

# **Greenbook**

## **LSC Analysis of Enacted Budget**

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# **Department of Education**

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Legislative Service Commission

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## **ATTACHMENTS:**

Budget Spreadsheet By Line Item

# Department of Education

- Modifies school funding formula, including increases to the formula amount to \$6,010 in FY 2018 and \$6,020 in FY 2019
- Provides increases of 1.6% and 1.4% in FY 2018 and FY 2019, respectively, in GRF and lottery spending
- Continues the current law mechanism to phase out TPP reimbursements
- Increases the maximum amounts for the Cleveland Scholarship Program
- Modifies the College Credit Plus Program

## OVERVIEW

### Agency Overview

The Ohio Department of Education (ODE) oversees a public education system consisting of 610 public school districts, 49 joint vocational school districts (JVSDs), and approximately 370 public community schools. This system enrolls approximately 1.7 million students in grades kindergarten through 12 and graduates approximately 119,000 students each year. In addition, ODE monitors 52 educational service centers, other regional education providers, several early learning programs, and approximately 700 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 19-member State Board of Education. Eleven of those 19 members are elected by the citizens of Ohio 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 operations. As of the end of July 2017, ODE has 555 full-time permanent employees.

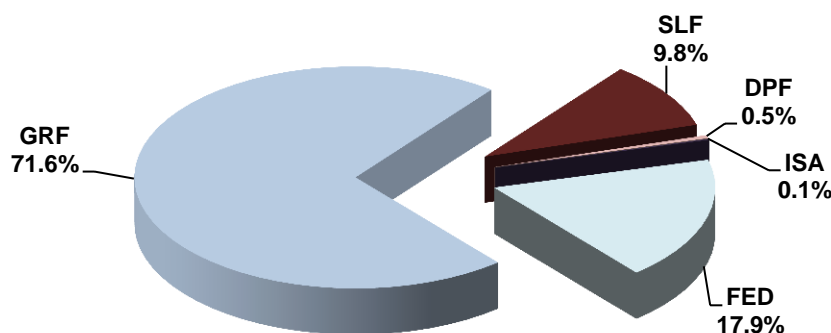
### Appropriation Overview

Agency Appropriations by Fund Group, FY 2018-FY 2019 (Am. Sub. H.B. 49)					
Fund Group	FY 2017*	FY 2018	% change, FY 2017-FY 2018	FY 2019	% change, FY 2018-FY 2019
General Revenue	\$7,873,631,736	\$7,988,711,535	1.5%	\$8,117,425,393	1.6%
Dedicated Purpose	\$93,964,802	\$52,447,962	-44.2%	\$51,060,897	-2.6%
Internal Service Activity	\$11,203,185	\$15,404,411	37.5%	\$15,404,411	0.0%
State Lottery	\$1,077,203,689	\$1,106,630,000	2.7%	\$1,107,630,000	0.1%
Federal	\$1,900,722,623	\$2,004,032,717	5.4%	\$2,027,485,817	1.2%
<b>TOTAL</b>	<b>\$10,956,726,034</b>	<b>\$11,167,226,625</b>	<b>1.9%</b>	<b>\$11,319,006,518</b>	<b>1.4%</b>
GRF and Lottery	\$8,950,835,425	\$9,095,341,535	1.6%	\$9,225,055,393	1.4%

\*FY 2017 figures represent actual expenditures.

The budget provides a total appropriation of \$11.17 billion in FY 2018 and \$11.32 billion in FY 2019 for ODE. The preceding table and Chart 1 present the appropriations by fund group. As the chart shows, appropriations from the GRF and State Lottery Fund (SLF) Group make up a majority of ODE's funding for the biennium at 81.5%. Federal funds account for the next largest portion at 17.9%. The Dedicated Purpose Fund (DPF) Group and the Internal Service Activity (ISA) Fund Group account for the remaining 0.6%. The large decrease in the DPF Group in FY 2018 is mainly due to the budget's elimination of funding for a supplemental payment to traditional school districts that, in general, limited losses associated with the phase-out of tangible personal property (TPP) replacement payments in FY 2016 and FY 2017.

**Chart 1: Biennial Budget by Fund Group, FY 2018-FY 2019**

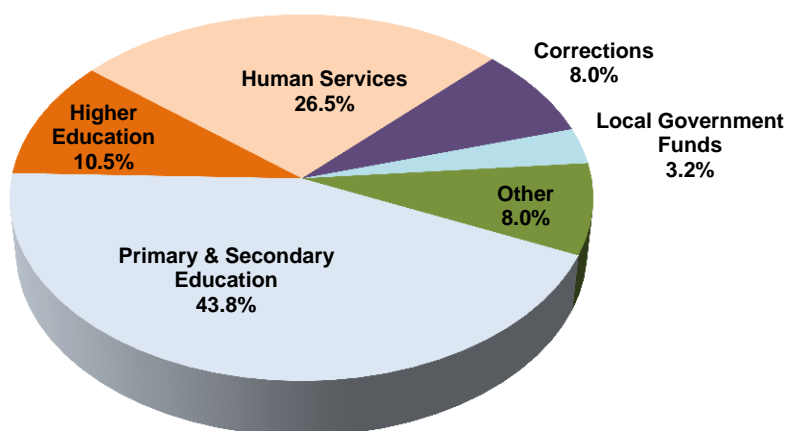


### **Primary and Secondary Education's Share of the State GRF Budget<sup>1</sup>**

The four major spending areas of the state budget are: primary and secondary education, human services, higher education, and corrections. State-source GRF appropriations total \$49.20 billion for the FY 2018-FY 2019 biennium. Chart 2 shows these recommendations broken down by the four major spending areas as well as spending allocated to local government funds and all other areas. Spending on primary and secondary education continues to be the largest spending area at 43.8% of the budget. The proportions for the other areas of spending are: 26.5% for human services, 10.5% for higher education, 8.0% for corrections, 3.2% for local government funds, and 8.0% for all other areas.

<sup>1</sup> For this section, the state GRF budget includes allocations from the General Revenue Fund (GRF), as well as from the local government funds (LGFs), and the Lottery Profits Education Fund (LPEF) but does not include spending reimbursed by the federal government.

**Chart 2: State Appropriations by Program Area,  
FY 2018-FY 2019 Biennium**



## Lottery Profits and State Spending on Education

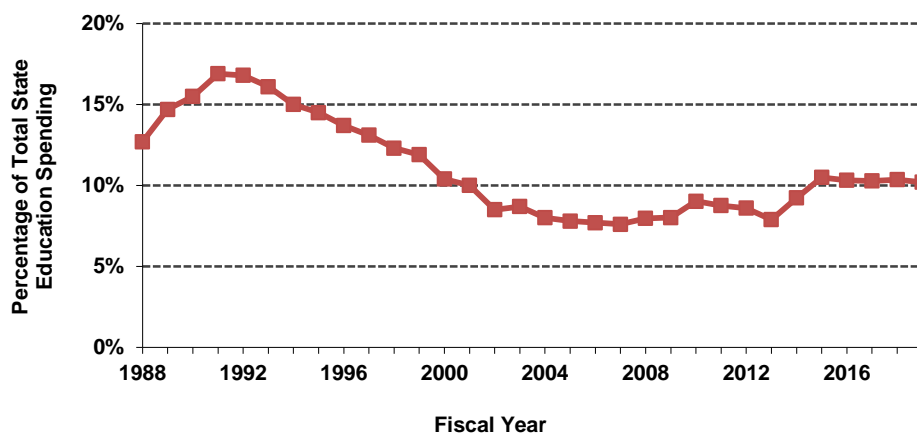
In 1973, voters amended the Ohio Constitution to allow the creation of the Ohio Lottery. In 1987, voters approved an additional constitutional amendment that permanently earmarked lottery profits for education. In FY 2012, the Ohio Lottery began regulating video lottery terminals (VLTs) at Ohio horse racetracks (racinos). Generally, the majority of lottery profits in each year have been combined with the GRF to provide foundation funding to schools in Ohio.

Chart 3 shows the percentage of state GRF and LPEF spending on primary and secondary education that comes from lottery profits. As can be seen from Chart 3, lottery profits have always been a relatively small percentage of this spending. After reaching a peak of 16.9% in FY 1991, this percentage decreased to a record low of 7.6% in FY 2007. This percentage stabilized between around 8.0% and 9.0% until the emergence of VLTs at Ohio racinos in FY 2014, which along with other factors, significantly increased lottery profits. In FY 2015, lottery profits spending on primary and secondary education reached a recent peak of 10.5%. In FY 2016 and FY 2017, the percentage decreased slightly to 10.3% in each year. In this biennium, the percentage is expected to be consistent with that of recent years, at 10.4% in FY 2018 and 10.2% in FY 2019.

From FY 1991 to FY 2013, the annual dollar amount of lottery profits accounted for in the budget was relatively steady, ranging from a low of \$634.9 million in FY 2002 to a high of \$745.0 million in FY 2010. The budgeted commitment of lottery profit transfers began to steadily increase in FY 2014, when lottery profit commitments reached \$840.1 million, and surpassed the \$1.0 billion mark in FY 2015. Lottery profit

commitments will exceed \$1.1 billion each year in this biennium. From FY 1988 to FY 2017, total state GRF and lottery spending on primary and secondary education increased by \$7.04 billion (204.5%). Of this growth, \$641.6 million (9.1%) was provided by the lottery.

**Chart 3: Lottery Profits as a Percentage of Total State GRF and Lottery Spending for K-12 Education, FY 1988-FY 2019**



## Traditional School District Funding

The budget largely retains the current method used to determine the amount and allocation of state aid for traditional school districts. Nonetheless, the budget makes various changes to the school funding formula for FY 2018 and FY 2019, including changes to the computation of the state share index, increases in the formula amount, alterations to the pupil transportation formula, changes to the computation of capacity aid, and a revised basis for determining temporary transitional aid and the gain cap. The budget also makes routine updates to the tax years and student counts used to calculate three-year average valuation per pupil and other components of the state share index as well as two other components: targeted assistance and capacity aid. These changes are described in more detail below. For a detailed analysis of the system of funding public schools in Ohio under H.B. 64 of the 131st General Assembly, including state, local, and federal revenues, please refer to the February 2017 edition of the School Funding Complete Resource on the LSC website.<sup>2</sup>

### State Share Index

The state share index is the formula's measure of a district's capacity to raise local revenue. In general, the index is translated from a district's wealth index, which is based on a valuation index and, for certain districts, an income index. In general, the state

<sup>2</sup> <http://www.lsc.ohio.gov/schoolfunding/edufeb2017.pdf>.



share index is calculated once for both years of the biennium. However, the budget makes an exception for certain school districts adversely affected by devaluation of power plants. The budget's changes to the calculation of the state share index are discussed in more detail below.

#### **Valuation Index – Exception to Three-year Average for Eligible Districts Adversely Affected by Power Plant Devaluation**

In general, the valuation index is equal to the district's three-year average valuation per pupil divided by the statewide three-year average valuation per pupil. The budget calculates the valuation index in generally the same manner as in prior years, except for the "eligible districts" adversely affected by power plant devaluation noted above. For both FY 2018 and FY 2019, the budget replaces an eligible district's three-year average value with the district's total taxable value for the most recent tax year available, if the value for the most recent tax year available is less than the three-year average. For example, an eligible district would qualify for its TY 2016 value to be used in place of its three-year average value for TYs 2014, 2015, and 2016 to compute its valuation index for FY 2018. Likewise, an eligible district in FY 2019 would qualify for its TY 2017 value to be used in place of the three-year average value. For districts such as these whose values are declining, using only the most recent year's value makes the district look less wealthy because the three-year average value phases-in valuation reductions by including data from higher value years before the devaluation took place. Overall, these provisions are meant to provide additional state funds to an eligible district to assist with potentially significant reductions in local property tax revenue.

To qualify, a school district must satisfy all of the following criteria related to its public utility tangible personal property (TPP) value and the total taxable value of power plants in the district:

- The district's public utility TPP value is at least 10% of the district's total taxable value for the tax year immediately preceding the most recent tax year for which data is available;
- The district's public utility TPP value for the most recent tax year for which data is available is at least 10% less than its public utility TPP value for the tax year immediately preceding the most recent tax year for which data is available; and
- The total taxable value of power plants in the district for the most recent tax year for which data is available is at least 10% less than the total taxable value of power plants in the district for the tax year immediately preceding the most recent tax year for which data is available.

As the criteria above indicates, the determination of eligible districts will be made for each fiscal year when new tax data is available. However, if a district is eligible for the

adjustment in FY 2018 but not in FY 2019, the budget specifies that the district's state share index for FY 2019 must be the same as the district's state share index for FY 2018.

### **Per-Pupil Formula and Categorical Amounts**

The budget provides annual increases in the per-pupil formula amount used to calculate the opportunity grant and other formula components. The budget increases the per-pupil formula amount from \$6,000 in FY 2017 to \$6,010 in FY 2018 and \$6,020 in FY 2019, increases of 0.2% per year.

The per-pupil amounts and other various factors for special education additional aid, K-3 literacy funds, career-technical education funds, economically disadvantaged funds, gifted education funds, and limited English proficiency funds remain unchanged from those used in FY 2017.

### **Capacity Aid**

The budget changes the computation of capacity aid, a formula component that targets funding to smaller districts with relatively low total property valuation. The component is based on the amount a district can raise with one mill and is provided to districts that raise less than the median amount. Capacity aid is calculated on a sliding scale so that districts further from the median receive a higher amount. The budget increases a multiplier used in the formula for computing capacity aid funds from 3.5 in FY 2017 to 4.0 in both FY 2018 and FY 2019 to direct additional funds to this component.

### **Pupil Transportation**

While the budget largely retains the mechanism used to allocate funding to school districts under the pupil transportation formula, one significant adjustment is made. The budget decreases the minimum state share applied to a district's calculated transportation cost from 50% in FY 2017 to 37.5% in FY 2018 and 25% in FY 2019. This change follows a similar modification made in the previous main operating budget act, H.B. 64, which decreased the minimum state share of a district's calculated transportation cost from 60% to 50% beginning in FY 2016.

### **State Aid Adjustments**

#### **Temporary Transitional Aid**

Under the H.B. 64 formula, temporary transitional aid was provided to districts in FY 2016 and FY 2017 to generally guarantee 100% of their FY 2015 state aid. The budget modifies the calculation of temporary transitional aid to guarantee that all districts generally receive at least the same amount of state aid in each fiscal year of the biennium as in FY 2017, except as follows for certain districts losing enrollment:

- If a district's percentage change in total ADM between FY 2014 and FY 2016 is a decrease of 10% or greater, the district is guaranteed, in both FY 2018 and FY 2019, 95% of the district's amount of state aid in FY 2017.
- If a district's percentage change in total ADM between FY 2014 and FY 2016 is a decrease between 5% and 10%, the district is guaranteed, in both FY 2018 and FY 2019, a scaled amount between 95% and 100% of the district's amount of state aid in FY 2017.

<b>Temporary Transitional Aid</b>	
Temporary transitional aid = (Transitional aid guarantee base x transitional aid guarantee base percentage) - Foundation funding for the guarantee If these calculations result in a negative number, then Temporary transitional aid = \$0	
Transitional aid guarantee base in FY 2018 and FY 2019 = the following FY 2017 amount after any reductions to comply with the gain cap: Opportunity grant + Targeted assistance + Special education additional aid + K-3 literacy funds + Economically disadvantaged funds + Limited English proficiency funds + Gifted funds + Capacity aid + Graduation bonus + Third grade reading bonus + Total base transportation funds + Transportation supplement + Temporary transitional aid	
Foundation funding for the guarantee = Opportunity grant + Targeted assistance + Special education additional aid + K-3 literacy funds + Economically disadvantaged funds + Limited English proficiency funds + Gifted funds + Capacity aid + Graduation bonus + Third grade reading bonus + Total base transportation funds + Transportation supplement	
Total ADM percentage change = (Total ADM for FY 2016 / Total ADM for FY 2014) - 1	
If Total ADM percentage change $\leq$ -10%: Transitional aid guarantee base percentage = 95% If Total ADM percentage change $>$ -10% and $<$ -5%: Transitional aid guarantee base percentage = Total ADM percentage change + 105% If Total ADM percentage change $\geq$ -5%: Transitional aid guarantee base percentage = 100%	

### **Temporary Transitional Career-Technical Education Aid**

In FY 2017, career-technical education and career-technical associated services funds were provided outside the H.B. 64 formula's guarantee provisions. The budget continues to provide career-technical education funding and career-technical associated services funds outside the H.B. 49 formula's main guarantee provisions described above. However, the budget also separately guarantees that districts will receive, in both years of the biennium, at least 100% of the funding received for career-technical education and career-technical education associated services for FY 2017.

<b>Temporary Transitional Career-Technical Education Aid</b>
FY 2018 Temporary transitional career-technical education aid = FY 2017 total career-technical education aid - FY 2018 total career-technical education aid If this calculation results in a negative number, then temporary transitional career-technical education aid = \$0
FY 2019 Temporary transitional career-technical education aid = FY 2017 total career-technical education aid - FY 2019 total career-technical education aid If this calculation results in a negative number, then temporary transitional career-technical education aid = \$0
Total career-technical education aid = Career-technical education funds + Career-technical education associated services funds

### Gain Cap

Foundation funding under the budget continues to be subject to a gain cap. In FY 2017, the gain cap was set at 7.5% compared to the previous year's foundation funding. In general, the budget sets the gain cap at 3.0% of prior year funding in each year of the biennium, except that additional growth is permitted as follows:

- If a district's percentage change in total ADM between FY 2014 and FY 2016 is 5.5% or greater in FY 2018 or 6.0% or greater in FY 2019, the gain cap is set at 5.5% and 6.0% of the district's previous year's state aid in FY 2018 and FY 2019, respectively.
- If a district's percentage change in total ADM between FY 2014 and FY 2016 is between 3.0% and 5.5% in FY 2018 or between 3.0% and 6.0% in FY 2019, the gain cap is set at a scaled amount between 3.0% and 5.5% and between 3.0% and 6.0% of the district's previous year's state aid in FY 2018 and FY 2019, respectively.

The budget continues to exempt from the gain cap the graduation bonus, the third grade reading bonus, and career-technical education and career-technical education associated services funds, which were all exempt in FY 2017. The budget moves capacity aid and the transportation supplement inside the cap calculations in FY 2018 and FY 2019, though the transportation supplement will be capped only if the calculated amounts for the other components are insufficient to fully comply with the cap limitation. This is the same way the formula treats special education additional funds and base pupil transportation funds.

The budget modifies the gain cap calculations for the "eligible school districts" that are adversely affected by power plant devaluation described above. Essentially, the gain cap for an "eligible district" is the lesser of (1) the district's foundation funding each fiscal year before the cap is applied and (2) the district's prior year funding plus the difference in the district's taxes charged and payable for the tax year three years preceding the tax year in which the current fiscal year ends and those taxes for the tax year two years preceding the tax year in which the current fiscal year ends (i.e., for FY 2018, the loss in local property taxes from TY 2015 to TY 2016 and, for FY 2019, the

loss in local property taxes from TY 2016 to TY 2017). In no circumstance can an eligible district's funding be limited by more than the general limitation that applies to all other school districts. The modification to the gain cap for eligible districts permits them to more fully take advantage of their increased state share index values by lifting the gain cap up to the loss in local property tax revenue from year to year. The calculation of the gain cap is summarized below.

<b>Gain Cap</b>	
Gain cap (general) = Limitation base x Limitation base multiplier	
Limitation base for FY 2018 = the following FY 2017 amount after any reductions to comply with the gain cap: Opportunity grant + Targeted assistance + Special education additional funds + K-3 literacy funds + Economically disadvantaged funds + Limited English proficiency funds + Gifted funds + Capacity Aid + Total base transportation funds + Transportation Supplement + Temporary transitional aid	
Limitation base for FY 2019 = the following FY 2018 amount after any reductions to comply with the gain cap: Opportunity grant + Targeted assistance + Special education additional funds + K-3 literacy funds + Economically disadvantaged funds + Limited English proficiency funds + Gifted funds + Capacity Aid + Total base transportation funds + Transportation Supplement + Temporary transitional aid + Cap offset payment	
<p>If Total ADM percentage change <math>\geq 5.5\%</math> in FY 2018 or <math>\geq 6.0\%</math> in FY 2019:  Limitation base multiplier = 1.055 in FY 2018 or 1.06 in FY 2019</p> <p>If Total ADM percentage change <math>&gt; 3\%</math> and <math>[\leq 5.5\%</math> in FY 2018 or <math>\leq 6.0\%</math> in FY 2019]:  Limitation base multiplier = Total ADM percentage change + 1</p> <p>If Total ADM percentage change <math>\leq 3.0\%</math>:  Limitation base multiplier = 1.03</p>	
<p>Gain cap ("eligible school districts") = the greater of:</p> <ol style="list-style-type: none"> <li>The lesser of: <ol style="list-style-type: none"> <li>Foundation funding subject to the gain cap (i.e., funding before the cap is applied) and</li> <li>Limitation base + (Taxes charged and payable for tax year three years preceding the tax year in which the current fiscal year ends - the taxes charged and payable for the tax year two years preceding the tax year in which the current fiscal year ends)</li> </ol> </li> <li>The general gain cap</li> </ol>	

### Cap Offset Payment

The budget provides a cap offset payment in FY 2018 for capped districts that are also experiencing a net decrease in funding from foundation aid and fixed rate operating direct reimbursements for TPP tax losses ("combined state aid") between FY 2017 and FY 2018. The payment is calculated as an amount equal to the lesser of (1) the district's cap reduction in FY 2018 and (2) the district's net loss in combined state aid between FY 2017 and FY 2018. While the cap offset payment is calculated only for FY 2018, the amount of a district's FY 2018 cap offset payment is included in the district's FY 2019 limitation base to allow the district greater growth in foundation aid in the second year of the biennium.

<b>Cap Offset Payment</b>
Cap offset payment for eligible school district = the lesser of: 1. FY 2017 Combined state aid - FY 2018 Combined state aid 2. FY 2018 cap reduction
Combined state aid = Foundation funding + Fixed rate operating direct reimbursements for TPP tax losses
FY 2017 Foundation funding = the following FY 2017 amount after any reductions to comply with the gain cap: Opportunity grant + Targeted assistance + Special education additional funds + K-3 literacy funds + Economically disadvantaged funds + Limited English proficiency funds + Gifted funds + Capacity Aid + Total base transportation funds + Transportation Supplement + Temporary transitional aid
FY 2018 Foundation funding = the following FY 2018 amount after any reductions to comply with the gain cap: Opportunity grant + Targeted assistance + Special education additional funds + K-3 literacy funds + Economically disadvantaged funds + Limited English proficiency funds + Gifted funds + Capacity Aid + Total base transportation funds + Transportation Supplement + Temporary transitional aid + Temporary transitional career-technical education aid
FY 2018 cap reduction = Absolute value of (FY 2018 Gain cap - FY 2018 Foundation funding subject to the gain cap)
Eligible school district = FY 2018 cap reduction > \$0 and (FY 2017 combined state aid - FY 2018 Combined state aid) > \$0

### Final State Aid

A district's final state aid in each fiscal year is the lesser of the district's total foundation funding subject to the gain cap or its gain cap plus the amounts computed for the district for the components exempt from the gain cap, the cap offset payment, and temporary transitional career-technical education aid. The calculation of final state aid for each school district is summarized below.

<b>Final State Aid</b>
Final state aid for FY 2018 = (The lesser of Foundation funding subject to the gain cap or the gain cap) + Career-technical education funds + Career-technical education associated services funds + Graduation bonus + Third grade reading bonus + Cap offset payment + Temporary transitional career-technical education aid
Final state aid for FY 2019 = (The lesser of Foundation funding subject to the gain cap or the gain cap) + Career-technical education funds + Career-technical education associated services funds + Graduation bonus + Third grade reading bonus + Temporary transitional career-technical education aid
Foundation funding subject to the gain cap in FY 2018 and FY 2019 = Opportunity grant + Targeted assistance + Special education additional funds + K-3 literacy funds + Economically disadvantaged funds + Limited English proficiency funds + Gifted funds + Capacity aid + Total base transportation funds + Transportation supplement + Temporary transitional aid

### Joint Vocational School District Funding

JVSDs continue to be funded separately from regular school districts. The budget largely maintains the method used to determine the amount and allocation of state aid for JVSDs, though some adjustments are made. The budget calculates the opportunity grant using the same increased per-pupil formula amounts as traditional school districts in FY 2018 and FY 2019 and makes routine updates to the tax years used to calculate three-year average valuation for the purposes of the opportunity grant and thus, the state share percentage. The formula continues to use a 0.5-mill charge-off for core

opportunity aid to derive each district's state share. The budget also adjusts core foundation funding by guaranteeing and limiting foundation funding in substantially the same manner as traditional school districts, except that career-technical education funds are not separately guaranteed as is the case for traditional school districts. In addition, the budget does not provide the cap offset payment to JVSs.

### Third Grade Reading Bonus for STEM Schools

Under continuing law, the third grade reading bonus provides funding based on third grade reading proficiency rates to traditional school districts and community schools. The budget provides the third grade reading bonus to STEM schools, which became authorized to enroll students in any of grades K-12 pursuant to S.B. 3 of the 131st General Assembly. Formerly, STEM schools were permitted to enroll students only in grades 6-12.

The bonus payment for community and STEM schools is funded directly through a GRF earmark in ODE's budget rather than deducted and transferred from the resident district's state foundation aid. The calculation for the third grade reading bonus is shown in the table below. It is identical to the calculation of the payment for traditional districts except that it does not use the state share index.

Third Grade Reading Bonus for STEM Schools	
Third grade reading bonus = Third grade reading proficiency percentage x 0.075 x Formula amount x Number of proficient or higher readers in third grade	
Third grade reading proficiency percentage = The percentage of a district's students scoring at a proficient or higher level of skill on the third grade English language arts assessment for the immediately preceding school year as reported on the district's report card	

### Deductions and Transfers

The budget continues to count most students in the district where they reside. If a student is educated in a community school, STEM school, another district through open enrollment, or a chartered nonpublic school through a state scholarship program, or if students take college level courses through the College Credit Plus (CCP) Program, funding for that student is generally deducted from the state aid allocated to the resident district and transferred to the educating school, district, or program. Outside of changes to the CCP Program (see below), the budget retains the overall structure of the formulas used to calculate the deductions from school districts, generally using the same dollar amounts as are used in the formula for traditional school districts in FY 2018 and FY 2019. Notable changes to the state's scholarship programs and CCP are described below.

### **Cleveland Scholarship Program**

The budget increases the maximum scholarship amount that may be awarded under the Cleveland Scholarship Program to students in grades K-8 from \$4,250 to \$4,650 and to students in grades 9-12 from \$5,700 to \$6,000. The revised maximum amounts are the same as those under current law for the EdChoice Scholarship Program. Unlike other scholarship programs, this program is not funded through a per-pupil deduction and transfer. Rather, the funding is provided through an earmark of the Cleveland Municipal School District's state aid allocation and an earmark for direct state payments.

### **Application Periods for the Jon Peterson Special Needs and Income-Based EdChoice Scholarship Programs**

The budget eliminates application periods for the Jon Peterson Special Needs (JPSN) Scholarship and, instead, requires ODE to pay a scholarship directly to the parent of each student receiving a scholarship or to the child's provider, upon receiving the parent's application for a scholarship. This allows parents of qualifying children to apply for a JPSN scholarship year-round, similar to the Autism Scholarship Program.

The budget also changes the way the application periods for income-based EdChoice scholarships are managed. Formerly, application periods were divided into two windows. Beginning with the 2017-2018 school year, the budget specifies that ODE need not conduct a second application period for income-based EdChoice scholarships if the scholarships awarded in the first application period use the entire amount appropriated for that school year. If there are funds remaining, ODE must conduct a second application period. Going forward, ODE must determine by May 31 of each school year whether funds remain available for income-based EdChoice scholarships after the first application period.

### **College Credit Plus**

CCP allows both public and nonpublic high school students to attend classes at postsecondary education institutions and earn both high school and college credits at state expense. Public high school students are counted in their resident districts' ADMs for funding purposes. If the student participating in CCP attends a public school outside of the resident district, the funding for the student follows the student to where they are educated, as described above. The tuition amounts for the college classes the student attends are deducted from the educating districts' state aid to pay for the program. The budget makes several changes to the CCP Program in areas of payment amounts, student eligibility, and certain administrative and reporting requirements, among others, which are briefly described below. For additional details on the budget's changes to CCP, please see the LSC Bill Analysis.



### **Payment Amounts**

Under current law, the formula for CCP payments calculates per credit hour "default ceiling" and "default floor" amounts in each fiscal year that correspond to certain methods of course delivery and instruction. The calculations of these amounts depend on the per-pupil formula amount. The payment rates currently range from about \$42 (default floor) to \$166 (default ceiling) per credit hour. A school district and college may enter into an alternative payment structure, but the negotiated rate cannot be higher than the default ceiling amount per credit hour or lower than the default floor amount per credit hour unless a lower amount is approved by the Chancellor of Higher Education. The budget maintains the current payment amounts for CCP and prohibits an alternative payment structure exceeding the college's standard payment rate, which is the college's in-state, undergraduate tuition fee per credit hour (this provision mainly affects community colleges and could affect some university branch campuses due to their lower tuition rates). The budget also permits, rather than requires as under former law, the Chancellor of Higher Education to approve payments made by ODE for a CCP course under an alternative payment structure to be below the default floor amount, so long as the provisions of the agreement comply with all other requirements of CCP to ensure program quality.

### **Student Eligibility**

Beginning with the 2018-2019 school year, the budget also requires students seeking to participate in CCP to meet certain eligibility standards. Currently, any student wishing to participate in CCP must apply to a public or participating private or out-of-state college in accordance with the college's standards for admission and meet that college's established standards for admission and for course placement. The budget also requires a student, as a condition of eligibility, to either: (1) be considered "remediation-free" on one of the assessments established by the college presidents for the purpose of determining a student's remediation-free status or (2) score within one standard error of measurement below the remediation-free threshold for one of those assessments and either (a) have a GPA of at least 3.0 or (b) receive a recommendation from a school counselor, principal, or career-technical program advisor. The budget requires the college to which a student applies to participate in the CCP Program to pay for one assessment to determine the student's eligibility and to determine whether each student meets the remediation-free threshold or the alternative criteria. Additional assessments used to determine student eligibility will be the financial responsibility of the student.

The budget also requires the Chancellor of Higher Education, in consultation with the Superintendent of Public Instruction, to adopt rules specifying conditions under which underperforming participants may continue participating in CCP.

## Reports

The budget also contains several provisions related to reports for the CCP Program. The budget requires the Chancellor and Superintendent to submit a joint annual report, beginning in December 2018 and ending in December 2023, on specified outcomes of the CCP Program that are supported by empirical evidence, including a number of measures that are disaggregated by students who participated in CCP and, upon graduation, enroll in an Ohio college during the same academic year.

In addition, the budget makes permissive, instead of mandatory as under former law, a biennial report detailing the status of the CCP Program that is also jointly submitted by the Chancellor and the Superintendent. If the Chancellor and Superintendent choose to submit this biennial report, the budget limits the data that may be included to that which is available through the Higher Education Information System, a database administered by the Chancellor through which higher education institutions submit various enrollment and finance data.

## School Funding Recomputations

The budget makes changes to the manner in which state foundation aid is recomputed due to changes in a district's property tax base that become known after the funding is initially computed. The budget requires ODE to recompute the state aid of each city, local, and exempted village school district with a 10% (rather than 5% under former law) increase or decrease in the taxable value of all public utility TPP in the preceding tax year compared to the second preceding tax year. Under continuing law, the Tax Commissioner determines which districts satisfy this criterion and certifies specified information regarding each district's increase or decrease to ODE and the Office of Budget and Management. In performing this recomputation, ODE must (1) replace the "three-year average valuations" used in the school funding formula with the "total taxable value for the district in the preceding tax year" and (2) not apply any funding limitations enacted by the General Assembly.

The budget requires ODE to pay to or deduct from each district for which a recomputation is performed under this provision the lesser of (1) the difference between the district's state education aid prior to the recomputation and the district's recomputed state aid and (2) the increase or decrease in taxes charged and payable on the district's total taxable value for the preceding tax year and the second preceding tax year. However, ODE is prohibited from either making a payment to a district that experiences an increase in the taxable value of public utility TPP or deducting funds from a district that experiences a decrease in the taxable value of public utility TPP. Under former law, ODE paid or deducted from the district an amount equal to one-half of the difference between the district's state education aid prior to the recomputation and the district's recomputed state aid.

The budget also repeals two provisions enabling school districts to have their state funding recomputed for property value reductions causing tax refunds of more than 3% of a district's current expense tax revenue and for property value reductions arising from property owner complaints, late current agricultural use value (CAUV) determinations, and retroactive tax exemptions.

### **Recommendations for Compensating Districts for Valuation Losses**

The budget requires ODE, on an annual basis, to recommend to the General Assembly a structure to compensate each city, local, exempted village district and JVSD that experiences at least a 50% decrease in public utility TPP value from one year to the next for a percentage of the effect that decrease has on the district's state funding. This payment structure must consider the effect the valuation decrease has on the amount of state funding received by the district and any temporary transitional aid or payment limitations imposed by the General Assembly that apply to the district.

### **Property Tax Reimbursement Phase-out**

The budget maintains the current law mechanisms to phase out the payments currently being made to school districts to partly reimburse them for the loss of property tax revenue resulting from previously legislated reductions in local property taxes on TPP. S.B. 208 of the 131st General Assembly modified the formula for calculating fixed-rate operating direct reimbursements for TPP tax losses for school districts beginning in FY 2018 by requiring that the payments be reduced based on a uniform  $\frac{5}{8}$  mill (0.000625) of the average of the total taxable value of the district for TYs 2014, 2015, and 2016. The budget does not change that methodology, the goal of which was to slow down the pace at which the TPP payments for traditional school districts were phased out. Under prior law enacted in H.B. 64, payments were reduced in FY 2016 and FY 2017 according to certain percentage of a district's total resources.

In FY 2017, spending for the reimbursement payments to school districts was \$245.5 million. In line with the revised methodology in S.B. 208, the budget decreases the appropriations for the reimbursements to \$207.3 million in FY 2018 and \$165.2 million in FY 2019, reductions of \$38.2 million (15.5%) and \$42.1 million (20.3%), respectively.

### **Early Childhood Education**

#### **Preschool Slots**

The budget provides a total of \$73.1 million each fiscal year for early childhood education programs for low-income children. These amounts support up to 17,938 preschool slots with the state funding allocation of \$4,000 per child. Of the total preschool slots funded, up to 16,688 (93.0%) are supported by GRF line item 200408, Early

Childhood Education, in ODE's budget<sup>3</sup> and 1,250 (7.0%) are supported by casino operator settlement fund moneys appropriated in Fund 5KT0 line item 600696, Early Childhood Education, in the Ohio Department of Job and Family Services (ODJFS) budget. FY 2017 marked the first year that casino operator settlement fund moneys were used to fund early childhood education grants.

### **Pilot Programs**

The budget permits ODE to use a portion of GRF line item 200408 to establish a pilot program that would allocate preschool slots to low-income parents rather than to providers. If established, ODE expects to operate the pilot program in two to three areas around the state. The award amount is expected to be \$4,000 per child, the same as the existing early childhood education grant program.

The budget also requires ODE to implement an early childhood education pilot program in one or two counties in the Appalachian region of the state. The funding is to be distributed to existing providers of early childhood education programs or to any new eligible provider to fund a total of 125 eligible children each fiscal year. According to ODE, the award amount under the pilot program will also be \$4,000 per child.

### **Eligibility**

In FY 2017, H.B. 64 limited program eligibility to four-year-old children only instead of both three- and four-year-olds, which lead to some preschool slots going unfilled that year. In FY 2018 and FY 2019, the budget prioritizes funding for children who are at least four years old but not yet eligible for kindergarten. However, if an early childhood education provider has remaining funding after awards are made for four-year-olds, the budget permits the provider to seek approval from ODE to consider qualified three-year-olds eligible for funding.

The budget continues to require the development of joint processes between the ODJFS-administered Publicly Funded Child Care Program, and ODE's Early Childhood Education Program in the areas of program eligibility determinations, applications, attendance tracking, and alignment of copays.

## **Provisions Related to Assessments and Graduation**

### **Social Studies Assessments**

The budget eliminates the fourth- and sixth-grade statewide achievement assessments in social studies. Instead, the budget requires each school district or school to teach and assess social studies in at least the fourth and sixth grades and determine any such social studies assessment, which may be formative or summative in nature.

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<sup>3</sup> The budget earmarks up to 2% of the appropriations for GRF line item 200408 for ODE's administrative costs related to the program.

The budget prohibits a district or school from reporting the results of any social studies assessment to ODE. The budget maintains the other elementary state assessments, which are English language arts and math for each of grades 3-8 and science for grades 5 and 8.

### **Release of State Test Questions**

The budget requires at least 40% of the questions from each elementary state assessment and high school end-of-course exam to become public records beginning in the 2017-2018 school year. Former law required all questions and preferred answers on an assessment to become public record in phases over a two-year period following the administration. The budget also requires ODE to determine which questions will be needed for reuse on a future assessment and prohibits the release of those questions as a public record. Lastly, the budget prohibits ODE from making any questions from the elementary English language arts and mathematics assessments administered in the 2015-2016 school year a public record in 2017.

### **Graduation Pathways for the Class of 2018**

The budget creates two alternative graduation pathways exclusively for students who are enrolled in a school district, other public school, or chartered nonpublic school and who entered ninth grade for the first time on or after July 1, 2014, but before July 1, 2015 (Class of 2018) in lieu of the three existing graduation pathways. A student may qualify for a diploma under the new criteria if the student either:

- Takes all applicable state tests, retakes certain low-score end-of-course exams, completes the district's or school's curriculum, and satisfies two of a number of other conditions, including completing a capstone project during the 12th grade and having a 93% attendance rate during the 12th grade; or
- Takes all applicable state tests, completes the district's or school's curriculum, completes an approved career-technical training program, and satisfies one of a number of other conditions, including obtaining an industry recognized credential.

## **Provisions Related to Community Schools**

### **Sponsor Evaluations**

Under continuing law, ODE annually assigns an overall rating to the sponsors of community schools based on a combination of: (1) the academic performance of students enrolled in community schools under the sponsor's oversight, (2) the sponsor's adherence to quality practices, and (3) the sponsor's compliance with laws and administrative rules. The budget contains several provisions modifying laws related to the evaluation system. The budget requires ODE annually by July 15 of each year to

post a description of the evaluation system that will be used to assign ratings and specifies that any subsequent changes cannot take effect until the following school year. The budget also requires ODE to make the annual training on the evaluation system available by July 15 and delays the final date by which the sponsor ratings must be published from October 15 to November 15.

The budget also establishes a process by which each community school sponsor may review information used by ODE to determine the sponsor's rating on certain components of the sponsor evaluation system. The community school sponsor is permitted, if it believes there is an error in ODE's evaluation, to request adjustments to the ratings of the applicable components based on documentation previously submitted. If an adjustment is valid, ODE must then recalculate any component ratings or overall ratings.

### **Dividing an E-school**

The budget authorizes, beginning in the 2018-2019 school year, the governing authority of an e-school meeting certain specified criteria to adopt a resolution, subject to approval of the school's sponsor, to divide the school into two or three separate schools and establishes limitations and requirements for each. To qualify, an e-school must serve all of grades K-12, have an enrollment of at least 2,000 students, and have a sponsor rated "effective" or higher.

The budget specifies that each divided e-school and each resulting school: (1) must have the same governing authority, (2) may not operate as a dropout prevention and recovery program, and (3) may not divide again. Additionally, the sponsor and governing authority of each resulting e-school must enter into a separate contract. Furthermore, each resulting e-school must be included in the calculation of the academic performance component for sponsor ratings under the community school sponsor evaluation system. Finally, the budget requires ODE to issue a separate state report card for each resulting e-school, which must count toward closure of the school and any other matter based on report card ratings or measures without the two-year grace period that applies to other new community schools.

### **STEM and STEAM Schools**

The budget authorizes the creation of science, technology, engineering, arts, and mathematics (STEAM) schools, equivalents, and programs of excellence, which are types of STEM schools, STEM school equivalents, and STEM programs of excellence, respectively. The budget requires a proposal for a STEAM school or STEAM school equivalent to contain all of the same information as that of a STEM school or equivalent as well as certain other information regarding integration of arts and design into the study of STEM, collaboration with a partnership that includes arts organizations, and

assurances that the school has received in-kind commitments of sustained and verifiable fiscal and in-kind support from arts organizations.

Under the budget, STEM and STEAM schools are permitted to offer all-day kindergarten in the same manner as school districts. The budget also adds STEM and STEAM schools to the list of other public schools (community schools and college-preparatory boarding schools) that must be offered the right of first refusal when a school district decides to sell real property or is required to offer for sale or lease unused property. Lastly, the budget permits STEM and STEAM schools to determine the amount of tuition to charge an out-of-state student, as long as the tuition is at least the minimum amount that the school receives from the state for a student who is an Ohio resident.

### **Straight A Program**

The budget eliminates funding for the Straight A Program. This program began in FY 2014 to provide grants to school districts, ESCs, community schools, STEM schools, college-preparatory boarding schools, individual school buildings, education consortia, institutions of higher education, and private entities partnering with one or more of those educational entities. The grants funded projects aiming to achieve significant advancement in one or more of the following goals: (1) student achievement, (2) spending reduction in the five-year fiscal forecast, (3) utilization of a greater share of resources in the classroom, and (4) use of a shared services delivery model. The budget contains various provisions that wind down the program. Among them is a requirement that ODE submit a report on the Straight A Program by December 31, 2017 regarding the types of grants awarded, the grant recipients, the effectiveness of the grant program in FY 2017, and recommendations on projects previously funded that warrant consideration for future replication.

### **Vetoed Provisions**

#### **Reimbursement Payments for Fixed-Rate TPP Tax Losses**

The Governor vetoed provisions that limited the fixed-rate TPP tax reimbursement loss for school districts (including the loss of the TPP supplement) in FY 2018 and for JVSs beginning in FY 2018 to 3.5% of a district's total resources and slowed the phase-down to one-fourth of one mill of the district's average property valuation beginning in FY 2020.

#### **Elimination of Ohio Teacher Residency Program**

The Governor vetoed a provision that eliminated the Ohio Teacher Residency Program, a four-year, entry-level program for educators that must be completed in order to qualify for a professional educator license issued by the State Board of

Education. Under the provision, individuals currently participating in the Ohio Teacher Residency Program were not required to complete the program or its components.

### **Minimum Grade to Receive Credit for CCP Course**

The Governor vetoed a provision that required CCP participants to receive a grade of "C" or better in a CCP course to receive credit (both high school and college credit) for that course and to count the CCP course toward the high school's graduation and curriculum requirements.

### **ESC Community School Sponsors**

The Governor vetoed a provision that permitted an educational service center (ESC) that sponsors community schools and has an overall sponsor rating of "effective" or higher to sponsor a community school regardless of whether or not it is located in a county within the ESC's territory or a contiguous county.

### **Community School Sponsor Evaluations Ratings**

The Governor vetoed several provisions that would have revised the way scores are computed under the community school sponsor evaluation system. These provisions (1) required ODE to weight the "Progress" component of the state report card at 60% of the total score for the academic performance component, (2) prohibited ODE from assigning an automatic overall rating to a community school sponsor based solely on the sponsor receiving an equivalent score of "0" points on one or more individual components, not including academic performance, and (3) specified that an overall rating is the cumulative score of the three components that comprise the evaluation system unless a sponsor receives an equivalent score of "0" on the academic performance component.

### **Community School Sponsor Authority Revocation Exception**

The Governor vetoed a provision that permitted a community school sponsor whose sponsorship authority was revoked following the 2015-2016 school year due to an overall rating of "poor" to renew sponsorship of its schools for the 2017-2018 school year, so long as the sponsor received at least a score of "3" or a "B" for that evaluation's academic performance component. The community school sponsor would have been permitted to continue sponsoring its schools in the 2018-2019 school year if, for the 2017-2018 school year, it received at least a score of "3" or a "B" (or an equivalent score) on the academic performance component and an overall rating of at least "ineffective."

### **Exemption from State Test and Graduation Requirements for Certain Chartered Nonpublic Schools**

The Governor vetoed a provision that, under certain conditions, exempted students at chartered nonpublic schools in which at least 75% of students are children



with disabilities receiving special education and related services from state assessment and graduation requirements.

### **Paper and Online Tests**

The Governor vetoed a provision that permitted public districts and schools and chartered nonpublic schools to administer the state achievement assessments in a paper format or a combination of online and paper formats and specified that public districts and schools and chartered nonpublic schools are not required to administer such assessments in an online format. The provision also required ODE to furnish, free of charge, all such assessments regardless of the format selected by the district or school.

## ANALYSIS OF ENACTED BUDGET

### Introduction

This section provides an analysis of the funding for each appropriation item in ODE's budget. In this analysis, ODE's line items are grouped into ten major categories. For each category, a table is provided listing the appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are enacted in the budget. If the appropriation is earmarked, the earmarks are listed and described. The ten categories used in this analysis are as follows:

1. Basic Public School Support;
2. Property Tax Reimbursements;
3. Educational Enhancements;
4. Nonpublic School Support;
5. School Operations Support;
6. Academic Achievement;
7. Early Childhood Education;
8. Educator Quality;
9. Curriculum, Assessment, and Accountability; and
10. State Administration.

To aid the reader in finding each item in the analysis, the following table shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order the line items appear in the ODE section of the budget bill. Note that the two line items included in the Property Tax Reimbursements category are located in the State Revenue Distributions section of the budget bill. Therefore, these two line items are not shown in the table below.

Categorization of ODE's Appropriation Line Items for Analysis of Enacted Budget				
Fund		ALI and Name		Category
General Revenue Fund Group				
GRF	200321	Operating Expenses		10: State Administration
GRF	200408	Early Childhood Education		7: Early Childhood Education
GRF	200420	Information Technology Development and Support		10: State Administration
GRF	200422	School Management Assistance		5: School Operations Support
GRF	200424	Policy Analysis		9: Curriculum, Assessment, and Accountability
GRF	200426	Ohio Educational Computer Network		5: School Operations Support

Categorization of ODE's Appropriation Line Items for Analysis of Enacted Budget				
Fund		ALI and Name	Category	
GRF	200427	Academic Standards	9:	Curriculum, Assessment, and Accountability
GRF	200437	Student Assessment	9:	Curriculum, Assessment, and Accountability
GRF	200439	Accountability/Report Cards	9:	Curriculum, Assessment, and Accountability
GRF	200442	Child Care Licensing	7:	Early Childhood Education
GRF	200446	Education Management Information System	9:	Curriculum, Assessment, and Accountability
GRF	200448	Educator Preparation	8:	Educator Quality
GRF	200455	Community Schools and Choice Programs	1:	Basic Public School Support
GRF	200465	Education Technology Resources	5:	School Operations Support
GRF	200502	Pupil Transportation	1:	Basic Public School Support
GRF	200505	School Lunch Match	5:	School Operations Support
GRF	200511	Auxiliary Services	4:	Nonpublic School Support
GRF	200532	Nonpublic Administrative Cost Reimbursement	4:	Nonpublic School Support
GRF	200540	Special Education Enhancements	3:	Educational Enhancements
GRF	200545	Career-Technical Education Enhancements	3:	Educational Enhancements
GRF	200550	Foundation Funding	1:	Basic Public School Support
GRF	200566	Literacy Improvement	6:	Academic Achievement
GRF	200572	Adult Education Programs	6:	Academic Achievement
GRF	200573	EdChoice Expansion	1:	Basic Public School Support
GRF	200574	Half-Mill Maintenance Equalization	1:	Basic Public School Support
GRF	200576	Adaptive Sports Program	3:	Educational Enhancements
GRF	200578	Violence Prevention and School Safety	5:	School Operations Support
GRF	657401	Medicaid in Schools	3:	Educational Enhancements
Dedicated Purpose Fund Group				
4520	200638	Charges and Reimbursements	10:	State Administration
4540	200610	High School Equivalency	6:	Academic Achievement
4550	200608	Commodity Foods	5:	School Operations Support
4L20	200681	Teacher Certification and Licensure	8:	Educator Quality
5980	200659	Auxiliary Services Reimbursement	4:	Nonpublic School Support
5H30	200687	School District Solvency Assistance	5:	School Operations Support
5KX0	200691	Ohio School Sponsorship Program	1:	Basic Public School Support
5MM0	200677	Child Nutrition Refunds	5:	School Operations Support
5U20	200685	National Education Statistics	9:	Curriculum, Assessment, and Accountability
5UC0	200662	Accountability/Report Cards	9:	Curriculum, Assessment, and Accountability
6200	200615	Educational Improvement Grants	10:	State Administration

Categorization of ODE's Appropriation Line Items for Analysis of Enacted Budget				
Fund		ALI and Name	Category	
Internal Service Activity Fund Group				
1380	200606	Information Technology Development and Support	10:	State Administration
4R70	200695	Indirect Operational Support	10:	State Administration
4V70	200633	Interagency Program Support	10:	State Administration
State Lottery Fund Group				
7017	200612	Foundation Funding	1:	Basic Public School Support
7017	200629	Community Connectors	6:	Academic Achievement
7017	200684	Community School Facilities	5:	School Operations Support
Federal Fund Group				
3670	200607	School Food Services	5:	School Operations Support
3700	200624	Education of Exceptional Children	3:	Educational Enhancements
3AF0	657601	Schools Medicaid Administrative Claims	3:	Educational Enhancements
3AN0	200671	School Improvement Grants	6:	Academic Achievement
3C50	200661	Early Childhood Education	7:	Early Childhood Education
3D20	200667	Math Science Partnerships	3:	Educational Enhancements
3EH0	200620	Migrant Education	3:	Educational Enhancements
3EJ0	200622	Homeless Children Education	3:	Educational Enhancements
3GE0	200674	Summer Food Service Program	5:	School Operations Support
3GG0	200676	Fresh Fruit and Vegetable Program	5:	School Operations Support
3HF0	200649	Federal Education Grants	6:	Academic Achievement
3L60	200617	Federal School Lunch	5:	School Operations Support
3L70	200618	Federal School Breakfast	5:	School Operations Support
3L80	200619	Child/Adult Food Programs	5:	School Operations Support
3L90	200621	Career-Technical Education Basic Grant	1:	Basic Public School Support
3M00	200623	ESEA Title 1A	1:	Basic Public School Support
3M20	200680	Individuals with Disabilities Education Act	1:	Basic Public School Support
3T40	200613	Public Charter Schools	6:	Academic Achievement
3Y20	200688	21st Century Community Learning Centers	6:	Academic Achievement
3Y60	200635	Improving Teacher Quality	8:	Educator Quality
3Y70	200689	English Language Acquisition	6:	Academic Achievement
3Y80	200639	Rural and Low Income Technical Assistance	3:	Educational Enhancements
3Z20	200690	State Assessments	9:	Curriculum, Assessment, and Accountability
3Z30	200645	Consolidated Federal Grant Administration	10:	State Administration

## Category 1: Basic Public School Support

This category of appropriations includes the major sources of state and federal formula-driven support for public schools.

Appropriations for Basic Public School Support				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200455	Community Schools and Choice Programs	\$ 4,435,845	\$ 4,585,028
GRF	200502	Pupil Transportation	\$ 546,738,753	\$ 527,129,809
GRF	200550	Foundation Funding	\$ 6,799,882,816	\$ 6,937,228,845
GRF	200573	EdChoice Expansion	\$ 38,400,000	\$ 47,700,000
GRF	200574	Half-Mill Maintenance Equalization	\$ 18,715,000	\$ 18,912,000
<b>General Revenue Fund Subtotal</b>			<b>\$ 7,408,172,414</b>	<b>\$ 7,535,555,682</b>
<b>Dedicated Purpose Fund Group (DPF)</b>				
5KX0	200691	Ohio Schools Sponsorship Program	\$ 828,600	\$ 828,600
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$ 828,600</b>	<b>\$ 828,600</b>
<b>State Lottery Fund Group (SLF)</b>				
7017	200612	Foundation Funding	\$ 1,086,030,000	\$ 1,087,030,000
<b>State Lottery Fund Group Subtotal</b>			<b>\$ 1,086,030,000</b>	<b>\$ 1,087,030,000</b>
<b>Federal Fund Group (FED)</b>				
3L90	200621	Career-Technical Education Basic Grant	\$ 44,663,900	\$ 44,663,900
3M00	200623	ESEA Title 1A	\$ 600,000,000	\$ 600,000,000
3M20	200680	Individuals with Disabilities Education Act	\$ 445,000,000	\$ 445,000,000
<b>Federal Fund Group Subtotal</b>			<b>\$ 1,089,663,900</b>	<b>\$ 1,089,663,900</b>
<b>Total Funding: Basic Public School Support</b>			<b>\$ 9,584,694,914</b>	<b>\$ 9,713,078,182</b>

### Foundation Funding (200550 and 200612)

These items are the main source of state foundation aid payments to all school districts, community schools, and joint vocational school districts (JVSDs) in the state. The budget provides increases of \$205.8 million (2.7%) in FY 2018 and \$138.3 million (1.8%) in FY 2019 for these two line items combined. As described in the "**Overview**" section of this Greenbook, the budget largely retains the structure of the existing school funding formula to distribute state foundation aid to public schools and districts in FY 2018 and FY 2019, but makes some notable modifications. Appropriation item 200550 also includes earmarks, which are listed in the following table.

200550, Foundation Funding		
Earmarks	FY 2018	FY 2019
Catastrophic Cost Supplement	\$ 40,000,000	\$ 40,000,000
Gifted Education – Educational Service Centers	\$ 3,800,000	\$ 3,800,000
Educational Service Centers	\$ 40,000,000	\$ 40,000,000
School Improvement Initiatives – Educational Service Centers	\$ 3,500,000	\$ 3,500,000
Valuation Adjustments	\$ 10,000,000	\$ 7,000,000
School Choice Programs	\$ 28,600,000	\$ 26,400,000
Cleveland School Choice Deduct	\$ 15,400,000	\$ 17,600,000
College Credit Plus for Home-Instructed Students	\$ 1,500,000	\$ 1,500,000
Private Treatment Facility Project	\$ 700,000	\$ 700,000
Bright New Leaders for Ohio Schools	\$ 1,500,000	\$ 1,500,000
Academic Distress Commissions Establishment	\$ 600,000	\$ 600,000
Remainder – Foundation Payments	\$ 6,669,682,816	\$ 6,812,228,845
<b>Total Funding: Foundation Funding</b>	<b>\$ 6,799,882,816</b>	<b>\$ 6,937,228,845</b>

### **Catastrophic Cost Supplement**

This funding is provided to support exceptionally high costs associated with individual special education students. Subject to the amount of funding appropriated, the state reimburses a portion of the cost of providing services above \$27,375 for students in categories two through five and above \$32,850 for students in category six.

### **Educational Service Center Gifted Education**

These funds are used to provide gifted education services at educational service centers (ESCs). Prior to FY 2010, gifted education was funded based on units. H.B. 1 of the 128th General Assembly changed gifted funding for school districts in the foundation formula, but continued to provide ESCs gifted unit funding based on the funding they received in FY 2009. The budget specifies that these funds be distributed to ESCs providing gifted services by using the unit-based funding model from FY 2009.

### **Educational Service Centers**

These funds are provided as state support to the 52 ESCs in Ohio. An ESC's high-performing status determines the level of per-pupil state operating funding it receives. "High-performing" ESCs are ESCs that demonstrate cost savings for its client school districts and community schools of at least 5% in the prior fiscal year across five primary services identified by the ESC. Under the budget, high-performing ESCs receive \$26 per pupil, while all other centers will receive state per-pupil funding of \$24.

**School Improvement Initiatives – Educational Service Centers**

These funds are used by ESCs to provide direct services to districts in support of their continuous improvement initiatives. All schools and districts benefit from this support; however, focus is placed on those identified with the highest level of need. The budget also permits ODE to distribute these funds through a competitive grant process.

**Valuation Adjustments**

These funds are used for payments to school districts resulting from property tax refunds and certain recomputations of state foundation aid due to changes in property tax valuation. The budget requires ODE to prorate these payments, if needed, to remain within the earmarked amount.

In regard to these payments, the budget modifies the manner in which state foundation aid is recomputed for certain districts due to reductions in public utility tangible personal property (TPP) value. The budget requires ODE to recompute the state funding for each district with a 10% (rather than 5% as under former law) increase or decrease in public utility TPP taxable value in the preceding tax year when compared to the second preceding tax year and modifies the calculation of this recomputation and the amount of the payment to or deduction from each district's state funding resulting from this computation. The budget also repeals two provisions enabling school districts to have their state funding recomputed to reflect reductions in the district's property tax base causing tax refunds of more than 3% of a district's current expense tax revenue and for property value reductions arising from property owner complaints, late current agricultural use value (CAUV) determinations, and retroactive tax exemptions.

**School Choice Programs**

This funding supports the Cleveland Scholarship and Tutoring Program in addition to the funds deducted from Cleveland's state aid allocation (see below). Combined, these two sources provide up to \$44.0 million each fiscal year for the program. This earmark also may be used, along with appropriation item 200455, Community Schools and School Choice Programs, for ODE's costs in administering the state's other school choice programs.

**Cleveland School Choice Deduction**

This funding supports the Cleveland Scholarship and Tutoring Program, also known as the Pilot Project Scholarship Program, through a deduction from foundation funding calculated for the Cleveland Municipal School District (CMSD). This program provides scholarships to students who are residents of CMSD to be used to attend a participating nonpublic school. Scholarships are based on a school's tuition cost, up to certain maximum amounts depending on the grade level of the student. The budget increases the maximum amount that may be awarded under the Cleveland Scholarship Program to students in grades K-8 from \$4,250 to \$4,650, and to students in grades 9-12

from \$5,700 to \$6,000. Scholarship students are not counted in Cleveland's ADM for funding purposes.

For FY 2018, there are 42 chartered nonpublic schools registered to participate in the program. The program serves students in grades K-12, giving priority to students from low-income families. In addition to scholarships, the program funds tutoring services for students who remain in CMSD. The budget sets aside \$1.0 million in each fiscal year from this earmark for CMSD to provide tutorial assistance.

#### **College Credit Plus for Home-Instructed Students**

This funding is used to make payments on behalf of students instructed at home and enrolled in the College Credit Plus Program in FY 2018 and FY 2019.

#### **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. The facilities are to follow certain performance standards, ensure that the students participate in required assessments, and ensure that special education students have an individualized education program (IEP) and receive appropriate services.

#### **Bright New Leaders for Ohio Schools**

This funding supports the Bright New Leaders for Ohio Schools Program, which provides an alternative path for individuals to receive training and development in the administration of primary and secondary education and leadership, enables those individuals to earn degrees and obtain licenses in public school administration, and promotes the placement of those individuals in public schools that have a poverty percentage greater than 50%.

The budget permits the Governor, President of the Senate, and Speaker of the House of Representatives to each nominate three individuals to apply to be participants in the Bright New Leaders for Ohio Schools Program in accordance with the selection process of the Program and the admission requirements of the Ohio State University. It also removes a provision of current law specifying that state financial support for the program ceases on June 30, 2018.

#### **Academic Distress Commissions**

This funding is used for duties and activities related to the establishment of academic distress commissions. A portion of the funds may be used as matching funds for monetary contributions made by a school district for which an academic distress commission is established or by the district's local community to support innovative education programs or a high-quality school accelerator. Currently, there is one district receiving funding through this set-aside, the Youngstown City School District.



**Remainder – Foundation Payments**

The remaining funding is provided to support the general operating expenses of traditional school districts, JVSDs, community schools, and STEM schools. These funds are combined with lottery funding from item 200612.

***Educational Choice Scholarship Pilot Program***

Foundation payments also support the Educational Choice Scholarship Pilot Program that awards scholarships that can be used to attend participating nonpublic schools. All traditional scholarship students are counted in their resident district's ADM for the purposes of calculating funding through the school funding formula. Under continuing law, the maximum scholarship amount is set at \$4,650 for students in grades K-8 and \$6,000 for students in grades 9-12.

Students are eligible for EdChoice if the public school they would normally be assigned to is "low performing." EdChoice scholarships are also provided to certain low-income students, regardless of the performance of their public school. However, these scholarships are currently paid for directly from GRF line item 200573, EdChoice Expansion, not through a deduction of school district foundation funding. For FY 2018, there are over 480 chartered nonpublic schools registered to participate in either of the "traditional" or income-based scholarship programs.

***Autism Scholarship Program***

Foundation payments also support the Autism Scholarship Program. Scholarship students are counted in their district's ADM for the purposes of the state funding formula. The amount of the scholarship, the lesser of the total fees charged by the alternative provider or \$27,000, is then deducted from the resident district's state aid and paid to the alternative provider. For FY 2018, 279 providers are registered to participate in the program.

***Jon Peterson Special Needs Scholarship Program***

The Jon Peterson Special Needs Scholarship Program (JPSN) is similar to the Autism Scholarship Program except that it is available to all disabled students with an IEP established by their resident school districts. Funding for the program is provided in the same way as that of the Autism Scholarship Program, through a transfer of state aid from the resident district to the alternate provider. Scholarship students are also counted in their district's ADM for the purposes of the state funding formula. Under current law, the amount of the scholarship cannot exceed \$27,000 and is the lesser of the tuition charged by the alternate provider and the sum of the formula amount and the applicable special education amount for the student's disability category. For FY 2018, 360 providers are registered to participate.

The budget eliminates application periods for the program and, instead, requires ODE to pay a scholarship directly to the parent of each student receiving a scholarship

or to the child's provider, upon receiving the parent's application for a scholarship. This allows parents of qualifying children to apply for a JPSN scholarship year-round, similar to the Autism Scholarship Program.

### **College Credit Plus**

The College Credit Plus (CCP) Program, which replaced the Post-Secondary Enrollment Options Program beginning in FY 2016, allows qualified Ohio high school students to take college courses at state expense for both college and high school credit. Under the CCP Program, participating students are counted in their resident district's ADM and a deduction is made and transferred to the college or university attended by the students. If a student attends another district under open enrollment, a community school, or a JVSD, state funding follows the student. Ultimately, the educating district or school pays the tuition cost. In general, CCP payments made by ODE are based on the number of credit hours in which a student is enrolled and certain "default ceiling" or "default floor" per credit hour amounts unless an agreement specifying an alternative payment structure is entered into by the high school and the college. As described in the "**Overview**" section of this Greenbook, the budget makes some adjustments to student eligibility criteria, the tuition payment structure, and administrative and reporting requirements for CCP.

### **Pupil Transportation (200502)**

This line item supports the operating costs of transporting students to and from school. The budget decreases funding for this line item by \$45.6 million (7.7%) in FY 2018 compared to FY 2017 spending of \$592.3 million, and by about \$19.6 million (3.6%) in FY 2019 compared with the FY 2018 level. The reduction in funding is mainly due to a decrease in the minimum state share for base transportation aid. This item includes the following earmarks.

<b>200502, Pupil Transportation</b>			
<b>Earmarks</b>	<b>FY 2018</b>		<b>FY 2019</b>
Bus Driver Training	\$	838,930	\$ 838,930
Special Education Transportation	\$	60,469,220	\$ 60,469,220
Remainder – Pupil Transportation	\$	485,430,603	\$ 465,821,659
<b>Total Funding: Pupil Transportation</b>	<b>\$</b>	<b>546,738,753</b>	<b>\$ 527,129,809</b>

#### **Bus Driver Training**

These funds are used by ODE to contract with seven ESCs and one JVSD to administer and complete the Ohio Preservice Driver Training Program.

#### **Special Education Transportation**

This funding is provided to school districts and county boards of developmental disabilities to assist them in providing required transportation services to students with

disabilities. These funds are provided outside of the main foundation formula through a method determined in rules adopted by the State Board of Education. Under these rules, the state calculates a base amount of \$6 per rider per instructional day plus one half of the actual cost in excess of \$6 per rider per day. However, the base amount is limited to the actual reported cost of transportation or 200% of the statewide average cost of transportation per child, whichever is less. The resulting amount is then multiplied by the greater of 60% or the district's state share index.

#### **Remainder – Pupil Transportation and Transportation Supplement**

These funds support school district costs for transporting students other than special education students. The state requires that districts provide transportation to the district's students as well as to certain community school students and nonpublic students who reside in the district. State transportation requirements only apply to students in grades K-8 who live more than two miles from the school. However, historically, the state has funded transportation service for high school students and for students who live between one and two miles from the school in addition to the transportation services required by the state. In addition to the base and other transportation payments, this line item funds a transportation supplement targeted to districts with low density to aid these districts with transportation operating costs.

The budget modifies the base pupil transportation formula by decreasing the minimum state share applied to a district's calculated transportation cost from 50% in FY 2017 to 37.5% in FY 2018 and 25% in FY 2019. Also, in cases where a school district provides payments to parents in lieu of providing transportation services because it is impractical for the district to transport the students to school, the budget continues a current law requirement that a district pay a minimum of \$250 per student but not more than the amount ODE determines as the average cost of pupil transportation for the previous school year.

#### **Community Schools and Choice Programs (200455)**

This line item is used by ODE to provide oversight and evaluation of community school sponsors and, along with funding provided in an earmark of appropriation item 200550, Foundation Funding, administration of other school choice programs. A portion of the line item may be used by ODE for developing and conducting training sessions for community schools and sponsors, prospective sponsors of community schools, and other schools participating in school choice programs.

As described in the "**Overview**" section of this Greenbook, the budget includes an array of permanent law revisions related to community schools. Notably, it makes changes with respect to sponsor evaluations, authorizes an e-school meeting certain specified criteria to divide the school into two or three separate schools subject to the certain limitations and requirements, and authorizes the creation of science, technology,

engineering, arts, and mathematics (STEAM) schools, equivalents, and programs of excellence, which are types of STEM schools, STEM school equivalents, and STEM programs of excellence, respectively.

### **EdChoice Expansion (200573)**

This line item supports the EdChoice scholarships provided to students whose family income is less than 200% of the federal poverty guidelines (FPG), regardless of the academic rating of the school they would otherwise attend. The budget continues to phase in additional grades under continuing law by increasing the funding to account for eligible students in the fourth and fifth grades in FY 2018 and FY 2019, respectively. The number of scholarships awarded under the expansion will be limited to the appropriation so that in FY 2018, 8,258 scholarships will be available (\$38.4 million/\$4,650 per scholarship) and in FY 2019, 10,258 scholarships will be available (\$47.7 million/\$4,650 per scholarship).

The budget changes the way the application periods for income-based EdChoice scholarships are managed. Formerly, application periods were divided into two windows. The budget specifies that, beginning in the 2017-2018 school year, ODE does not need to conduct a second application period for income-based scholarships if the income-based scholarships awarded in the first application period for any school year uses the entirety of the amount appropriated by the General Assembly for such scholarships for that school year. ODE must determine by May 31 of each school year if funds remain available for income-based scholarships after the first application period. If there are funds remaining, ODE must conduct a second application period.

### **Half-Mill Maintenance Equalization (200574)**

School districts participating in the Ohio Facilities Construction Commission's (OFCC) Classroom Facilities Assistance Program are required to levy one-half mill to help pay for the maintenance costs of their new or renovated buildings. This GRF line item is used to provide payments to districts for which the per-pupil tax revenues from this half-mill levy are less than the state average. The payments are equal to the difference between the district's yield per pupil and the state average yield per pupil at the time the district enters into the project agreement with OFCC.

### **Ohio School Sponsorship Program (200691)**

The Ohio School Sponsorship Program, established by H.B. 153 of the 129th General Assembly, allows ODE to act as a sponsor to a limited number of community schools. In FY 2017, ODE sponsored 25 community schools under the program. The administrative duties associated with ODE's sponsorship of these schools are supported by sponsorship fees of up to 3% of each community school's operating revenue.

**Career-Technical Education Basic Grant (200621)**

These federal funds support the development of academic, career, and technical skills of secondary and postsecondary students who enroll in career and technical programs. A majority of these funds flow as entitlement grants to JVSs and school districts based on census population, particularly the percentage of the population in poverty. ODE may use up to 10% of the state's grant allocation for state leadership activities in career-technical education and up to 5% for administration of the federally required state plan for career-technical education. A portion of the funds in appropriation item 200321, Operating Expenses, provides the dollar-for-dollar required state match for the administrative portion of the federal grant.

**Individuals with Disabilities Education Act (200680)**

This line item supports the provision of special education and related services to students with disabilities. The federal Individuals with Disabilities Education Act (IDEA) requires that school districts provide a free and appropriate education to all children with disabilities from the age of three to the age of 21. These federal funds are provided to school districts, county developmental disabilities boards, the Ohio State School for the Blind, the Ohio School for the Deaf, the Department of Youth Services, community schools, and chartered nonpublic schools to assist in the provision of this mandated education. A portion of these funds may be used by ODE for administration and other state-level activities.

**ESEA Title 1A (200623)**

This line item is used to distribute federal funds to school districts to provide educational services to disadvantaged students. School districts are allocated funding based on a federal formula. Nearly all districts receive basic grants, which are based on the state per-pupil education expenditure and the number of school-age children from low-income families. Three other types of grants are targeted to districts with high concentrations of poor students. ODE may use up to 1% of the grant award to administer the program.

In December 2015, the Every Student Succeeds Act (ESSA) replaced the No Child Left Behind Act of 2001 as the most recent reauthorization of the Elementary and Secondary Education Act (ESEA). ESSA represents a shift from broad federal oversight of primary and secondary education to greater flexibility and decision making at the state and local levels. In July 2017, the State Board approved ODE's draft state plan to address standards, assessments, school and district accountability, and special help for struggling schools. Following a review by the Governor, the state plan will be submitted to the U.S. Department of Education in September. Full implementation of the state plan will take effect in the 2017-2018 school year.

## Category 2: Property Tax Reimbursements

This category of appropriations includes reimbursements to school districts for property tax losses due to state tax policy. The two line items used to make the payments are included in the State Revenue Distributions (RDF) section of the budget (see below).

Appropriations for Property Tax Reimbursements				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200903	Property Tax Reimbursement – Education	\$ 1,180,084,800	\$ 1,199,315,000
<b>General Revenue Fund Subtotal</b>			<b>\$ 1,180,084,800</b>	<b>\$ 1,199,315,000</b>
<b>Revenue Distribution Fund Group (RDF)</b>				
7047	200902	Property Tax Replacement Phase Out – Education	\$ 207,311,667	\$ 165,229,141
<b>Revenue Distribution Fund Group Subtotal</b>			<b>\$ 207,311,667</b>	<b>\$ 165,229,141</b>
<b>Total Funding: Property Tax Reimbursements</b>			<b>\$ 1,387,396,467</b>	<b>\$ 1,364,544,141</b>

### State Revenue Distributions

The RDF section of the budget bill contains appropriations for line items used by several agencies to distribute money to designated recipients under various programs. Each of the funds in the RDF section of the budget is administered by a state agency, but the funds are not included as part of the budget of the administering agency. H.B. 64 of the 131st General Assembly moved line items related to property tax reimbursements out of ODE's budget section and into the RDF section.

Prior to FY 2016, property tax reimbursements were appropriated under ODE's budget, as GRF line item 200901, Property Tax Allocation – Education, and as RDF line items 200900, School District Property Tax Replacement – Utility, and 200909, School District Property Tax Replacement – Business. These line items have been replaced with the two discussed below.

### Property Tax Allocation – Education (200903)

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. These provisions are often referred to as property tax "rollbacks." This line item funds the rollback reimbursements for school districts and JVSs. H.B. 59 of the 130th General Assembly eliminated the rollbacks on new property taxes levied after tax year (TY) 2014. This line item also funds the portion of the Homestead Exemption Program for the elderly and disabled payable to school districts. The Homestead Exemption Program includes all homeowners who are 65 years of age or older or who are disabled, and have an Ohio adjusted gross income of less than \$30,000. Prior to 2007, the homestead exemption was also means-tested. Persons who became eligible for the

exemption from 2007 through 2013 were not subject to any income qualifications. H.B. 59 reinstated means-testing for persons who had not received the exemption for TY 2013 and who became eligible for the exemption thereafter. Each homeowner receives an exemption equal to \$8,750 of taxable value (\$25,000 true value).

### **Property Tax Replacement Phase Out – Education (200902)**

This line item supports the payments replacing the loss in school district tax revenues due to both the phase-out of general business tangible personal property (TPP) tax and changes in the taxation of utilities. Beginning in FY 2016, this line item replaced line items 200909, School District Property Tax Replacement – Business, and 200900, School District Property Tax Replacement – Utility.

The budget maintains the current law mechanisms to phase down the replacement payments. Beginning in FY 2018, the payments for fixed rate operating tax levies are reduced based on a uniform  $\frac{5}{8}$  mill (0.000625) of the average of the total taxable value of the district for TYs 2014, 2015, and 2016. The current law methodology for the fixed rate operating reimbursements, enacted in S.B. 208 of the 131st General Assembly, slows down the pace at which those payments for traditional school districts were phased out under former law. The former method, enacted in H.B. 64 of the 131st General Assembly, reduced fixed rate operating reimbursements by a certain percentage of the district's total resources each year, starting between 1% and 2% in FY 2016, and increasing incrementally each year, according to the district's property wealth and personal income. Reimbursements based on emergency levies are phased out over five years, while payments for permanent improvement levies ended after FY 2016.

### Category 3: Educational Enhancements

This category of appropriations includes funding for educational enhancements for special education, career-technical education, and the education of students at risk.

Appropriations for Educational Enhancements				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200540	Special Education Enhancements	\$ 152,350,000	\$ 152,350,000
GRF	200545	Career-Tech Educational Enhancements	\$ 10,665,866	\$ 9,600,892
GRF	200576	Adaptive Sports Program	\$ 50,000	\$ 50,000
GRF	657401	Medicaid in Schools	\$ 295,500	\$ 295,500
<b>General Revenue Fund Subtotal</b>			<b>\$ 163,361,366</b>	<b>\$ 162,296,392</b>
<b>Federal Fund Group (FED)</b>				
3700	200624	Education of Exceptional Children	\$ 2,000,000	\$ 2,000,000
3AF0	657601	Schools Medicaid Administrative Claims	\$ 750,000	\$ 750,000
3D20	200667	Math Science Partnerships	\$ 7,000,000	\$ 7,000,000
3EH0	200620	Migrant Education	\$ 2,500,000	\$ 2,500,000
3EJ0	200622	Homeless Children Education	\$ 2,600,000	\$ 2,600,000
3Y80	200639	Rural and Low Income Technical Assistance	\$ 3,300,000	\$ 3,300,000
<b>Federal Fund Group Subtotal</b>			<b>\$ 18,150,000</b>	<b>\$ 18,150,000</b>
<b>Total Funding: Educational Enhancements</b>			<b>\$ 181,511,366</b>	<b>\$ 180,446,392</b>

#### Special Education Enhancements (200540)

This item includes the earmarks listed in the following table.

200540, Special Education Enhancements		
Earmarks	FY 2018	FY 2019
Special Education for DD Boards and Institutions	\$ 33,000,000	\$ 33,000,000
Parent Mentoring Programs	\$ 1,350,000	\$ 1,350,000
School Psychology Interns	\$ 3,000,000	\$ 3,000,000
Vocational Rehabilitation Services	\$ 3,000,000	\$ 3,000,000
Secondary Transition Services	\$ 2,000,000	\$ 2,000,000
Remainder – Preschool Special Education	\$ 110,000,000	\$ 110,000,000
<b>Total Funding: Special Education Enhancements</b>	<b>\$ 152,350,000</b>	<b>\$ 152,350,000</b>

#### Special Education for DD Boards and Institutions

This funding is provided to county developmental disability (DD) boards and state institutions operated by the Department of Health, the Department of Rehabilitation and Correction, and the Department of Youth Services to fund special education and related services provided by these entities. For each child, a county board receives the full per-pupil formula amount plus the applicable special education amount for that child's disability category, the latter of which is adjusted by the state share index of the child's resident district. Each state institution receives funding based



on the applicable special education amount specified for each child receiving services for a disability.

**Parent Mentoring**

This funding supports parent mentors who offer support and information to other parents of children with disabilities and help them to become more involved in their children's education.

**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.

**Vocational Rehabilitation Services**

This allocation provides state matching funds for the Opportunities for Ohioans with Disabilities Agency (OOD) in order to receive federal funding for vocational rehabilitation services. The budget requires that the funds be transferred to OOD via an intrastate transfer voucher and be used to hire vocational rehabilitation counselors to provide services for students with disabilities. Counselors must work with school districts in offering services, which can include career planning, general work experience, and job placement and retention for eligible students.

**Secondary Transition Services**

This funding supports regional training, support, and program delivery of secondary transition services for students with disabilities beginning at 14 years of age. Types of services include job exploration counseling, work-based learning experiences, counseling for postsecondary opportunities, and specific life skills training. Enhancements must support any student with a disability, regardless of partnering agency eligibility requirements. They must also support the expansion of training opportunities for special education intervention specialists to develop specific competencies in order to meet the secondary transition needs of students with disabilities aged 14 years and older.

**Preschool Special Education**

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 boards of developmental disabilities is distributed through a per-pupil based approach. Specifically, each school district and state institution receives \$4,000 for each preschool student with disabilities plus additional special education aid based on the applicable special education amount for each student and the resident district's state

share percentage. Special education aid is then multiplied by 0.5 to reflect the half-day nature of those programs. Educational service centers and county boards receive this funding through transfers from the amounts allocated to the school districts with which those entities have service agreements.

### **Career-Technical Education Enhancements (200545)**

This line item funds career-technical education at institutions as well as other programs and initiatives related to career-technical education. The item's earmarks are listed in the following table.

<b>200545, Career-Technical Education Enhancements</b>		
<b>Earmarks</b>	<b>FY 2018</b>	<b>FY 2019</b>
Institution Career-Technical	\$ 2,563,568	\$ 2,563,568
Tech Prep Expansion Grants	\$ 2,872,948	\$ 1,936,474
High Schools That Work	\$ 3,000,850	\$ 3,000,850
Agriculture 5th Quarter Project	\$ 600,000	\$ 600,000
OhioMeansJobs Website	\$ 550,000	\$ 550,000
Industry-Recognized Credential Reimbursements	\$ 750,000	\$ 750,000
Career Development Roadmap Program	\$ 128,500	\$ -
Ohio ProStart School Restaurant Program	\$ 100,000	\$ 100,000
Jobs for Ohio's Graduates	\$ 100,000	\$ 100,000
<b>Total Funding: Career-Technical Education Enhancements</b>	<b>\$ 10,665,866</b>	<b>\$ 9,600,892</b>

#### **Institution Career-Technical**

These funds support career-based intervention programs at institutions, the Ohio School for the Deaf (OSD), and the Ohio State School for the Blind (OSB). Students are provided instructional programming in work and family literacy, career-based intervention, and workforce development. The funding will continue to be distributed using a grant-based methodology pursuant to a provision in temporary law.

#### **Tech Prep Expansion Grants**

These funds are used to provide competitive grants that support Tech Prep enrollment expansion and new Tech Prep programming. Eligible grantees include school districts, postsecondary entities, and other eligible recipients. Funds are initially distributed by formula to each of the six Ohio College Tech Prep Regional Centers (representing 23 community and technical colleges, 14 universities, and 91 career-technical education planning districts). The Ohio Department of Higher Education and ODE co-administer the program.

#### **High Schools That Work**

High Schools That Work (HSTW) and Making Middle Grades Work (MMGW) are school improvement initiatives designed to accelerate learning and raise standards through rigorous course work, counseling, parental and community involvement, and

teacher collaboration. The funds are used for professional development; a network for collaboration among superintendents, principals, and teachers; resources, including onsite speakers, print and electronic materials, and a website for the various site regions that assists in the implementation of key practices and conditions; and a regional office that assists sites with collaboration and technical support. The funds are also used to provide grants to implement individual sites and to assist the various regions with a number of activities through onsite coaching.

#### **Agricultural 5th Quarter Project**

The Agricultural 5th Quarter Project provides students in an agricultural education program with a supervised agricultural experience during the summer months. School districts apply to receive either \$2,000 or \$4,000 per instructor per year, depending on how many additional school days the program includes.

#### **OhioMeansJobs Website**

These funds support career planning and reporting through the K-12 Student Portal of the OhioMeansJobs website. Created pursuant to H.B. 393 of the 130th General Assembly, the K-12 Student Portal allows students to take a career interest survey, browse detailed job descriptions, obtain wage and salary data, receive guidance on which courses to take for certain career tracks, research college financial aid and scholarship opportunities, and access practice tests for the SAT, ACT, Advanced Placement exams, and computer skills training, all free of charge. The OhioMeansJobs website is administered by the Ohio Department of Job and Family Services (ODJFS) in partnership with the jobseeker site Monster.com. The Superintendent of Public Instruction and the Governor's Office of Workforce Transformation consult with ODJFS in the development and maintenance of the portal. The K-12 Student Portal replaced the Ohio Career Information System (OCIS), which was supported through user fees.

#### **Industry-Recognized Credential Reimbursements**

This earmark provides funding for reimbursements to school districts, community schools, STEM schools, and JVSDs for the cost of an industry-recognized credential or journeyman certification earned by economically disadvantaged students. In conjunction with the Department of Higher Education and the Governor's Office of Workforce Transformation, ODE must develop a schedule for the distribution of reimbursements that lists reimbursable credentials, the time needed to earn such a credential, and the cost to obtain it. If the total amount requiring reimbursement is greater than the appropriation, ODE must prorate the payments to each school or district.

**Career Development Roadmap Program**

These funds support the Ottawa County Business Advisory Council's Career Development Roadmap Program. The program consists of a succession of career education initiatives to expose Ottawa County students in grades K-12 to the skills and education needed to fill in-demand jobs in Ohio, with an emphasis on Ottawa County. The various initiatives include mentoring, soft skills development, skilled trades and apprenticeship training, career days, college visits, job shadowing, job fairs, and internships.

**Ohio ProStart School Restaurant Program**

This funding is used to prepare students for careers in culinary arts and restaurant management under the Ohio ProStart School Restaurant Program. Ohio ProStart is a two-year program for students in the 11th and 12th grades with curriculum developed by the National Restaurant Association Educational Foundation that provides students with restaurant management and culinary arts training through teaching, testing, and relevant work-based experiences. Students meeting high standards in the program are awarded industry-recognized certificates.

**Jobs for Ohio's Graduates**

These funds support Jobs for Ohio's Graduates, a nonprofit organization designed to help at-risk students graduate high school. The organization also aims to prepare these students for college and careers.

**Adaptive Sports Program (200576)**

This line item is used by ODE, in collaboration with the Adaptive Sports Program of Ohio (ASPO), to fund adaptive sports programs in school districts across the state. ASPO's goal for these funds is to increase the educational, physical, emotional, and social outcomes for students with physical disabilities through participation in school-based adaptive athletic programs.

**Education of Exceptional Children (200624)**

This funding is from federal State Personnel Development Grants (SPDG), which are used to support the Ohio Improvement Process (OIP) through the development of district, building, and teacher leadership teams focused on the district-wide improvement of instructional practice and student performance for students with disabilities. This program directly involves 48 school districts through the regional delivery system.

**Medicaid in Schools Program (657401 and 657601)**

The Medicaid in Schools Program provides districts with reimbursement for services to Medicaid-eligible students and reimburses ODE for the cost of administering the program, including technical assistance and program monitoring to verify federal program mandates and assure program compliance and accountability. In addition to

federal line item 657601, Schools Medicaid Administrative Claims, (formerly 200603) the budget creates new GRF line item 657401, Medicaid in Schools. According to ODE, the new GRF funding will allow for a continuation of the program by supplementing the federal reimbursement (claimed at 50%) it receives for this program.

**Math Science Partnerships (200667)**

This federal grant provides funding to increase student achievement in mathematics and science by improving the skills and knowledge of teachers through partnerships between institutions of higher education; science, technology, engineering, and mathematics faculty; and high-need school districts.

**Migrant Education (200620)**

This federal grant supports educational opportunities for migrant children to help reduce the educational disruptions and other problems that result from repeated moves.

**Homeless Children Education (200622)**

This federal grant ensures access to a free and appropriate education for homeless school-age children and youth. The funds support subgrants to local education agencies to assist in the education of this population through enriched supplemental instruction, transportation, health care referral services, and professional development for teachers. Grant funds also may be used by ODE for state-level planning activities.

**Rural and Low Income Technical Assistance (200639)**

These federal grants are provided to rural and low-income school districts to help them attract qualified teachers and to provide professional development appropriate for teaching low-income students.

## Category 4: Nonpublic School Support

This category of appropriations includes funding to support chartered nonpublic schools. There are approximately 700 chartered nonpublic schools in Ohio.

Appropriations for Nonpublic School Support				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200511	Auxiliary Services	\$ 150,594,178	\$ 150,594,178
GRF	200532	Nonpublic Administrative Reimbursement	\$ 68,034,790	\$ 68,034,790
<b>General Revenue Fund Subtotal</b>			<b>\$ 218,628,968</b>	<b>\$ 218,628,968</b>
<b>Dedicated Purpose Fund Group (DPF)</b>				
5980	200659	Auxiliary Services Reimbursement	\$ 2,930,000	\$ 2,930,000
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$ 2,930,000</b>	<b>\$ 2,930,000</b>
<b>Total Funding: Nonpublic School Support</b>			<b>\$ 221,558,968</b>	<b>\$ 221,558,968</b>

### Auxiliary Services (200511)

This line item funds services for chartered nonpublic schools and includes an earmark, which is shown in the following table.

200511, Auxiliary Services			
Earmarks		FY 2018	FY 2019
College Credit Plus Program for Nonpublic Students		\$ 2,600,000	\$ 2,600,000
Remainder – Auxiliary Services		\$ 147,994,178	\$ 147,994,178
<b>Total Funding: Auxiliary Services</b>		<b>\$ 150,594,178</b>	<b>\$ 150,594,178</b>

### College Credit Plus Program for Nonpublic Students

These funds are used to pay the costs of the College Credit Plus Program (CCP) for participants from nonpublic schools. CCP allows qualified Ohio high school students to take college courses at state expense for both college and high school credit. The program replaced the Post-Secondary Enrollment Options Program beginning in the 2015-2016 school year.

By rule, nonpublic school students applying for the program are awarded funding for CCP courses based on a grade-level rotation system that first allocates one unit (equal to up to four credit hours) to applicants in descending order of grade level. Thus, subject to available funds, the first round of awards provides one unit first to 12th grade applicants, then one unit to 11th grade applicants, and one unit to each successive lower grade until seventh grade applicants have been awarded one unit. After this first round, 12th grade applicants are provided two additional units and 11th grade applicants are provided one additional unit. At this point, the system begins awarding one additional unit to students in successive rounds that follow the grade level priority

of the first round until there is insufficient appropriation to award all applicants in a grade level with one additional unit.

### **Remainder – Auxiliary Services**

This funding supports secular services provided to chartered nonpublic schools. Services include health, counseling, special education, standardized testing, and test scoring. Funds may also be used to purchase secular textbooks, materials, and equipment. Auxiliary services funds are distributed on a per-nonpublic pupil basis. In FY 2017, the per-pupil amount was \$867.

Beginning in FY 2018, the budget requires ODE to pay auxiliary services funds directly to each chartered nonpublic school that is not affiliated with a religion or has a curriculum or mission that contains religious content, religious courses, or any other religious activity. The budget maintains the current law procedure of making these payments to school districts so that the districts may make purchases for chartered nonpublic schools that are affiliated with a religion. The budget also adds to the list of services that can be purchased with auxiliary services funds by allowing (1) academic support services for English language learners and (2) procurement of security services through a county sheriff, police force, or from a certified special police officer, security guard, or privately employed person serving in a police capacity.

### **Nonpublic Administrative Cost Reimbursement (200532)**

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, including the preparation, filing, and maintenance of forms, reports, or records related to state chartering or approval of the school; pupil attendance; transportation of pupils; teacher certification and licensure; and other education-related data. The reimbursement is based on the actual costs from the prior year with a maximum statutory reimbursement rate of \$360 per pupil. The budget permits ODE to make reimbursement payments to a nonpublic school that total up to \$405 per student for each school year, notwithstanding the \$360 per student limitation. In FY 2017, the average per-pupil amount of these reimbursements was about \$394.

### **Auxiliary Services Reimbursement (200659)**

These funds are used to replace and repair mobile units that are used to provide auxiliary services, and can also be used to fund early retirement or severance pay for employees paid from line item 200511. The revenue for these expenses comes from transfers of cash from the Auxiliary Services Personnel Unemployment Compensation Fund that is estimated to be in excess of the amount needed to pay unemployment claims. A portion of the funds may also be used to make payments for chartered nonpublic school students participating in the College Credit Plus Program, pursuant to a change made in H.B. 113 of the 131st General Assembly.

## Category 5: School Operations Support

This category of appropriations includes funding to support expenses related to management, computer networks, food service, facilities, and school safety.

Appropriations for School Operations Support				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200422	School Management Assistance	\$ 2,077,615	\$ 2,113,413
GRF	200426	Ohio Educational Computer Network	\$ 15,457,000	\$ 15,457,000
GRF	200465	Education Technology Resources	\$ 5,179,107	\$ 5,179,107
GRF	200505	School Lunch Match	\$ 8,963,500	\$ 8,963,500
GRF	200578	Violence Prevention and School Safety	\$ 250,000	\$ 250,000
<b>General Revenue Fund Subtotal</b>			<b>\$ 31,927,222</b>	<b>\$ 31,963,020</b>
<b>Dedicated Purpose Fund Group (DPF)</b>				
4550	200608	Commodity Foods	\$ 16,000,000	\$ 16,000,000
5H30	200687	School District Solvency Assistance	\$ 8,000,000	\$ 8,000,000
5MM0	200677	Child Nutrition Refunds	\$ 550,000	\$ 550,000
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$ 24,550,000</b>	<b>\$ 24,550,000</b>
<b>State Lottery Fund Group (SLF)</b>				
7017	200684	Community School Facilities	\$ 16,600,000	\$ 16,600,000
<b>State Lottery Fund Group Subtotal</b>			<b>\$ 16,600,000</b>	<b>\$ 16,600,000</b>
<b>Federal Fund Group (FED)</b>				
3670	200607	School Food Services	\$ 10,080,635	\$ 10,280,635
3GE0	200674	Summer Food Service Program	\$ 14,856,635	\$ 14,856,635
3GG0	200676	Fresh Fruit and Vegetable Program	\$ 4,677,340	\$ 4,677,340
3L60	200617	Federal School Lunch	\$ 394,612,000	\$ 406,450,000
3L70	200618	Federal School Breakfast	\$ 142,688,750	\$ 154,103,850
3L80	200619	Child/Adult Food Programs	\$ 106,913,755	\$ 106,913,755
<b>Federal Fund Group Subtotal</b>			<b>\$ 673,829,115</b>	<b>\$ 697,282,215</b>
<b>Total Funding: School Operations Support</b>			<b>\$ 746,906,337</b>	<b>\$ 770,395,235</b>

### School Management Assistance (200422)

This funding allows ODE to provide technical assistance and in-service education for school management personnel to assist in managing their fiscal resources. It also funds ODE's administrative expenses related to districts in fiscal caution, fiscal watch, or fiscal emergency.

### Ohio Educational Computer Network (200426)

This item includes the earmarks listed in the following table.

200426, Ohio Educational Computer Network		
Earmarks	FY 2018	FY 2019
Building Connectivity	\$ 9,686,658	\$ 9,686,658
Information Technology Centers	\$ 4,843,329	\$ 4,843,329
Remainder – Ohio Educational Computer Network	\$ 927,013	\$ 927,013
<b>Total Funding: Ohio Educational Computer Network</b>	<b>\$ 15,457,000</b>	<b>\$ 15,457,000</b>



### Building Connectivity

This funding is used to support the connection of public school buildings and participating chartered nonpublic schools to the state education network. Schools receive a per-building subsidy for this purpose. Costs of connectivity may include operating and upgrading network connections, Internet service provider charges, Internet2, which is a private network connecting schools and universities across the country, and the back-up site for the state network.

### Information Technology Centers (ITCs)

This funding supports the 22 ITCs 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, JVSDs, and ESCs. Funds also support the administration and collection of data for school districts and for providing front-line customer support related to data reporting. Distribution of funds to ITCs is provided through a per-pupil formula based on the enrollments of ITC member districts and software usage.

### Remainder – Ohio Educational Computer Network

This funding supports the development and maintenance of administrative software that school districts use for accounting, payroll, scheduling, grade reporting, and inventory. It may also be used to support the teacher student linkage/roster verification process, and the eTranscript/student records exchange initiative.

### Education Technology Resources (200465)

This line item includes the earmarks listed in the following table.

200465, Education Technology Resources			
Earmark	FY 2018		FY 2019
INFOhio and Union Catalog	\$	2,500,000	\$ 2,500,000
Education Technology Centers	\$	1,778,879	\$ 1,778,879
Remainder – Education Technology Resources	\$	900,228	\$ 900,228
<b>Total Funding: Education Technology Resources</b>	<b>\$</b>	<b>5,179,107</b>	<b>\$ 5,179,107</b>

### INFOhio and Union Catalog

This earmark supports the INFOhio Network and the Union Catalog. 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 K-12 students. It includes electronic resources specifically geared toward the primary and secondary school student, such as *Encyclopedia Britannica*, and resources supporting the teaching of state academic content standards. Students also receive access to licensed databases through Library Connects Ohio (LCO), a digital content buying consortium of

libraries statewide. The Union Catalog offers students and teachers anywhere in Ohio access to library and curriculum resources.

### **Education Technology Centers**

This funding supports educational television stations and education technology centers that provide school districts with instructional resources and services, with priority given to services aligned with the state academic content standards. Resources may include, but are not limited to, pre-recorded video material, computer software for student use, live student courses, automated media systems, and instructional and professional development materials for teachers.

### **Remainder – Education Technology Resources**

This funding supports oversight for several technology-related initiatives, including administration of the federal E-Rate Program. The funds may also be used to support training, technical support, guidance, and assistance with compliance reporting to school districts and public libraries applying for federal E-Rate funds. Additionally, funding will be used for the following: (1) oversight and guidance of school district technology plans, (2) support to district technology personnel, (3) support for the eTranscript system, a student records exchange initiative jointly sponsored by ODE and the Department of Higher Education that was previously supported by federal funding, (4) Internet safety training for teachers and administrators, and a program of study for K-8 students related to online safety skills .

### **Violence Prevention and School Safety (200578)**

The line item funds the Security Grants Program, which the budget creates to make competitive grants to chartered nonpublic schools and educational or childcare centers to assist the school or center in preventing, preparing for, or responding to acts of terrorism, including by acquiring the services of a resource officer. The budget appropriates \$250,000 in each fiscal year for the grants. Individual grants for purposes other than acquiring the services of one or more resource officers are limited to no more than \$100,000 and grants for purposes of acquiring the services of one or more resource officers are limited to no more than \$100,000 per officer per building. Grant recipients are generally required to provide a local matching contribution at a ratio of one-to-one. However, an applicant for a grant that is unable to provide a sufficient matching contribution may, in its grant application, submit a written request for a waiver of the local matching contribution requirement, which ODE may grant only for good cause. ODE may use up to 2.5% of the total amount appropriated for the grant program for program administrative costs.

**Commodity Foods (200608)**

This funding supports school food programs by contracting with commercial food processors to convert bulk or raw United States Department of Agriculture (USDA) commodities into more convenient ready-to-use end products at a reduced cost for school districts participating in the school lunch and school breakfast programs. In this program, ODE obtains the donated food from the USDA and charges school districts for the processing and handling.

**Child Nutrition Refunds (200677)**

This appropriation item is used to repay the USDA for child nutrition grant funds returned by program sponsors after the federal fiscal year ends. This item is also used to make repayments to the USDA of funds received due to audit findings.

**School District Solvency Assistance (200687)**

This funding is paid from two accounts: (1) the shared resource account, which is used to make interest-free advances to districts to enable them to remain solvent and to pay unforeseen expenses of a temporary or emergency nature and (2) the catastrophic expenditures account, which is used to make grants to districts for unforeseen catastrophic events. Advances made to districts from the shared resource account must generally be repaid no later than the end of the second year following the fiscal year in which the advance was made. In some cases, ODE and the Office of Budget and Management may approve alternate repayment schedules lasting no longer than ten years. Grants from the catastrophic expenditures account do not need to be repaid, unless reimbursed by a third party. The program was first appropriated \$30.0 million in FY 1998 by H.B. 650 of the 122nd General Assembly. It is now funded through repayments of advances from the shared resource account.

The budget provides funding of \$8.0 million in each fiscal year and specifies that \$4.0 million is for the shared resources account and \$4.0 million for the catastrophic expenditures account. The budget continues to permit the Controlling Board to authorize a transfer of lottery profits from the Lottery Profits Reserve Fund (Fund 7018) to the School District Solvency Assistance Fund (Fund 5H30), if the cash in Fund 5H30 is insufficient to provide the needed assistance. The transferred cash is appropriated to appropriation item 200670, School District Solvency Assistance – Lottery. The budget also continues to permit the transfer of cash from the GRF or any other fund used by ODE to Fund 5H30, if necessary.

**Community School Facilities (200684)**

This funding, supported by lottery profits, assists community and STEM schools with the cost associated with facilities. In FY 2018 and FY 2019, the budget provides each brick and mortar school with \$200 per each full-time equivalent student and each Internet- or computer-based community school (e-school) with \$25 per pupil,

maintaining the per-pupil amounts provided in FY 2017. The per-pupil amounts are to be prorated if the appropriation is not sufficient to cover the full amount of the payments.

**School Food Services (200607)**

This federal funding is used by ODE for administrative support and monitoring of federally funded school food programs. States are required to meet a minimum level of state investment to receive federal funds. State funds needed to comply with the federal maintenance of effort requirements associated with this grant are expended from GRF line item 200321, Operating Expenses.

**Summer Food Service Program (200674)**

This line item distributes federal funding under the USDA's Summer Food Service Program, which reimburses eligible service institutions (referred to as sponsors) that serve free meals to children up to the age of 18 during the summer when schools are closed, during the extended school vacation periods, if the school is closed because of an emergency situation, and if a school is operating a year-round program. Participating sites must be located in areas where at least 50% of the children meet the income eligibility criteria for free and reduced price meals.

**Fresh Fruit and Vegetable Program (200676)**

This line item distributes federal funding under the USDA's Fresh Fruit and Vegetable Program, which reimburses school districts for costs incurred in providing children in participating elementary schools with free, fresh produce outside of National School Lunch Program and School Breakfast Program food service times. The program is offered to elementary schools in low-income areas on a competitive basis.

**School Lunches (200505 and 200617)**

These line items support the federal National School Lunch Program, which provides over one million meals per day at over 4,000 sites including public and nonprofit private schools, camps, and institutions. State funds from line item 200505 serve as the required match for receiving the federal funds in line item 200617. If appropriation remains after the match is met, these funds may also be used to partially reimburse schools that are required by the state to have a school breakfast program.

**Federal School Breakfast (200618)**

This federal funding allows more than 72 million breakfasts to be served for low-income students at almost 3,000 sites including public and nonprofit private schools, camps, and institutions. Under state law, districts must participate in the school breakfast program if 20% of their students are eligible for free or reduced price lunches unless they opt out for financial reasons.

**Child/Adult Food Programs (200619)**

This federal funding provides reimbursements for nutritious snacks, as well as breakfast, lunch, and dinner, to children or adults enrolled in participating day care centers, after-school programs, or adult day care centers.

## Category 6: Academic Achievement

This category of appropriations includes funding to support a variety of programs and initiatives designed to improve the academic achievement of Ohio's students.

Appropriations for Academic Achievement				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200566	Literacy Improvement	\$ 750,000	\$ 1,250,000
GRF	200572	Adult Education Programs	\$ 7,533,216	\$ 8,702,475
<b>General Revenue Fund Subtotal</b>			<b>\$ 8,283,216</b>	<b>\$ 9,952,475</b>
<b>Dedicated Purpose Fund Group (DPF)</b>				
4540	200610	High School Equivalency	\$ 1,187,065	\$ -
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$ 1,187,065</b>	<b>\$ -</b>
<b>State Lottery Fund Group (SLF)</b>				
7017	200629	Community Connectors	\$ 4,000,000	\$ 4,000,000
<b>State Lottery Fund Group Subtotal</b>			<b>\$ 4,000,000</b>	<b>\$ 4,000,000</b>
<b>Federal Fund Group (FED)</b>				
3AN0	200671	School Improvement Grants	\$ 25,000,000	\$ 25,000,000
3HF0	200649	Federal Education Grants	\$ 6,364,327	\$ 6,364,327
3T40	200613	Public Charter Schools	\$ 14,200,000	\$ 14,200,000
3Y20	200688	21st Century Community Learning Centers	\$ 47,500,000	\$ 47,500,000
3Y70	200689	English Language Acquisition	\$ 10,101,411	\$ 10,101,411
<b>Federal Fund Group Subtotal</b>			<b>\$ 103,165,738</b>	<b>\$ 103,165,738</b>
<b>Total Funding: Academic Achievement</b>			<b>\$ 116,636,019</b>	<b>\$ 117,118,213</b>

### Literacy Improvement (200566)

This funding is used to support early literacy activities to align state, local, and federal efforts in order to bolster all students' reading success. Specifically, the funding is used by ODE to contract with ESCs to establish regional professional development teams in literacy. According to ODE, these funds will be used by the regional professional development teams to: (1) provide quality research-based professional development for educators that will enhance evidence-based literacy instruction, (2) hire regional early literacy specialists who support participating schools while building the capacity of internal district coaches to sustain and scale-up the evidence-based practices, and (3) expand state level coordination at ODE to guide and manage Ohio's Early Literacy Plan. A portion of the funds may also be used by ODE for program administration, monitoring, technical assistance, support, research, and evaluation related to early learning activities.

### Adult Education Programs (200572 and 200610)

The budget consolidates GRF funding for the adult education programs in ODE's budget in GRF line item 200572, which formerly funded only the Adult Diploma Program. This line item now also supports the Adult 22+ High School Diploma

Program (formerly funded by GRF line item 200421, Alternative Education Programs), ODE's High School Equivalence Office (formerly funded by GRF line item 200447, High School Equivalency Testing), and a program that provides vouchers to assist with the cost of high school equivalency exams for first-time test takers (formerly funded by an earmark in GRF line item 200550, Foundation Funding). The consolidation of programs in this line item provides ODE with greater flexibility in determining how funding is allocated among the programs.

The budget requires non-GRF line item 200610, High School Equivalency, to be used in conjunction with line item 200572. Together, the budget provides \$8.7 million each year for adult education programs. Each program funded by these line items is described in further detail below. A portion of line item 200572 may be also used for program administration, technical assistance, support, research, and evaluation of adult education programs, including high school equivalency examinations approved by ODE.

### **Adult Diploma Program**

This funding supports a program to offer the state's 1.1 million adults who have dropped out of high school a pathway to obtain a state-issued high school diploma. Upon completion of the program, graduates will earn both a high school diploma and an industry-recognized credential in an in-demand field such as manufacturing or medical technology. Payments to participating institutions for each student enrolled in an approved program of study are calculated according to a formula providing certain tiers of funding based on the number of hours of technical training required in the student's career pathway training program and the student's grade level upon initial enrollment into the program. The budget permits any remaining funds in each fiscal year for the Adult Diploma Program to be encumbered by ODE and remain available for payment for up to two years from the end of each fiscal year in which the funds were originally appropriated.

The budget also requires an entity other than ODE to make full or partial payments for a student participating in this program to the student's school, if the Superintendent of Public Instruction and the Chancellor of Higher Education determine it is appropriate for the entity to make payments. According to ODE, this change allows providers to use local sources of funding to support the program, demand for which has exceeded available state funding. Private philanthropy, scholarship funds, endowments, and businesses are all potential sources of funds.

### **Diplomas for Individuals 22 and Older**

This funding supports payments to school districts, schools, community colleges, university branches, technical colleges, or state community colleges for students ages 22 and above who enroll to earn a locally issued high school diploma. These education

entities may receive up to \$5,000 per FTE student based on ODE's determination of an enrolled student's completion of graduation requirements. There are currently 18 providers located throughout the state.

### **High School Equivalency Test Reimbursement**

These funds are used by ODE to reimburse students taking a nationally recognized high school equivalency test (the GED, HiSet, and TASC) for the first time for application fees, test fees, or both in excess of \$40, up to a maximum of \$80. A portion of these funds may be reimbursed to the Department of Youth Services and the Department of Rehabilitation and Correction for individuals in their facilities who have taken an approved examination for the first time.

### **Community Connectors (200629)**

This line item supports career advising and mentoring grants for students in low-performing, high-poverty schools. Under the program, ODE awards competitive matching grants to eligible school districts to fund local networks of volunteers and organizations that sponsor advising and mentoring activities. These districts must partner with members of the business community, civic organizations, or the faith-based community to provide sustainable career services. Priority is given to grant applicants that deliver volunteer-based K-12 programs that foster financial literacy, career readiness, and entrepreneurship skills through experiential learning opportunities in classroom settings. Under the budget, the state match for grant awards is up to \$3 for every \$1 in local funding. However, the Superintendent may prescribe a maximum grant award, which must be at least \$150,000.

### **School Improvement Grants (200671)**

This federal funding is used to help struggling schools improve academic performance. ODE awards competitive grants of \$50,000 to \$2.0 million paid over a five-year period. In line with federal requirements, ODE identified the lowest performing 5% of local education agencies (LEAs) in two categories (tier 1 and tier 2). A third category of LEAs (tier 3) was also eligible to apply for the grants although priority was given to LEAs in tier 1 and tier 2. Traditionally, LEAs in tiers 1 and 2 must implement one of several intervention models designated by the U.S. Department of Education.

### **Federal Education Grants (200649)**

This new line item consolidates funding for the activities of the following seven federal grants: Project Aware (Fund 3GQ0 line item 200679), Neglected and Delinquent Education (Fund 3090 line item 200601), Miscellaneous Nutrition Grants (Fund 3GF0 line item 200675), Advanced Placement (Fund 3EK0 line item 200637), JAVITS Gifted and Talented Students (Fund 3GZ0 line item 200609), School Climate Transformation



(Fund 3GP0 line item 200600), and the Head Start Collaboration Project (Fund 3H90 line item 200605). Each grant supported by this line item is briefly described below.

### **Project Aware**

Project Aware supports student, teacher, and community engagement with mental health awareness and advocacy in order to create safe and healthy schools. The initiative's focus population is students and families in 30 high-need school districts served by the ESCs in Cuyahoga, Warren, and Wood counties. Grant funds are used by the three ESCs to develop, enhance, or expand systems of support for, and technical assistance to, schools in implementing evidence-based models of behavioral supports to improve student behavioral outcomes and learning conditions for all students.

### **Neglected and Delinquent Education**

This federal funding provides financial assistance to state or local institutions that serve neglected and delinquent children to help meet their needs. The funds are used for supplementary education services that provide educational continuity for children and youths in state-operated institutions, in community day programs, and in adult correctional institutions so that they can make successful transitions to school or employment once they are released.

### **Miscellaneous Nutrition Grants**

This federal funding is used to distribute various USDA nutrition grants. In particular, this item supports team nutrition grants, which encourage nutritious school meals and nutrition education for children.

### **Advanced Placement**

These federal funds are used to reimburse districts and schools for a portion of the costs associated with Advanced Placement or International Baccalaureate tests for low-income students.

### **JAVITS Gifted and Talented Students Education**

These federal funds are used to support activities intended to improve the ability of schools to meet the educational needs of gifted and talented students, particularly those from economically disadvantaged backgrounds. Ohio's program, called Online Curriculum Consortium for Accelerating Middle School, supports demonstration projects, innovative strategies, research, and similar activities in five diverse school districts with large populations of economically disadvantaged students. Grant funds are used to study methods and techniques for identifying and teaching gifted and talented students, provide high-level online course work for such students, and provide professional development to train teachers and coordinators in effective online instruction and student support.

**School Climate Transformation**

These federal funds are used by ODE to build and expand the statewide resources and local implementation of a multi-tiered behavioral framework to improve school climate. The recently formed and ODE-sponsored Ohio Positive Behavioral Interventions and Supports (PBIS) Network increases the training, coaching, and resources available to school districts to support PBIS implementation and evaluation. The Ohio PBIS Network is composed of PBIS specialists from each of Ohio's 16 regional State Support Teams (SST). The PBIS Network specialists are integrated into the SSTs and are able to provide multi-tiered behavioral supports in a manner that is coordinated and aligned with other Ohio-specific change and improvement initiatives.

**Head Start Collaboration Project**

These federal funds provide funding for the coordination of federal, state, and local policies to support a coordinated early childhood education and child care system. Funds support federal Head Start and child care providers in increasing services to families. Activities funded include the dissemination of information, the support of partnerships between Head Start and child care providers, and leadership services.

**Public Charter Schools (200613)**

This federal funding will be used by ODE to support planning, design, and initial implementation of high-quality charter schools, known in Ohio as community schools. Grants are made for start-up costs in planning, development, and early implementation phases of community school development. In FY 2015, Ohio was awarded a new five-year, \$71 million competitive federal grant for these purposes.

**21st Century Community Learning Centers (200688)**

This federal grant provides opportunities for communities to establish or expand activities in community learning centers that provide academic enrichment services during nonschool hours or extended learning time as part of the school day, particularly for students in low-performing, high-poverty schools. Funds are distributed competitively to selected grantees for a five-year period, with a maximum of \$200,000 per year in the first three years and gradually reduced maximum amounts for the last two years as recipients must transition to other resources to sustain the program after the grant expires.

**English Language Acquisition (200689)**

These federal funds provide assistance to school districts in meeting the special language needs of national origin minority and limited English proficiency students. In particular, the funds help ensure such students have equal educational opportunities and build school district capacity to close the academic achievement gap between these students and their peers.

## Category 7: Early Childhood Education

This category of appropriations includes funding to support early childhood education programs.

Appropriations for Early Childhood Education				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200408	Early Childhood Education	\$ 68,116,789	\$ 68,116,789
GRF	200442	Child Care Licensing	\$ 1,852,200	\$ 1,887,863
<b>General Revenue Fund Subtotal</b>			<b>\$ 69,968,989</b>	<b>\$ 70,004,652</b>
<b>Federal Fund Group (FED)</b>				
3C50	200661	Early Childhood Education	\$ 12,555,000	\$ 12,555,000
<b>Federal Fund Group Subtotal</b>			<b>\$ 12,555,000</b>	<b>\$ 12,555,000</b>
<b>Total Funding: Early Childhood Education</b>			<b>\$ 82,523,989</b>	<b>\$ 82,559,652</b>

### Early Childhood Education (200408)

This line item funds early childhood education programs in school districts, JVSs, ESCs, community schools sponsored by an exemplary sponsor, chartered nonpublic schools and specific childcare providers licensed by the Ohio Department of Job and Family Services (ODJFS). This line item contains the earmarks listed in the following table.

200408, Early Childhood Education			
Earmarks		FY 2018	FY 2019
Early Childhood Support and Technical Assistance	\$	1,362,336	\$ 1,362,336
Remainder – Early Childhood Education Grants	\$	66,754,453	\$ 66,754,453
<b>Total Funding: Early Childhood Education</b>	<b>\$</b>	<b>68,116,789</b>	<b>\$ 68,116,789</b>

### Early Childhood Support and Technical Assistance

ODE uses this funding to administer early childhood education programs and provide technical support to districts. The budget specifies that no more than 2.0% of the total appropriation in any fiscal year may be used by ODE for these purposes. The budget requires ODE to conduct an annual survey of each provider to obtain information on any tuition or fees charged by the provider for the program and to provide an annual report regarding early childhood education programs and the early learning program standards.

### Early Childhood Education Grants

This funding supports early childhood education programs that provide educational services for children from families with incomes below 200% of the federal poverty level. In FY 2017, H.B. 64 limited program eligibility to four-year-old children only instead of both three- and four-year olds. In FY 2018 and FY 2019, the budget

prioritizes funding for children who are at least four years old but not yet eligible for kindergarten. However, if an early childhood education provider has remaining funding after awards are made for eligible four-year-olds, the budget permits the provider to seek approval from ODE to consider qualified three-year-olds eligible for funding. Under the budget, the GRF will fund up to 16,688 children in FY 2018 and FY 2019 at a cost of \$4,000 per child. An additional 1,250 slots each year will continue to be supported by \$5.0 million annually in casino operator settlement fund moneys appropriated in Fund 5KT0 line item 600696, Early Childhood Education, in the ODJFS budget.

A district may self-operate or may contract with a Head Start agency, a chartered nonpublic school, or a licensed child care provider to provide Early Childhood Education services. These programs must align their curricula to the early learning program standards developed by ODE, administer diagnostic assessments prescribed by ODE, require all teachers to attend at least 20 hours of professional development every two years, report child progress in meeting the program standards, and participate in Ohio's tiered quality rating and improvement system. Over the previous biennium, ODE worked to develop a joint process with ODJFS synchronizing early childhood education program eligibility, application, tracking, and payments. The budget requires ODE and ODJFS to continue aligning the programs.

#### ***Early Childhood Education Parent Choice Demonstration Pilot Program***

The budget also permits ODE to establish a pilot program that employs one or more parent choice models where parents choose among designated early childhood education providers. If established, ODE expects to operate such a pilot program in two to three areas around the state through partnerships with ESCs, local departments of job and family services, and family and children first councils. According to ODE, the award amount under the pilot program is expected to be \$4,000 per year, which is the same award amount as the existing early childhood education grant program.

#### ***Early Childhood Education Pilot Program in Appalachia***

Lastly, the budget requires ODE to implement an early childhood education pilot program in up to two counties in the Appalachian region of the state. The funding must be distributed to existing providers of early childhood education programs or to any new eligible provider to fund a total of 125 eligible children each fiscal year. ODE is also required to collect and review data from the program. According to ODE, the award amount under the pilot program is also expected to be \$4,000 per child.

#### **Child Care Licensing (200442)**

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 developmental disabilities.

**Early Childhood Education (200661)**

These federal funds are distributed to districts to support special education and related services to children with disabilities between the ages of three and five. Districts are mandated under federal law to provide a free and appropriate public education to these children and are required to develop IEPs for them. These federal grant funds are provided as supplemental funding in addition to the preschool special education funding provided by state funds. Funds are distributed based on 1997 service levels with adjustments for total population and poverty. A portion of the funding may be used for state-level activities.

## Category 8: Educator Quality

This category of appropriations includes funding to support programs that aim to improve the quality of educators in Ohio.

Appropriations for Educator Quality				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200448	Educator Preparation	\$ 1,710,384	\$ 1,710,384
<b>General Revenue Fund Subtotal</b>			<b>\$ 1,710,384</b>	<b>\$ 1,710,384</b>
<b>Dedicated Purpose Fund Group (DPF)</b>				
4L20	200681	Teacher Certification and Licensure	\$ 16,002,297	\$ 16,002,297
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$ 16,002,297</b>	<b>\$ 16,002,297</b>
<b>Federal Fund Group (FED)</b>				
3Y60	200635	Improving Teacher Quality	\$ 85,000,000	\$ 85,000,000
<b>Federal Fund Group Subtotal</b>			<b>\$ 85,000,000</b>	<b>\$ 85,000,000</b>
<b>Total Funding: Educator Quality</b>			<b>\$ 102,712,681</b>	<b>\$ 102,712,681</b>

### Educator Preparation (200448)

These funds are used primarily by ODE to implement teacher and principal evaluation systems, including the use of student growth and teacher value-added reports. This line item contains the earmarks listed in the following table.

200448, Educator Preparation			
Earmarks	FY 2018	FY 2019	
State System of Support Assistance	\$ 339,783	\$ 339,783	
Educator Standards Board	\$ 67,957	\$ 67,957	
Teach For America	\$ 450,000	\$ 450,000	
FASTER Saves Lives - Training	\$ 75,000	\$ 100,000	
FASTER Saves Lives - Equipment	\$ 25,000	\$ -	
The Childhood League Center	\$ 100,000	\$ 100,000	
Remainder – Teacher and Principal Evaluation Systems	\$ 652,644	\$ 652,644	
<b>Total Funding: Educator Preparation</b>	<b>\$ 1,710,384</b>	<b>\$ 1,710,384</b>	

### State System of Support Assistance

The budget authorizes up to \$339,783 in each fiscal year from this item for ODE to monitor and support Ohio's State System of Support in accordance with the Every Student Succeeds Act. Specifically, ODE will use the funds to support school improvement for struggling schools through data analysis, needs assessment, and assistance with implementing the Ohio Improvement Process, which is an integrated, research-based planning approach for districts to use as they develop and implement a focused improvement plan. These funds are used in conjunction with the \$3.5 million set-aside for ESC school improvement initiatives in GRF line item 200550, Foundation Funding.

**Educator Standards Board**

The budget authorizes up to \$67,957 in each fiscal year from this item to support the Educator Standards Board, which is responsible for the development and implementation of statewide standards for Ohio's teachers and principals.

**Teach For America**

These funds support Teach For America's corps member recruitment, teacher training and development, and alumni support and networking in Ohio.

**FASTER Saves Lives – Training**

These funds support FASTER Saves Lives training for selected school staff for the purpose of stopping active shooters and treating casualties.

**FASTER Saves Lives – Equipment**

These funds are used to purchase trauma training and equipment for school staff that have completed FASTER Saves Lives training. The budget also reappropriates the unexpended, unencumbered balance of this earmark at the end of FY 2018 to FY 2019.

**The Childhood League Center**

These funds are distributed to The Childhood League Center to provide intensive early intervention and educational services in Franklin County, to support the Play and Language for Autistic Youngsters (PLAY) Project in underserved counties, and to provide services and training for providers and families.

**Remainder – Teacher and Principal Evaluation Systems**

This funding supports the implementation of the teacher and principal evaluation systems, including incorporation of student growth as a metric in those systems, and teacher value-added reports. Student growth and teacher performance measures comprise 50% each of a teacher's evaluation rating, except if a district or school chooses an alternative framework. The alternative framework lowers the percentage of the student growth component to 35% of the rating and provides for alternative measures such as student surveys and portfolios to comprise the remaining 15%.

**Teacher Certification and Licensure (200681)**

This line item funds the processing of licensure applications, technical assistance related to licensure, and the administration of the teacher disciplinary process. ODE also provides products and services that improve stakeholder awareness, understanding, and practice of professional conduct. The program also administers the retained applicant fingerprint database program (RAPBACK) for Ohio educators.<sup>4</sup> Funding for these activities is provided by licensure fees that are deposited into DPF

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<sup>4</sup> RAPBACK is a continuous criminal record monitoring service overseen by the Attorney General's Office.

Fund 4L20. Fees are \$40 per year on an annualized basis for a four-year resident educator license.

The budget makes a number of changes regarding educator licensure and preparation. The budget authorizes a district superintendent to allow an employee who does not hold an educational aide permit or paraprofessional license to work as a substitute for an educational assistant for up to 60 days, so long as the employee's application materials indicate that the employee is qualified to obtain such a permit or license. The employee must (1) apply to the State Board for such a permit or license prior to starting work as a substitute and (2) complete a criminal records check for nonlicensed school employees.

The budget also requires ODE to request fingerprints from licensed educators and applicants for licensure who are not enrolled in RAPBACK in order to enroll them, and to inactivate a license or reject an application of an educator who does not comply. It also requires instruction in opioid and other substance abuse prevention to be included in all teacher and school personnel preparation programs.

### **Improving Teacher Quality (200635)**

Most of this federal grant is passed through directly to school districts based on a federal formula that considers enrollment and poverty in each district. Districts must use the funds for professional development and educator quality purposes. Up to 1% of the state's grant allocation may be used for state administration and planning, which is shared between ODE and the Department of Higher Education (DHE). Of the remaining state allocation, ODE receives 2.5% for state-level activities. Note that DHE also receives 2.5% of the remaining state allocation to make competitive grants that support partnerships between school districts and higher education institutions that develop education training activities. DHE's 2.5% allocation and its share of administrative funds are appropriated within DHE's budget.



## Category 9: Curriculum, Assessment, and Accountability

This category of appropriations includes funding to support the state academic content standards and model curriculum, state assessments, and the state school accountability system.

Appropriations for Curriculum, Assessment, and Accountability				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200424	Policy Analysis	\$ 428,962	\$ 428,962
GRF	200427	Academic Standards	\$ 3,819,487	\$ 3,819,487
GRF	200437	Student Assessment	\$ 55,959,287	\$ 56,025,042
GRF	200439	Accountability/Report Cards	\$ 413,167	\$ 913,167
GRF	200446	Education Management Information System	\$ 7,574,367	\$ 7,620,414
<b>General Revenue Fund Subtotal</b>			<b>\$ 68,195,270</b>	<b>\$ 68,807,072</b>
<b>Dedicated Purpose Fund Group (DPF)</b>				
5U20	200685	National Education Statistics	\$ 150,000	\$ 150,000
5UC0	200662	Accountability/Report Cards	\$ 5,000,000	\$ 5,000,000
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$ 5,150,000</b>	<b>\$ 5,150,000</b>
<b>Federal Fund Group (FED)</b>				
3Z20	200690	State Assessments	\$ 11,500,000	\$ 11,500,000
<b>Federal Fund Group Subtotal</b>			<b>\$ 11,500,000</b>	<b>\$ 11,500,000</b>
<b>Total Funding: Curriculum, Assessment, and Accountability</b>			<b>\$ 84,845,270</b>	<b>\$ 85,457,072</b>

### Policy Analysis (200424)

This line item supports research and data collection related to education policy analysis. ODE staff members supported by this item are responsible for developing reports, analyses, and briefings to inform education policymakers of current trends in educational practices, efficient and effective use of resources, and evaluations of programs to improve educational results.

### Academic Content Standards (200427)

This funding supports the development and dissemination of the state academic content standards and model curricula, including (1) technical support in the application of new academic content standards to ensure they are used effectively, (2) professional development programs, and (3) other tools for teachers. The budget requires ODE to utilize educational service centers in the development and delivery of professional development programs on content standards and model curriculum.

Academic content standards describe what the state expects all students to know and be able to do at each grade level. Model curricula are resources that schools can use to develop courses of study that are aligned to the academic content standards. The standards and model curricula can be accessed from ODE's website (<http://education.ohio.gov/>) by clicking on the "Learning in Ohio" link under the "Topics" section of the home page.

### Student Assessment (200437 and 200690)

This funding supports the development, printing, distribution, collection, scoring, and reporting of state assessments. Both federal and state funding supports this programming. Federal funding for assessments is appropriated in line item 200690, State Assessments. The GRF item includes one earmark for diagnostic assessments, which is listed in the following table.

200437, Student Assessment			
Earmarks		FY 2018	FY 2019
Diagnostic Assessments	\$	2,760,000	\$ 2,760,000
Remainder – Student Assessments	\$	53,199,287	\$ 53,265,042
<b>Total Funding: Student Assessment</b>	<b>\$</b>	<b>55,959,287</b>	<b>\$ 56,025,042</b>

#### Diagnostic Assessments

This funding supports diagnostic assessments for students in grades K-3, but mainly funds the kindergarten readiness assessment (KRA). Since the 2014-2015 school year, an expanded KRA has been administered, which not only measures language and literacy, as the former KRA did, but now also mathematics, social foundations, and physical well-being and motor development. The diagnostic assessments measure student comprehension of academic content and mastery of related skills in reading, writing, and mathematics. Results of the diagnostic assessments are used to determine students who are not performing at grade level and are in need of intervention. Diagnostic assessments are made available to public schools and districts at no cost.

The budget permits school districts to administer the selected response and performance task items part of the KRA up to two weeks prior to the first day of the school year whereas under former law, a district must have administered the assessment not earlier than the first day of the school year and not later than the first day of November.

#### Remainder – Student Assessment

These funds support all other state assessments that are administered to students enrolled in public schools. The aggregate student scores on those assessments are used in computing annual state report card ratings for school districts and other public schools.

The budget makes several changes to the state assessment system. Notably, it eliminates the fourth- and sixth-grade statewide achievement assessments in social studies. Instead, the budget requires each school district or school to teach and assess social studies in at least the fourth and sixth grades and determine any such social studies assessment, which may be formative or summative in nature. The budget prohibits a district or school from reporting the results of any social studies assessment

to ODE. The budget also requires that at least 40% of questions from each elementary state assessment and high school end-of-course exam become public records beginning in the 2017-2018 school year. Former law required all questions and preferred answers on an assessment to become public record in phases over a two-year period following the administration. The budget also requires ODE to determine which questions will be needed for reuse on a future assessment and prohibits the release of those questions as a public record. It also prohibits ODE from making any questions from the elementary English language arts and mathematics assessments administered in the 2015-2016 school year a public record in 2017.

### **Accountability/Report Cards (200439 and 200662)**

These funds are used to produce local report cards for 609 school districts and almost 4,000 public school buildings, including community schools, as well as a state report card that presents results for the state as a whole. Formerly supported entirely by GRF line item 200439, the budget funds these activities primarily through a new non-GRF line item – Fund 5UC0 line item 200662 – in FY 2018 and FY 2019. Cash transfers of \$5 million each fiscal year from the State Board of Education Licensure Fund (Fund 4L20) provide the funding for the new item, which the budget supplements with funds appropriated in GRF line item 200439. Combined, these two line items provide a total of \$5.4 million in FY 2018 and \$5.9 million in FY 2019 for the state's accountability system. Item 200662 includes one earmark, which is listed in the following table.

<b>200662, Accountability/Report Cards</b>			
<b>Earmarks</b>		<b>FY 2018</b>	<b>FY 2019</b>
Accelerate Great Schools	\$	500,000	\$ 500,000
Remainder – Accountability/Report Cards	\$	4,500,000	\$ 4,500,000
<b>Total Funding: Accountability/Report Cards</b>	<b>\$</b>	<b>5,000,000</b>	<b>\$ 5,000,000</b>

#### **Accelerate Great Schools**

These funds provide matching dollars to support efforts by the Accelerate Great Schools public-private partnership to increase the number of high-performing schools in Cincinnati, attract and develop excellent school leaders and teachers, and engage families and communities in fostering educational improvement.

#### **Remainder – Accountability/Report Cards**

This funding accounts for 87% of the overall amount appropriated over the biennium for ODE's activities related to Ohio's accountability system and report cards. The remaining 13% is supported by the GRF. In addition to supporting the development and distribution of district and school report cards, the funds support the production of funding and expenditure accountability reports required by state law, the

development and maintenance of teacher value-added reports, the teacher student linkage/roster verification process, and the performance management section of the Department's website. Also, a portion in each fiscal year may be used to train district and regional specialists and district educators in the use of the value-added progress dimension and in the use of data as it relates to improving student achievement. The budget requires a portion of these funds to be provided to ESCs to support training and professional development.

Ohio's current accountability rating system is based on an A-F letter grading system that uses performance measures mostly based on student scores on the academic achievement assessments. The report cards can be accessed from ODE's website (<http://education.ohio.gov/>) by clicking on the "Report Card Resources" link under the "Topics" section of the home page. This system is being phased in over time due in part to changes to Ohio's state tests. It will be fully phased-in beginning with the report cards for the 2017-2018 school year published in September 2018, when overall letter grades will be assigned for the first time. The report cards released for the 2015-2016 school year were the first to assign letter grades for each of the six major components of the rating system: (1) Gap Closing, (2) Achievement, (3) Progress, (4) Graduation Rate, (5) K-3 Literacy, and (6) Prepared for Success. The grade for each component, except for Prepared for Success, is derived from performance on ten individually graded performance measures used to evaluate districts and schools. The Prepared for Success component grade is based on six ungraded measures.

### **Education Management Information System (200446)**

These funds support the Education Management Information System (EMIS). EMIS is ODE's primary system for collecting student, staff, course, program, and financial data from Ohio's public schools. The data collected via EMIS are used to determine both state and federal performance accountability designations, to produce the local report cards, to calculate and administer state funding to school districts, to determine federal funding allocations, and to meet federal reporting requirements. This line item includes the earmarks listed in the following table.

<b>200446, Education Management Information System</b>			
<b>Earmarks</b>	<b>FY 2018</b>		<b>FY 2019</b>
Information Technology Center Subsidy	\$	725,000	\$ 725,000
Information Technology Center Training Grants	\$	400,000	\$ 400,000
Remainder – Education Management Information System	\$	6,449,367	\$ 6,495,414
<b>Total Funding: Education Management Information System</b>	<b>\$</b>	<b>7,574,367</b>	<b>\$ 7,620,414</b>

### **Information Technology Center Subsidy**

These funds are earmarked for distribution to the 22 information technology centers (ITCs) for costs related to processing, storing, and transferring data for the

effective operation of EMIS. The costs include: personnel, hardware purchases, software development, communications connectivity, professional development, support services, and the provision of services related to the State Education Technology Plan. Among other things, these centers help all school districts (except Akron, Cleveland, and Columbus), community schools, JVSDs, and ESCs electronically transmit required EMIS data. Funds are distributed to the 22 ITCs using a per-pupil formula based on the enrollment of member districts.

#### **Information Technology Center Training Grants**

This new earmark will support grants to ITCs to provide professional development opportunities to district and school personnel related to EMIS, with a focus placed on data submission and quality.

#### **Remainder – Education Management Information System**

This funding supports the development and implementation of data standards and a data exchange system, EMIS. These activities include developing and maintaining the data dictionary, data warehouse, and the data system itself.

The budget permits the State Board of Education and ODE to have access to information that would enable student data verification codes to be matched to personally identifiable student data for the purpose of making per-pupil payments to community schools under the school funding formula, possibly reducing the circumstances in which multiple statewide student identifier (SSID) numbers are created in EMIS for the same student.

The budget also requires, beginning on July 1 of each year, the guidelines adopted by the State Board of Education for EMIS to require the data maintained by the system to include an identification of the person or persons, if any, at whom a student's violent behavior that resulted in discipline was directed and specifies that the person or persons must be identified by the respective classification at the district or school, such as student, teacher, or nonteaching employee, and prohibits the person or persons from being identified by name. ODE is required to prepare a report of the information and submit that report to the General Assembly by the October 1 that follows the final day of the school year.

#### **National Education Statistics (200685)**

This federal funding is deposited into DPF Fund 5U20 to support the collection of education statistics at the state and local level to be reported to the National Center for Education Statistics (NCES) and to support the position of the National Assessment of Education Progress (NAEP) state coordinator. Federal law requires states to participate in NAEP, which is a nationally representative student assessment.

## Category 10: State Administration

This category of appropriations includes funding for the administrative costs of ODE and miscellaneous grants.

Appropriations for State Administration				
Fund	ALI	Title	FY 2018	FY 2019
<b>General Revenue Fund (GRF)</b>				
GRF	200321	Operating Expenses	\$ 14,693,536	\$ 14,736,578
GRF	200420	Information Technology Development and Support	\$ 3,770,170	\$ 3,770,170
<b>General Revenue Fund Subtotal</b>			<b>\$ 18,463,706</b>	<b>\$ 18,506,748</b>
<b>Dedicated Purpose Fund Group (DPF)</b>				
4520	200638	Charges and Reimbursements	\$ 1,000,000	\$ 1,000,000
6200	200615	Educational Improvement Grants	\$ 800,000	\$ 600,000
<b>Dedicated Purpose Fund Group Subtotal</b>			<b>\$ 1,800,000</b>	<b>\$ 1,600,000</b>
<b>Internal Service Activity Fund Group (ISA)</b>				
1380	200606	Information Technology Development and Support	\$ 7,047,645	\$ 7,047,645
4R70	200695	Indirect Operational Support	\$ 7,856,766	\$ 7,856,766
4V70	200633	Interagency Program Support	\$ 500,000	\$ 500,000
<b>Internal Service Activity Fund Group Subtotal</b>			<b>\$ 15,404,411</b>	<b>\$ 15,404,411</b>
<b>Federal Fund Group (FED)</b>				
3Z30	200645	Consolidated Federal Grant Administration	\$ 10,168,964	\$ 10,168,964
<b>Federal Fund Group Subtotal</b>			<b>\$ 10,168,964</b>	<b>\$ 10,168,964</b>
<b>Total Funding: State Administration</b>			<b>\$ 45,837,081</b>	<b>\$ 45,680,123</b>

### Operating Expenses (200321)

This line item primarily funds administrative functions not funded through line items dedicated to specific programs, such as the Superintendent's office, communications, legal counsel, and so on, as well as the administrative expenses necessary to meet certain federal matching or maintenance of effort (MOE) requirements. These functions are described in more detail below.

#### Administrative Support

This portion of the line item funds expenses associated with administrative functions not directly related to one program, such as the Superintendent's office, communications, legal counsel, legislative services and budgetary planning, board relations, policy analysis and research, and internal audit. Administrative expenses related to specific programs are funded in the line items that fund those programs. The budget includes a provision that limits the ability of an unclassified ODE employee to receive payment on separation of employment for sick leave accumulated while employed by a school district to an employee who began employment with ODE before October 1, 2017. Under former law, any unclassified ODE employee initially employed on or after July 5, 1987 was permitted to receive such a payment.

**Career-Technical Education State Match**

The line item also provides for the administration of career-technical programs, the spending for which constitutes the state match for the administrative portion of federal career-technical education funds expended through line item 200621, Career-Technical Education Basic Grant.

**State Administrative Expenses for Child Nutrition MOE**

This portion of the line item funds the administrative expenses needed to comply with federal MOE requirements associated with the State Administrative Expenses for Child Nutrition grant. The federal funds from this grant are expended through line item 200607, School Food Services.

**Information Technology Development and Support (200420 and 200606)**

GRF funding in line item 200420 is used to develop and implement information technologies that meet the needs of the various business centers in ODE. These technologies include Internet and Intranet enhancements. ODE has several online applications, such as the interactive local report card and interactive continuous improvement planning, that are supported with this funding. These funds may also be used to support data-driven decision-making and differentiated instruction, as well as to communicate academic content standards and curriculum models to schools through web-based applications.

Non-GRF funding in line item 200606 also supports information technology services and support for various ODE programs. This support includes development and maintenance of the network infrastructure and software, purchase of all computer hardware and software, project management, and programming services. The various programs pay fees via a payroll charge for these services, which are deposited into Fund 1380.

**Charges and Reimbursements (200638)**

This funding is provided through fees for products or services provided by ODE, such as publications or conferences sponsored by ODE, as well as through donations made to ODE. These funds are used to support the specific purpose for which the fee was charged or for the purposes specified by donors.

This line item is also used to redistribute assets of permanently closed community schools to the students' resident school districts. Fund 4520 receives any funds remaining from the assets of permanently closed community schools after the retirement funds, employees of the school, and private creditors receive the compensation owed them. The remaining funds are sent to ODE to distribute to the students' resident school districts in proportion to each district's share of the total enrollment of the community school.

### Educational Improvement Grants (200615)

This line item receives revenues from various grants from private donors for special projects. Expenditures are dependent on the number and amount of grants received. This line item also contains the earmarks listed in the following table, which are collectively supported by a FY 2018 cash transfer of \$400,000 from the OhioMeansJobs Workforce Development Revolving Loan Fund (Fund 5NH0) to the Educational Grants Fund (Fund 6200).

200615, Educational Improvement Grants			
Earmarks		FY 2018	FY 2019
Lake and Geauga Counties Manufacturing K-12 Partnership	\$	100,000	\$ 100,000
Trumbull County ESC STEAM Program	\$	125,000	\$ -
Trumbull Career and Technical Center Welding Laboratory	\$	75,000	\$ -
Remainder – Educational Improvement Grants	\$	500,000	\$ 500,000
<b>Total Funding: Educational Improvement Grants</b>	<b>\$</b>	<b>800,000</b>	<b>\$ 600,000</b>

#### Lake and Geauga Counties Manufacturing K-12 Partnership

This funding is provided to the Lake County Educational Service Center to support the Lake and Geauga Counties Manufacturing K-12 Partnership. According to a vendor selected to assist with the project, the Partnership will develop a platform allowing businesses, school districts, students, and the general public to view and track experiential learning opportunities such as job shadowing, internships, site visits, and speaking opportunities.

#### Trumbull County ESC STEAM Program

These funds are provided to the Trumbull County Educational Service Center to support the creation of a STEAM program.

#### Trumbull Career and Technical Center Welding Laboratory

This funding supports the creation of an additional welding laboratory at the Trumbull Career and Technical Center.

### Indirect Operational Support (200695)

These funds are used to pay for a variety of administrative purposes not directly tied to a specific funding source, including accounting, human resources, federal grants management, and internal auditing functions. Funding for these costs is recouped from the federal government and other various funds used by ODE containing payroll expenses by applying an indirect cost rate that is approved annually by the U.S. Department of Education. Revenue from the indirect charges is then deposited into Fund 4R70 via intrastate transfer voucher (ISTV).



**Interagency Program Support (200633)**

This line item is supported by funding from other state agencies for specific programs that require assistance from ODE.

**Consolidated Federal Grant Administration (200645)**

This federal funding represents a pool of state administrative funds from various federal grants. The funding is used to administer the grants, to provide technical assistance to grant recipients, and to engage in state-level activities related to the grants.

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# FY 2018 - FY 2019 Final Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

Line Item Detail by Agency					Appropriation	FY 2017 to FY 2018	Appropriation	FY 2018 to FY 2019		
					FY 2016	FY 2017	FY 2018	% Change	FY 2019	% Change
Report For Main Operating Appropriations Bill					Version: As Enacted					
EDU Department of Education										
GRF	200321	Operating Expenses			\$ 14,492,309	\$ 15,049,149	\$ 14,693,536	-2.36%	\$ 14,736,578	0.29%
GRF	200408	Early Childhood Education			\$ 50,454,523	\$ 54,906,258	\$ 68,116,789	24.06%	\$ 68,116,789	0.00%
GRF	200420	Information Technology Development and Support			\$ 4,281,329	\$ 4,028,893	\$ 3,770,170	-6.42%	\$ 3,770,170	0.00%
GRF	200421	Alternative Education Programs			\$ 8,935,131	\$ 10,050,276	\$ 0	-100.00%	\$ 0	N/A
GRF	200422	School Management Assistance			\$ 2,835,102	\$ 2,060,555	\$ 2,077,615	0.83%	\$ 2,113,413	1.72%
GRF	200424	Policy Analysis			\$ 401,092	\$ 410,304	\$ 428,962	4.55%	\$ 428,962	0.00%
GRF	200425	Tech Prep Consortia Support			\$ 230,317	\$ 137,979	\$ 0	-100.00%	\$ 0	N/A
GRF	200426	Ohio Educational Computer Network			\$ 18,928,171	\$ 16,268,399	\$ 15,457,000	-4.99%	\$ 15,457,000	0.00%
GRF	200427	Academic Standards			\$ 3,892,989	\$ 4,234,314	\$ 3,819,487	-9.80%	\$ 3,819,487	0.00%
GRF	200437	Student Assessment			\$ 43,710,611	\$ 59,465,729	\$ 55,959,287	-5.90%	\$ 56,025,042	0.12%
GRF	200439	Accountability/Report Cards			\$ 4,299,829	\$ 7,076,727	\$ 413,167	-94.16%	\$ 913,167	121.02%
GRF	200442	Child Care Licensing			\$ 1,782,745	\$ 1,539,253	\$ 1,852,200	20.33%	\$ 1,887,863	1.93%
GRF	200446	Education Management Information System			\$ 7,120,030	\$ 6,752,670	\$ 7,574,367	12.17%	\$ 7,620,414	0.61%
GRF	200447	High School Equivalency Testing			\$ 268,192	\$ 300,328	\$ 0	-100.00%	\$ 0	N/A
GRF	200448	Educator Preparation			\$ 1,865,185	\$ 1,629,644	\$ 1,710,384	4.95%	\$ 1,710,384	0.00%
GRF	200455	Community Schools and Choice Programs			\$ 2,840,461	\$ 3,901,529	\$ 4,435,845	13.70%	\$ 4,585,028	3.36%
GRF	200457	STEM Initiatives			\$ 750,000	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200464	General Technology Operations			\$ 5,333	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200465	Education Technology Resources			\$ 3,169,638	\$ 3,165,219	\$ 5,179,107	63.63%	\$ 5,179,107	0.00%
GRF	200502	Pupil Transportation			\$ 570,751,647	\$ 592,304,753	\$ 546,738,753	-7.69%	\$ 527,129,809	-3.59%
GRF	200505	School Lunch Match			\$ 9,100,000	\$ 9,100,000	\$ 8,963,500	-1.50%	\$ 8,963,500	0.00%
GRF	200511	Auxiliary Services			\$ 143,093,651	\$ 149,111,078	\$ 150,594,178	0.99%	\$ 150,594,178	0.00%
GRF	200532	Nonpublic Administrative Cost Reimbursement			\$ 65,165,374	\$ 67,723,900	\$ 68,034,790	0.46%	\$ 68,034,790	0.00%
GRF	200540	Special Education Enhancements			\$ 157,230,021	\$ 159,751,744	\$ 152,350,000	-4.63%	\$ 152,350,000	0.00%
GRF	200545	Career-Technical Education Enhancements			\$ 10,470,110	\$ 11,052,040	\$ 10,665,866	-3.49%	\$ 9,600,892	-9.98%

Prepared by the Legislative Service Commission

# FY 2018 - FY 2019 Final Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
<b>EDU Department of Education</b>								
GRF	200550	Foundation Funding	\$ 6,384,256,884	\$ 6,637,364,628	\$ 6,799,882,816	2.45%	\$ 6,937,228,845	2.02%
GRF	200566	Literacy Improvement	\$ 443,410	\$ 834,047	\$ 750,000	-10.08%	\$ 1,250,000	66.67%
GRF	200572	Adult Education Programs	\$ 1,393,924	\$ 2,493,560	\$ 7,533,216	202.11%	\$ 8,702,475	15.52%
GRF	200573	EdChoice Expansion	\$ 22,451,777	\$ 31,021,124	\$ 38,400,000	23.79%	\$ 47,700,000	24.22%
GRF	200574	Half-Mill Maintenance Equalization	\$ 18,027,918	\$ 18,108,761	\$ 18,715,000	3.35%	\$ 18,912,000	1.05%
GRF	200576	Adaptive Sports Program	\$ 50,000	\$ 50,000	\$ 50,000	0.00%	\$ 50,000	0.00%
GRF	200578	Violence Prevention and School Safety	\$ 0	\$ 0	\$ 250,000	N/A	\$ 250,000	0.00%
GRF	200588	Competency Based Education Pilot	\$ 501,110	\$ 1,238,876	\$ 0	-100.00%	\$ 0	N/A
GRF	200597	Education Program Support	\$ 2,750,000	\$ 2,500,000	\$ 0	-100.00%	\$ 0	N/A
GRF	657401	Medicaid in Schools	\$ 0	\$ 0	\$ 295,500	N/A	\$ 295,500	0.00%
<b>General Revenue Fund Total</b>			<b>\$ 7,555,948,809</b>	<b>\$ 7,873,631,736</b>	<b>\$ 7,988,711,535</b>	<b>1.46%</b>	<b>\$ 8,117,425,393</b>	<b>1.61%</b>
4520	200638	Charges and Reimbursements	\$ 477,647	\$ 792,805	\$ 1,000,000	26.13%	\$ 1,000,000	0.00%
4540	200610	High School Equivalency	\$ 0	\$ 0	\$ 1,187,065	N/A	\$ 0	-100.00%
4550	200608	Commodity Foods	\$ 8,287,518	\$ 6,723,355	\$ 16,000,000	137.98%	\$ 16,000,000	0.00%
4L20	200681	Teacher Certification and Licensure	\$ 13,541,931	\$ 15,321,714	\$ 16,002,297	4.44%	\$ 16,002,297	0.00%
5960	200656	Ohio Career Information System	\$ 22,917	\$ 0	\$ 0	N/A	\$ 0	N/A
5980	200659	Auxiliary Services Reimbursement	\$ 973,530	\$ 1,276,336	\$ 2,930,000	129.56%	\$ 2,930,000	0.00%
5H30	200687	School District Solvency Assistance	\$ 4,838,000	\$ 0	\$ 8,000,000	N/A	\$ 8,000,000	0.00%
5JC0	200654	Adult Career Opportunity Pilot Program	\$ 1,421,206	\$ 66,754	\$ 0	-100.00%	\$ 0	N/A
5KX0	200691	Ohio School Sponsorship Program	\$ 612,990	\$ 582,994	\$ 828,600	42.13%	\$ 828,600	0.00%
5MM0	200677	Child Nutrition Refunds	\$ 0	\$ 0	\$ 550,000	N/A	\$ 550,000	0.00%
5RB0	200644	Straight A Fund	\$ 4,238,803	\$ 24,594,679	\$ 0	-100.00%	\$ 0	N/A
5RE0	200697	School District TPP Supplement	\$ 39,290,230	\$ 44,208,587	\$ 0	-100.00%	\$ 0	N/A
5U20	200685	National Education Statistics	\$ 152,747	\$ 153,808	\$ 150,000	-2.48%	\$ 150,000	0.00%
5UC0	200662	Accountability/Report Cards	\$ 0	\$ 0	\$ 5,000,000	N/A	\$ 5,000,000	0.00%
6200	200615	Educational Improvement Grants	\$ 51,799	\$ 243,771	\$ 800,000	228.18%	\$ 600,000	-25.00%

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# FY 2018 - FY 2019 Final Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
<b>EDU Department of Education</b>								
<b>Dedicated Purpose Fund Group Total</b>			<b>\$ 73,909,316</b>	<b>\$ 93,964,802</b>	<b>\$ 52,447,962</b>	<b>-44.18%</b>	<b>\$ 51,060,897</b>	<b>-2.64%</b>
1380	200606	Information Technology Development and Support	\$ 6,387,751	\$ 5,102,342	\$ 7,047,645	38.13%	\$ 7,047,645	0.00%
4R70	200695	Indirect Operational Support	\$ 6,678,604	\$ 6,018,089	\$ 7,856,766	30.55%	\$ 7,856,766	0.00%
4V70	200633	Interagency Program Support	\$ 122,833	\$ 82,753	\$ 500,000	504.20%	\$ 500,000	0.00%
<b>Internal Service Activity Fund Group Total</b>			<b>\$ 13,189,188</b>	<b>\$ 11,203,185</b>	<b>\$ 15,404,411</b>	<b>37.50%</b>	<b>\$ 15,404,411</b>	<b>0.00%</b>
7017	200612	Foundation Funding	\$ 987,650,000	\$ 1,042,700,000	\$ 1,086,030,000	4.16%	\$ 1,087,030,000	0.09%
7017	200629	Community Connectors	\$ 5,458,033	\$ 8,844,196	\$ 4,000,000	-54.77%	\$ 4,000,000	0.00%
7017	200648	Straight A Fund	\$ 42,608,671	\$ 8,574,742	\$ 0	-100.00%	\$ 0	N/A
7017	200684	Community School Facilities	\$ 13,144,849	\$ 17,084,751	\$ 16,600,000	-2.84%	\$ 16,600,000	0.00%
<b>State Lottery Fund Group Total</b>			<b>\$ 1,048,861,553</b>	<b>\$ 1,077,203,689</b>	<b>\$ 1,106,630,000</b>	<b>2.73%</b>	<b>\$ 1,107,630,000</b>	<b>0.09%</b>
3090	200601	Neglected and Delinquent Children Education	\$ 1,090,633	\$ 1,022,020	\$ 0	-100.00%	\$ 0	N/A
3670	200607	School Food Services	\$ 8,262,194	\$ 9,952,607	\$ 10,080,635	1.29%	\$ 10,280,635	1.98%
3700	200624	Education of Exceptional Children	\$ 2,459,570	\$ 1,535,674	\$ 2,000,000	30.24%	\$ 2,000,000	0.00%
3AF0	200603	Schools Medicaid Administrative Claims	\$ 255,925	\$ 204,676	\$ 0	-100.00%	\$ 0	N/A
3AF0	657601	Schools Medicaid Administrative Claims	\$ 0	\$ 0	\$ 750,000	N/A	\$ 750,000	0.00%
3AN0	200671	School Improvement Grants	\$ 11,344,492	\$ 9,246,388	\$ 25,000,000	170.38%	\$ 25,000,000	0.00%
3BK0	200628	Longitudinal Data Systems	\$ 194	\$ 0	\$ 0	N/A	\$ 0	N/A
3C50	200661	Early Childhood Education	\$ 11,205,896	\$ 12,220,230	\$ 12,555,000	2.74%	\$ 12,555,000	0.00%
3CG0	200646	Teacher Incentive	\$ 10,688,930	\$ 1,441,033	\$ 0	-100.00%	\$ 0	N/A
3D10	200664	Drug Free Schools	\$ 475,334	\$ 443,400	\$ 0	-100.00%	\$ 0	N/A
3D20	200667	Math Science Partnerships	\$ 5,998,133	\$ 6,132,431	\$ 7,000,000	14.15%	\$ 7,000,000	0.00%
3EH0	200620	Migrant Education	\$ 2,260,900	\$ 2,596,697	\$ 2,500,000	-3.72%	\$ 2,500,000	0.00%
3EJ0	200622	Homeless Children Education	\$ 2,473,514	\$ 2,503,999	\$ 2,600,000	3.83%	\$ 2,600,000	0.00%
3EK0	200637	Advanced Placement	\$ 431,421	\$ 453,488	\$ 0	-100.00%	\$ 0	N/A
3EN0	200655	State Data Systems - Federal Stimulus	\$ 53,029	\$ 0	\$ 0	N/A	\$ 0	N/A

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# FY 2018 - FY 2019 Final Appropriation Amounts

# All Fund Groups

## Line Item Detail by Agency

			FY 2016	FY 2017	Appropriation FY 2018	FY 2017 to FY 2018 % Change	Appropriation FY 2019	FY 2018 to FY 2019 % Change
<b>EDU Department of Education</b>								
3FD0	200665	Race to the Top	\$ 16,521,499	\$0	\$ 0	N/A	\$ 0	N/A
3FN0	200672	Early Learning Challenge - Race to the Top	\$ 5,973,223	\$ 8,700,600	\$ 0	-100.00%	\$ 0	N/A
3GE0	200674	Summer Food Service Program	\$ 11,247,128	\$ 12,370,768	\$ 14,856,635	20.09%	\$ 14,856,635	0.00%
3GF0	200675	Miscellaneous Nutrition Grants	\$ 489,690	\$ 742,442	\$ 0	-100.00%	\$ 0	N/A
3GG0	200676	Fresh Fruit and Vegetable Program	\$ 4,091,490	\$ 5,109,361	\$ 4,677,340	-8.46%	\$ 4,677,340	0.00%
3GP0	200600	School Climate Transformation	\$ 220,941	\$ 248,268	\$ 0	-100.00%	\$ 0	N/A
3GQ0	200679	Project Aware	\$ 1,170,676	\$ 1,662,900	\$ 0	-100.00%	\$ 0	N/A
3GZ0	200609	JAVITS	\$ 24,467	\$ 428,648	\$ 0	-100.00%	\$ 0	N/A
3H90	200605	Head Start Collaboration Project	\$ 181,365	\$ 224,287	\$ 0	-100.00%	\$ 0	N/A
3HF0	200649	Federal Education Grants	\$0	\$0	\$ 6,364,327	N/A	\$ 6,364,327	0.00%
3L60	200617	Federal School Lunch	\$ 367,815,633	\$ 372,900,886	\$ 394,612,000	5.82%	\$ 406,450,000	3.00%
3L70	200618	Federal School Breakfast	\$ 122,326,885	\$ 129,617,528	\$ 142,688,750	10.08%	\$ 154,103,850	8.00%
3L80	200619	Child/Adult Food Programs	\$ 90,222,587	\$ 98,433,033	\$ 106,913,755	8.62%	\$ 106,913,755	0.00%
3L90	200621	Career-Technical Education Basic Grant	\$ 43,296,767	\$ 44,180,699	\$ 44,663,900	1.09%	\$ 44,663,900	0.00%
3M00	200623	ESEA Title 1A	\$ 563,201,086	\$ 572,681,788	\$ 600,000,000	4.77%	\$ 600,000,000	0.00%
3M20	200680	Individuals with Disabilities Education Act	\$ 417,334,349	\$ 439,730,377	\$ 445,000,000	1.20%	\$ 445,000,000	0.00%
3T40	200613	Public Charter Schools	\$0	\$0	\$ 14,200,000	N/A	\$ 14,200,000	0.00%
3Y20	200688	21st Century Community Learning Centers	\$ 46,377,981	\$ 45,693,574	\$ 47,500,000	3.95%	\$ 47,500,000	0.00%
3Y60	200635	Improving Teacher Quality	\$ 79,548,046	\$ 83,869,366	\$ 85,000,000	1.35%	\$ 85,000,000	0.00%
3Y70	200689	English Language Acquisition	\$ 9,367,795	\$ 9,922,453	\$ 10,101,411	1.80%	\$ 10,101,411	0.00%
3Y80	200639	Rural and Low Income Technical Assistance	\$ 2,857,753	\$ 3,298,395	\$ 3,300,000	0.05%	\$ 3,300,000	0.00%
3Z20	200690	State Assessments	\$ 7,269,964	\$ 13,550,272	\$ 11,500,000	-15.13%	\$ 11,500,000	0.00%
3Z30	200645	Consolidated Federal Grant Administration	\$ 9,830,378	\$ 9,604,336	\$ 10,168,964	5.88%	\$ 10,168,964	0.00%
<b>Federal Fund Group Total</b>			<b>\$ 1,856,369,867</b>	<b>\$ 1,900,722,623</b>	<b>\$ 2,004,032,717</b>	<b>5.44%</b>	<b>\$ 2,027,485,817</b>	<b>1.17%</b>
<b>Department of Education Total</b>			<b>\$ 10,548,278,734</b>	<b>\$ 10,956,726,034</b>	<b>\$ 11,167,226,625</b>	<b>1.92%</b>	<b>\$ 11,319,006,518</b>	<b>1.36%</b>

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