Stem Initiatives	----	----	----	\$ 10,000,000	N/A	\$ 10,000,000	0.00%
GRF	200-500	School Finance Equity	\$ 7,105,137	----	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-501	Base Cost Funding	\$ 4,588,586,501	\$ 23,550,182	\$ 0	\$ 0	N/A	\$ 0	N/A

FY 2008 - 2009 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency				FY 2005:	FY 2006:	FY 2007 Adj.	FY 2008	% Change	FY 2009	% Change
					Appropriations:		Appropriations:	2007 to 2008:	Appropriations:	2008 to 2009:
EDU Education, Department of										
GRF	200-502	Pupil Transportation		\$ 404,301,894	\$ 412,170,713	\$ 420,577,343	\$ 424,783,117	1.00%	\$ 429,030,948	1.00%
GRF	200-503	Bus Purchase Allowance		\$ 17,048,756	\$ 14,400,931	\$ 14,000,000	\$ 14,000,000	0.00%	\$ 14,000,000	0.00%
GRF	200-505	School Lunch Match		\$ 8,990,480	\$ 8,986,466	\$ 8,998,025	\$ 8,998,025	0.00%	\$ 8,998,025	0.00%
GRF	200-509	Adult Literacy Education		\$ 8,496,363	\$ 8,437,205	\$ 8,669,738	\$ 8,669,738	0.00%	\$ 8,669,738	0.00%
GRF	200-511	Auxiliary Services		\$ 127,854,857	\$ 127,733,752	\$ 127,903,356	\$ 131,740,457	3.00%	\$ 135,692,670	3.00%
GRF	200-513	Student Intervention Services		\$ 38,874,974	\$ 7,377,644	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-514	Postsecondary Adult Career-Technical Education		\$ 19,819,126	\$ 19,608,189	\$ 19,481,875	\$ 19,481,875	0.00%	\$ 19,481,875	0.00%
GRF	200-520	Disadvantaged Pupil Impact Aid		\$ 348,588,897	\$ 818,730	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-521	Gifted Pupil Program		\$ 47,266,441	\$ 47,239,110	\$ 47,157,293	\$ 47,608,030	0.96%	\$ 48,008,613	0.84%
GRF	200-525	Parity Aid		\$ 427,388,580	----	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-532	Nonpublic Administrative Cost Reimbursement		\$ 54,063,375	\$ 56,716,592	\$ 58,068,463	\$ 59,810,517	3.00%	\$ 61,604,832	3.00%
GRF	200-536	Ohio Core Support		----	----	\$ 30,000,000	\$ 7,700,000	-74.33%	\$ 15,125,000	96.43%
GRF	200-540	Special Education Enhancements		\$ 129,477,586	\$ 129,035,206	\$ 135,430,126	\$ 138,869,945	2.54%	\$ 140,006,839	0.82%
GRF	200-545	Career-Technical Education Enhancements		\$ 12,849,685	\$ 10,276,506	\$ 9,225,569	\$ 9,298,651	0.79%	\$ 9,373,926	0.81%
GRF	200-546	Charge-Off Supplement		\$ 59,199,463	----	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-550	Foundation Funding		----	\$ 5,500,523,243	\$ 5,708,762,766	\$ 5,761,699,328	0.93%	\$ 6,034,943,246	4.74%
GRF	200-552	County MR/DD Boards Vehicle Purchases		\$ 576,696	\$ 473,500	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200-558	Emergency Loan Interest Subsidy		\$ 2,001,804	\$ 1,265,594	\$ 651,404	\$ 0	-100.00%	\$ 0	N/A
GRF	200-566	Literacy Improvement - Classroom Grants		\$ 10,462,342	\$ 12,345,523	\$ 12,062,336	\$ 12,062,336	0.00%	\$ 12,062,336	0.00%
GRF	200-578	Violence Prevention and School Safety		\$ 3,359,886	\$ 1,060,932	\$ 1,218,555	\$ 1,218,555	0.00%	\$ 1,218,555	0.00%
GRF	200-901	Property Tax Allocation - Education		\$ 828,384,762	\$ 796,169,148	\$ 766,632,774	\$ 794,583,404	3.65%	\$ 850,868,654	7.08%
GRF	200-906	Tangible Tax Exemption-Education		\$ 54,088,685	\$ 43,270,947	\$ 32,122,865	\$ 21,415,244	-33.33%	\$ 10,707,622	-50.00%
General Revenue Fund Total				\$ 7,419,369,909	\$ 7,455,191,231	\$ 7,658,577,679	\$ 7,748,106,952	1.17%	\$ 8,092,712,743	4.45%
138	200-606	Computer Services - Operational Support		\$ 6,870,046	\$ 5,344,347	\$ 7,600,091	\$ 7,600,091	0.00%	\$ 7,600,091	0.00%
452	200-638	Miscellaneous Educational Services		\$ 265,537	\$ 216,526	\$ 266,650	\$ 273,166	2.44%	\$ 279,992	2.50%
4D1	200-602	Ohio Prevention/Education Resource Center		\$ 957,900	----	\$ 832,000	\$ 832,000	0.00%	\$ 832,000	0.00%
4L2	200-681	Teacher Certification and Licensure		\$ 4,370,211	\$ 6,206,888	\$ 6,323,832	\$ 5,966,032	-5.66%	\$ 6,323,994	6.00%
596	200-656	Ohio Career Information System		\$ 466,871	\$ 423,879	\$ 448,822	\$ 529,761	18.03%	\$ 529,761	0.00%
5H3	200-687	School District Solvency Assistance		\$ 16,066,628	\$ 41,000	\$ 18,000,000	\$ 18,000,000	0.00%	\$ 18,000,000	0.00%
General Services Fund Group Total				\$ 28,997,193	\$ 12,232,640	\$ 33,471,395	\$ 33,201,050	-0.81%	\$ 33,565,838	1.10%

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Line Item Detail by Agency			FY 2005:	FY 2006:	FY 2007 Adj. Appropriations:	FY 2008 Appropriations:	% Change 2007 to 2008:	FY 2009 Appropriations:	% Change 2008 to 2009:
EDU Education, Department of									
309	200-601	Educationally Disadvantaged Programs	\$ 14,584,260	\$ 17,427,258	\$ 20,865,560	\$ 12,750,000	-38.89%	\$ 8,750,000	-31.37%
366	200-604	Adult Basic Education	\$ 17,902,665	\$ 19,422,071	\$ 18,500,001	\$ 19,425,000	5.00%	\$ 20,396,250	5.00%
367	200-607	School Food Services	\$ 10,278,498	\$ 11,327,403	\$ 11,666,732	\$ 5,849,748	-49.86%	\$ 6,088,737	4.09%
368	200-614	Veterans' Training	\$ 540,319	\$ 473,220	\$ 691,130	\$ 710,373	2.78%	\$ 745,892	5.00%
369	200-616	Career-Technical Education Federal Enhancement	\$ 5,264,265	\$ 5,138,035	\$ 4,895,420	\$ 5,000,000	2.14%	\$ 5,000,000	0.00%
370	200-624	Education of Exceptional Children	\$ 1,195,146	\$ 2,531,091	\$ 3,237,762	\$ 1,811,520	-44.05%	\$ 575,454	-68.23%
371	200-631	Immigrant Education Opportunities	\$ 243,593	\$ 150,600	\$ 181,500	\$ 0	-100.00%	\$ 0	N/A
374	200-647	Troops to Teachers	\$ 617,999	\$ 729,412	\$ 763,950	\$ 100,000	-86.91%	\$ 100,000	0.00%
378	200-660	Learn and Serve	\$ 956,667	\$ 1,156,939	\$ 1,200,000	\$ 1,561,954	30.16%	\$ 1,561,954	0.00%
3AF	200-603	Schools Medicaid Administrative Claims	----	\$ 158,138	\$ 900,000	\$ 486,000	-46.00%	\$ 639,000	31.48%
3BK	200-628	Longitudinal Data Systems	----	\$ 28,437	\$ 2,788,680	\$ 1,795,570	-35.61%	\$ 307,050	-82.90%
3BV	200-636	Character Education	----	----	\$ 488,565	\$ 700,000	43.28%	\$ 700,000	0.00%
3C5	200-661	Early Childhood Education	\$ 21,828,553	\$ 20,878,918	\$ 18,989,779	\$ 18,989,779	0.00%	\$ 18,989,779	0.00%
3CF	200-644	Foreign Language Assistance	----	----	\$ 100,000	\$ 85,000	-15.00%	\$ 285,000	235.29%
3CG	200-646	Teacher Incentive Fund	----	----	\$ 5,510,860	\$ 6,552,263	18.90%	\$ 3,994,338	-39.04%
3D1	200-664	Drug Free Schools	\$ 12,379,067	\$ 11,780,533	\$ 13,347,966	\$ 13,347,966	0.00%	\$ 13,347,966	0.00%
3D2	200-667	Honors Scholarship Program	\$ 4,037,228	\$ 4,380,731	\$ 5,833,965	\$ 6,573,968	12.68%	\$ 6,665,000	1.38%
3H9	200-605	Head Start Collaboration Project	\$ 411,989	\$ 215,260	\$ 275,000	\$ 275,000	0.00%	\$ 275,000	0.00%
3L6	200-617	Federal School Lunch	\$ 209,742,574	\$ 213,082,902	\$ 227,583,653	\$ 244,714,211	7.53%	\$ 249,903,970	2.12%
3L7	200-618	Federal School Breakfast	\$ 51,607,275	\$ 54,584,745	\$ 58,405,608	\$ 63,927,606	9.45%	\$ 69,041,814	8.00%
3L8	200-619	Child/Adult Food Programs	\$ 61,587,360	\$ 64,679,007	\$ 67,915,843	\$ 69,280,946	2.01%	\$ 70,691,653	2.04%
3L9	200-621	Career-Technical Education Basic Grant	\$ 47,286,257	\$ 48,299,233	\$ 48,029,701	\$ 48,029,701	0.00%	\$ 48,029,701	0.00%
3M0	200-623	ESEA Title 1A	\$ 384,512,879	\$ 396,584,110	\$ 410,000,000	\$ 415,000,000	1.22%	\$ 420,000,000	1.20%
3M1	200-678	Innovative Education	\$ 13,277,731	\$ 7,089,449	\$ 11,800,001	\$ 5,369,100	-54.50%	\$ 5,363,706	-0.10%
3M2	200-680	Individuals with Disabilities Education Act	\$ 411,527,679	\$ 487,004,020	\$ 491,894,073	\$ 500,000,000	1.65%	\$ 405,000,000	-19.00%
3R3	200-654	Goals 2000	\$ 1,547	----	\$ 0	\$ 0	N/A	\$ 0	N/A
3S2	200-641	Education Technology	\$ 20,231,594	\$ 17,839,465	\$ 15,800,000	\$ 10,000,000	-36.71%	\$ 5,000,000	-50.00%
3T4	200-613	Public Charter Schools	\$ 20,885,506	\$ 21,450,613	\$ 13,498,476	\$ 13,850,827	2.61%	\$ 14,212,922	2.61%
3T6	200-611	Class Size Reduction	\$ 244,133	----	\$ 0	\$ 0	N/A	\$ 0	N/A
3U2	200-662	Teacher Quality Enhancement Grants	\$ 595,527	\$ 748,843	\$ 795,280	\$ 0	-100.00%	\$ 0	N/A

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Line Item Detail by Agency			FY 2005:	FY 2006:	FY 2007 Adj. Appropriations:	FY 2008 Appropriations:	% Change 2007 to 2008:	FY 2009 Appropriations:	% Change 2008 to 2009:
EDU Education, Department of									
3U3	200-665	Reading Excellence Grant Program	\$ 163,877	----	\$ 0	\$ 0	N/A	\$ 0	N/A
3X5	200-684	School Renovation/IDEA	\$ 4,912,434	\$ 723,700	\$ 1,460,663	\$ 0	-100.00%	\$ 0	N/A
3Y2	200-688	21st Century Community Learning Centers	\$ 29,098,903	\$ 30,657,423	\$ 30,681,554	\$ 30,681,554	0.00%	\$ 30,681,554	0.00%
3Y4	200-632	Reading First	\$ 31,762,814	\$ 46,375,143	\$ 31,215,798	\$ 35,215,798	12.81%	\$ 31,215,798	-11.36%
3Y5	200-634	Community Service Grants	\$ 571,271	\$ 307,092	\$ 0	\$ 0	N/A	\$ 0	N/A
3Y6	200-635	Improving Teacher Quality	\$ 103,715,394	\$ 106,161,716	\$ 104,484,000	\$ 102,692,685	-1.71%	\$ 102,698,246	0.01%
3Y7	200-689	English Language Acquisition	\$ 7,042,883	\$ 7,035,380	\$ 7,000,114	\$ 8,000,000	14.28%	\$ 8,000,000	0.00%
3Y8	200-639	Rural and Low Income Technical Assistance	\$ 1,481,025	\$ 1,132,432	\$ 1,300,000	\$ 1,500,000	15.38%	\$ 1,500,000	0.00%
3Z2	200-690	State Assessments	\$ 18,050,518	\$ 8,539,937	\$ 12,883,799	\$ 12,883,799	0.00%	\$ 12,883,799	0.00%
3Z3	200-645	Consolidated Federal Grant Administration	\$ 7,598,876	\$ 6,393,174	\$ 6,867,070	\$ 8,500,000	23.78%	\$ 8,500,000	0.00%
Federal Special Revenue Fund Group Total			\$ 1,516,138,306	\$ 1,614,486,429	\$ 1,651,852,503	\$ 1,665,660,368	0.84%	\$ 1,571,144,583	-5.67%
454	200-610	Guidance & Testing	\$ 281,199	\$ 595,473	\$ 300,000	\$ 400,000	33.33%	\$ 400,000	0.00%
455	200-608	Commodity Foods	\$ 16,656,368	\$ 16,809,035	\$ 24,000,000	\$ 24,000,000	0.00%	\$ 24,000,000	0.00%
4R7	200-695	Indirect Operational Support	\$ 4,911,291	\$ 4,959,055	\$ 5,449,747	\$ 5,449,748	0.00%	\$ 5,810,464	6.62%
4V7	200-633	Interagency Operational Support	\$ 185,201	\$ 648,381	\$ 926,250	\$ 392,100	-57.67%	\$ 376,423	-4.00%
598	200-659	Auxiliary Services Reimbursement	\$ 1,095,470	\$ 1,012,663	\$ 1,328,910	\$ 1,328,910	0.00%	\$ 1,328,910	0.00%
5BB	200-696	State Action for Education Leadership	\$ 474,876	\$ 1,225,110	\$ 1,199,999	\$ 1,250,000	4.17%	\$ 1,250,000	0.00%
5BJ	200-626	Half-Mill Maintenance Equalization	----	----	\$ 10,700,000	\$ 10,700,000	0.00%	\$ 10,700,000	0.00%
5U2	200-685	National Education Statistics	\$ 156,983	\$ 162,488	\$ 300,000	\$ 300,000	0.00%	\$ 300,000	0.00%
5W2	200-663	Early Learning Initiative	\$ 44,151,453	\$ 12,729,277	\$ 8,200,000	\$ 2,200,000	-73.17%	\$ 2,200,000	0.00%
620	200-615	Educational Improvement Grants	\$ 284,195	\$ 1,286,579	\$ 2,980,500	\$ 3,000,000	0.65%	\$ 3,000,000	0.00%
State Special Revenue Fund Group Total			\$ 68,197,036	\$ 39,428,062	\$ 55,385,406	\$ 49,020,758	-11.49%	\$ 49,365,797	0.70%
017	200-612	Foundation Funding	\$ 606,195,300	\$ 606,208,300	\$ 606,296,800	\$ 666,198,000	9.88%	\$ 667,900,000	0.26%
017	200-682	Lease Rental Payment Reimbursement	\$ 31,704,700	\$ 31,691,700	\$ 31,603,200	\$ 22,702,000	-28.17%	\$ 0	-100.00%
020	200-620	Vocational School Building Assistance	\$ 1,000,000	----	\$ 0	\$ 0	N/A	\$ 0	N/A
Lottery Profits/Education Fund Group Total			\$ 638,900,000	\$ 637,900,000	\$ 637,900,000	\$ 688,900,000	7.99%	\$ 667,900,000	-3.05%
047	200-909	School District Property Tax Replacement - Business	----	\$ 67,143,154	\$ 420,000,000	\$ 611,596,856	45.62%	\$ 763,316,819	24.81%
053	200-900	School District Property Tax Replacement - Utility	\$ 116,520,891	\$ 125,978,243	\$ 101,647,522	\$ 91,123,523	-10.35%	\$ 91,123,523	0.00%
Revenue Distribution Fund Group Total			\$ 116,520,891	\$ 193,121,397	\$ 521,647,522	\$ 702,720,379	34.71%	\$ 854,440,342	21.59%

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EDU Education, Department of							
Education, Department of Total	\$ 9,788,123,335	\$ 9,952,359,759	\$ 10,558,834,505	\$ 10,887,609,507	3.11%	\$ 11,269,129,303	3.50%