

Redbook

LBO Analysis of Executive Budget Proposal

Department of Education and Workforce

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February 2025

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Attachments:

Catalog of Budget Line Items (COBLI)

Appropriation Spreadsheet

LBO Redbook

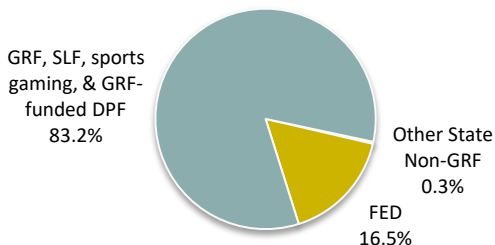
Department of Education and Workforce

Quick look...

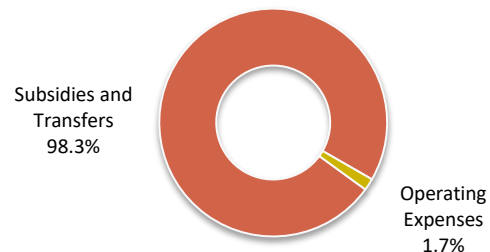
- The Department of Education and Workforce (DEW) oversees a K-12 public education system that enrolls approximately 1.6 million students.
- Total proposed budget: \$14.86 billion in FY 2026 and \$15.08 billion in FY 2027.
 - The GRF, lottery profits, sports gaming revenue, and transfers from the GRF into the Foundation Funding – All Students Fund (Fund 5VS0) comprise 83.2% of the total proposed budget.
 - About 98% of DEW’s budget is paid out as subsidies, mainly in the form of school foundation aid.
- The proposed budget completes the phase-in of the school funding formula, known as the Fair School Funding Plan, in FY 2026 and FY 2027.
- The proposed budget increases funding for community school facilities and includes \$30 million in new funding from lottery profits for school bus safety grants.

Fund Group	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
General Revenue	\$9,479,672,747	\$9,783,298,319	\$9,966,323,815	\$10,141,516,163
Lottery and sports gaming	\$1,644,886,236	\$1,746,832,365	\$1,823,300,000	\$1,793,300,000
Dedicated Purpose supported by GRF transfers	\$682,797,240	\$754,574,756	\$600,000,000	\$600,000,000
Other state non-GRF	\$49,682,151	\$39,523,158	\$38,723,698	\$39,149,156
Federal	\$4,351,763,600	\$3,016,929,462	\$2,434,508,250	\$2,509,031,038
Total	\$16,208,801,973	\$15,341,158,060	\$14,862,855,763	\$15,082,996,357
% change	--	-5.4%	-3.1%	1.5%
<i>GRF + Lottery + Sports gaming + GRF-supported DPF</i>	<i>\$11,807,356,222</i>	<i>\$12,284,705,440</i>	<i>\$12,389,623,815</i>	<i>\$12,534,816,163</i>
<i>% change</i>	<i>--</i>	<i>4.0%</i>	<i>0.9%</i>	<i>1.2%</i>

**Chart 1: DEW Budget by Fund Group
FY 2026-FY 2027 Biennium**



**Chart 2: DEW Budget by Expense Category
FY 2026-FY 2027 Biennium**



Biennial total: \$29.95 billion

Overview

Agency overview

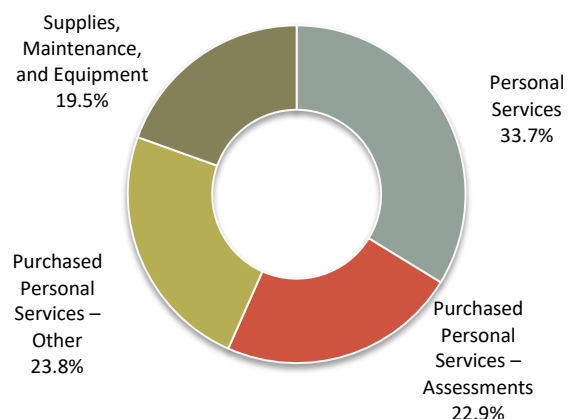
The Department of Education and Workforce (DEW) oversees a public education system consisting of 609 public school districts, 49 joint vocational school districts (JVSDs), and about 350 public community schools and science, technology, engineering, and mathematics (STEM) schools. This system enrolls approximately 1.6 million students in grades K-12 and graduated approximately 120,000 students in 2023. In addition, DEW monitors 51 educational service centers (ESCs), other regional education providers, early learning programs, and 747 state-chartered nonpublic schools. DEW 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, and administers Ohio's school choice programs. The **"Analysis of FY 2026-FY 2027 budget proposal"** section of this Redbook contains details on DEW's programs and initiatives. DEW employed 565 full-time, permanent staff as of February 2025.

Appropriation summary

The executive budget proposal for DEW appropriates \$14.86 billion in FY 2026 and \$15.08 billion in FY 2027. Appropriations in FY 2026 are about \$478.3 million (3.1%) less than estimated FY 2025 spending largely due to the expiration of federal COVID-19 relief assistance. Combined appropriations from the GRF, State Lottery Fund (SLF) Group, sports gaming revenues, and GRF transfers to dedicated purpose funds increase by approximately 1% in each year of the biennium. Appropriations from the GRF and SLF Group comprise over three-quarters (78.1%) of the proposed budget. Adding in GRF cash transfers to the Foundation Funding – All Students Fund (Fund 5VS0) and proceeds from sports gaming taxes increases this percentage to 83.2%. Federal funds comprise about 16.5%, while other state non-GRF spending accounts for 0.3% of the executive proposal. The preceding table and Chart 1 shown in the **"Quick look"** section present the executive recommended appropriations by fund group.

Chart 2 in the **"Quick look"** section shows the executive recommended appropriations by object of expense. The vast majority (98%) of DEW's budget is paid out as subsidies to school districts and other schools and education providers, mainly in the form of formula-based foundation aid and other state aid payments. The remaining \$505.9 million (1.7%) of its total recommended budget for the biennium is for operating expenses at the state level, including personal services, purchased personal services, and supplies and maintenance. Chart 3 breaks down the operating expenses recommended for the FY 2026-FY 2027 biennium. Personal services, including

**Chart 3: DEW Operating Expenses by Category
FY 2026-FY 2027 Biennium**

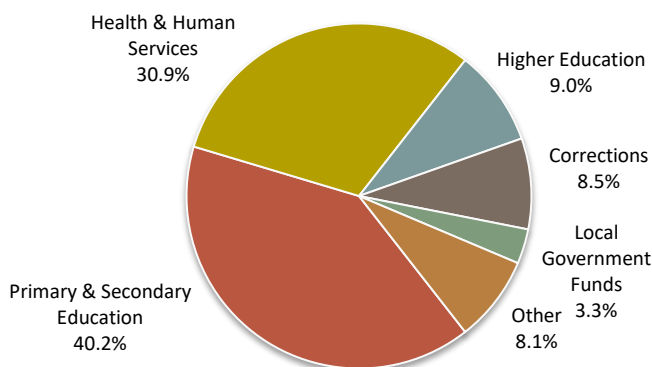


salaries, benefits, and various other payroll-related charges, account for \$170.7 million (33.7%) of the total. Spending on contracts to run the state’s assessment system accounts for \$115.8 million (22.9%) of operating expenses while purchased personal service spending on other contracts accounts for \$120.6 million (23.8%). The remaining \$98.7 million (19.5%) is allocated to supplies, maintenance, and equipment.

K-12 education share of the state GRF budget¹

Primary and secondary (K-12) education comprises the largest portion of state GRF spending under the executive proposal, totaling \$26.67 billion (40.2%) across the FY 2026-FY 2027 biennium. Besides K-12 education, the largest spending areas of the state budget are health and human services, including the state share of Medicaid (30.9%), higher education (9.0%), and corrections (8.5%). GRF appropriations under the executive recommendation total \$66.37 billion over the FY 2026-FY 2027 biennium. Chart 4 shows these recommendations broken down by the four major spending areas as well as spending allocated to local government funds and all other areas.

**Chart 4: State-Source GRF Appropriations by Program Area
FY 2026-FY 2027 Biennium**



Lottery profits and state spending on education

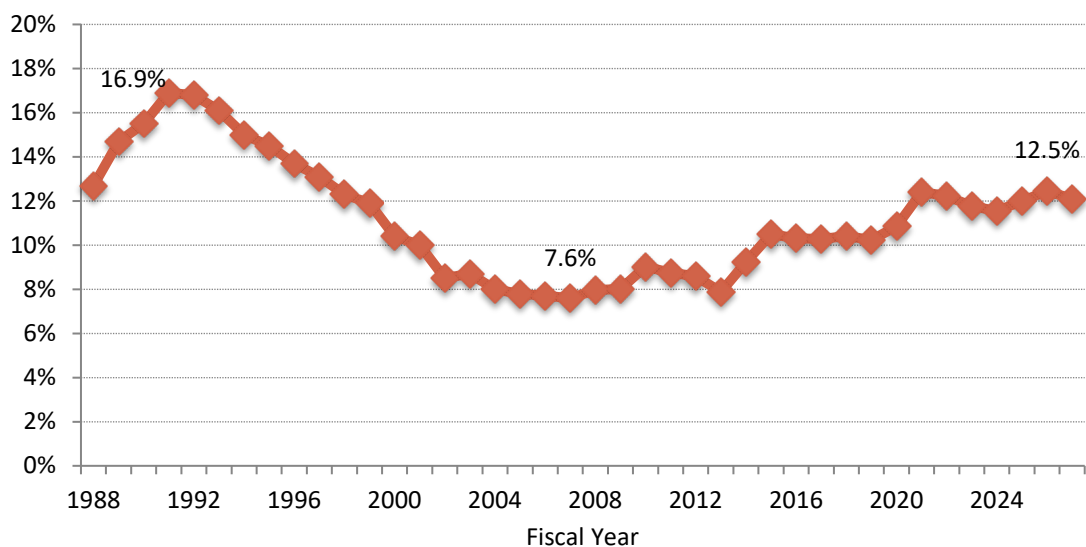
In 1973, voters amended the Ohio Constitution to allow the creation of the Ohio Lottery. In 1987, voters approved an additional constitutional amendment that permanently earmarked lottery profits for education. In FY 2012, the Ohio Lottery began regulating video lottery terminals (VLTs) at Ohio horse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

The executive recommendation includes lottery profits spending for K-12 education of \$1.65 billion in FY 2026, about 6.5% above estimated FY 2025 spending, and \$1.62 billion in FY 2027, a 1.8% decrease from FY 2026 levels. From FY 1988 to FY 2025, total state GRF and

¹ For this section, the state GRF budget includes allocations from the 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 (generally for Medicaid).

lottery spending on primary and secondary education increased by \$9.48 billion (275.2%). Of this growth, \$1.12 billion (11.8%) was provided by the lottery. However, lottery profits have always been a relatively small percentage of primary and secondary education spending. As Chart 5 shows, after reaching a peak of 16.9% of combined GRF and Lottery Profits Education Fund (LPEF) spending on K-12 education in FY 1991, lottery profits' share decreased to a record low of 7.6% in FY 2007. This percentage then stabilized between around 8.0% and 9.0% until the emergence of VLTs at Ohio racinos in earnest in FY 2014, which along with other factors, significantly increased lottery profits. In FY 2021, lottery profits reached 12.4% of primary and secondary education spending and has stabilized around that number in the years since. In the upcoming biennium, the lottery profits percentage is expected to be 12.5% in FY 2026 and 12.1% in FY 2027.

Chart 5: Lottery Profits as a Percentage of Total State GRF and Lottery Spending for K-12 Education, FY 1988-FY 2027



School foundation aid

Traditional school districts

The FY 2026-FY 2027 executive budget continues the implementation of the current school funding formula established by H.B. 110 of the 134th General Assembly, largely retaining the current method used to determine the amount and allocation of state aid for traditional school districts. Most notably, the executive proposal completes the incremental phase-in of the formula in FY 2027. These provisions are described in more detail below. For a detailed analysis of the current system of funding public schools in Ohio, please refer to the series of *Members Briefs* on the school funding formula that are posted on the [LSC website](#).

Base cost and distribution of state share

The executive proposal retains the use of FY 2022 data for the various statewide average salary and spending inputs that comprise a district's calculated base cost, which is a formula-determined measure of the total state and local cost to educate a typically developing student. The formula determines the base using an inputs-based approach, mainly student to staff ratios

and staff compensation amounts for certain types of district and school staff. The statewide average base cost per pupil and statewide average career-technical base cost per pupil are used to calculate certain categorical components of the formula. The executive proposal maintains the use of the FY 2024 statewide average amounts (\$8,242 and \$9,856, respectively) in FY 2026 and FY 2027.

The executive proposal maintains the current formula’s method of distributing state funding for the base cost to districts. In general, the formula determines a per-pupil local contribution based on a mix of property value and income measures, then requires the state to make up the difference to bring the total up to the district’s per-pupil base cost in order to direct more state funding to districts with lower wealth. Continuing law requires routine updates to the tax years and student counts used to measure a district’s capacity to raise local tax revenue.

Continuation of phase-in

Since FY 2022, the school funding formula has included a phase-in mechanism for several of its components: the state share of the base cost; the wealth and capacity tiers of targeted assistance; categorical aid for special education, English learners, gifted students, and career-technical education and associated services funds; and disadvantaged pupil impact aid (DPIA). The formula applies a phase-in percentage to the difference between the amount it calculates for each of these components and a base amount calculated from FY 2020 funding before budget reductions. The formula’s calculation of a district’s phased-in funding is illustrated below.

General Calculation of Phase-in Mechanism

$$\text{District FY 2020 funding} + [\text{Phase-in \%} \times (\text{New formula’s calculated funding} - \text{District FY 2020 funding})]$$

Since FY 2022, the phase-in percentage for all components has increased in each year of the formula’s implementation, reaching 66.67% in FY 2025 (Table 1). The executive proposal continues phasing in the formula incrementally in FY 2026 and FY 2027, increasing the phase-in percentages to 83.33% and 100%. Note that initially, DPIA’s phase-in percentage was different than that for all other components, but has been the same since FY 2023.

Table 1. Phase-in Percentages, Traditional Districts, FY 2022-FY 2027					
FY 2022*	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
16.67%	33.33%	50%	66.67%	83.33%	100%

*DPIA was phased in at 0% in FY 2022, but matches the phase-in percentage for all other components beginning in FY 2023

In addition to the general and DPIA phase-in percentages, the minimum state share for transportation increases from 41.67% in FY 2025 to 45.83% in FY 2026 and 50% in FY 2027.

Guarantee base reductions

The current formula includes two main “guarantee” provisions that prevent a district’s funding from falling below certain historical amounts: temporary transitional aid (based on

FY 2020 funding) and the formula transition supplement (based on FY 2021 levels). The executive proposal extends both guarantees into the FY 2026-FY 2027 biennium. However, it reduces each guarantee's base amount to 95% in FY 2026 and 90% in FY 2027. That is, the formula's temporary transitional aid base and formula transition supplement base in FY 2026 will be 95% of FY 2020 and FY 2021 funding levels, respectively. Likewise, in 2027, each guarantee's base will be 90% of their FY 2020 and FY 2021 amounts. The executive proposal makes the same changes to the guarantee base for temporary transitional transportation aid, which is a separate guarantee that applies only to a district's pupil transportation aid.

Discontinuation of gifted professional development funds

Current law provides for gifted professional development funds for traditional school districts. The formula calculates this amount by multiplying a set per-pupil amount by the greater of the number of identified gifted students in the district or 10% of its enrolled ADM, and then by the district's state share percentage. The per-pupil amount began at \$7 in FY 2022 and has increased by \$7 annually, reaching \$28 in FY 2025. The executive proposal eliminates this funding for FY 2026 and FY 2027, in accordance with the plan for those funds set out in H.B. 1 of the 134th General Assembly, the forerunner legislation to the formula that was ultimately enacted in H.B. 110 of the 134th General Assembly.

Funding summary and analysis

Overall, aggregate state foundation aid for traditional school districts is estimated to decrease each year under the executive proposal, a result of declining enrollment, increased property values, static base cost inputs, and reductions in the formula's guarantee bases. Total foundation aid to the state's 609 traditional school districts is estimated at \$8.09 billion in FY 2026 and \$8.05 billion in FY 2027. Table 2 below lists the estimated funding for each formula component from FY 2025 to FY 2027. Additional details follow the table.

Component	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced	Percent of Biennium Funding Before Phase-in
Total (state and local) base cost	\$12,020.0	\$11,930.9	\$11,834.0	
State share of base cost	\$4,616.4	\$4,169.9	\$3,809.4	58.3%
Targeted assistance	\$1,146.4	\$1,262.2	\$1,338.2	19.0%
Special education additional aid	\$865.4	\$783.8	\$717.4	11.0%
DPIA	\$649.2	\$649.2	\$649.2	9.5%
Gifted funds	\$69.5	\$60.2	\$54.7	0.8%
Career-technical education funds	\$60.9	\$56.1	\$51.9	0.8%
English learner funds	\$45.8	\$41.0	\$37.1	0.6%
Foundation aid before phase-in	\$7,453.6	\$7,022.4	\$6,657.9	100%

Table 2. State Foundation Aid Components for Traditional Districts, FY 2025-FY 2027 (\$ in millions)

Component	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced	Percent of Biennium Funding Before Phase-in
Effect of phase-in	-\$352.7	-\$104.5	\$0.0	--
Core foundation aid	\$7,100.9	\$6,917.9	\$6,657.9	--
Temporary transitional aid	\$285.1	\$408.4	\$564.7	--
Supplemental targeted assistance	\$52.5	\$52.5	\$52.5	--
Transportation	\$651.3	\$690.5	\$746.5	--
Formula transition supplement	\$28.0	\$17.0	\$24.4	--
Total foundation aid	\$8,117.9	\$8,086.3	\$8,046.1	--

Base cost inputs and enrollment

Traditional district foundation aid before applying the phase-in decreases each year, from an estimated \$7.45 billion in FY 2025 to \$7.02 billion in FY 2026 and \$6.66 billion in FY 2027, primarily driven by decreases in the state share of the base cost, the largest single component of foundation aid. The executive proposal maintains the formula's base cost inputs, primarily the salaries and related costs that drive most school operating expenses, at FY 2022 levels (i.e., school districts' base cost for FY 2026 and FY 2027 are calculated based on the average salaries and other input costs in FY 2022). Additionally, student enrollment in traditional school districts continues to decline. The base cost enrolled ADM for traditional districts (calculated as the greater of a district's prior-year enrolled ADM or the average of the three prior years) has decreased by roughly 1% in each year the current school funding formula has been in operation (Table 3).

Table 3. Traditional District Base Cost Enrolled ADM, FY 2022-FY 2027

FY 2022	FY 2023	FY 2024	FY 2025 Estimate	FY 2026 Estimate	FY 2027 Estimate
1,500,586	1,484,051	1,468,443	1,457,601	1,445,934	1,433,491
--	-1.1%	-1.1%	-0.7%	-0.8%	-0.9%

State share of the base cost, property values, and local capacity

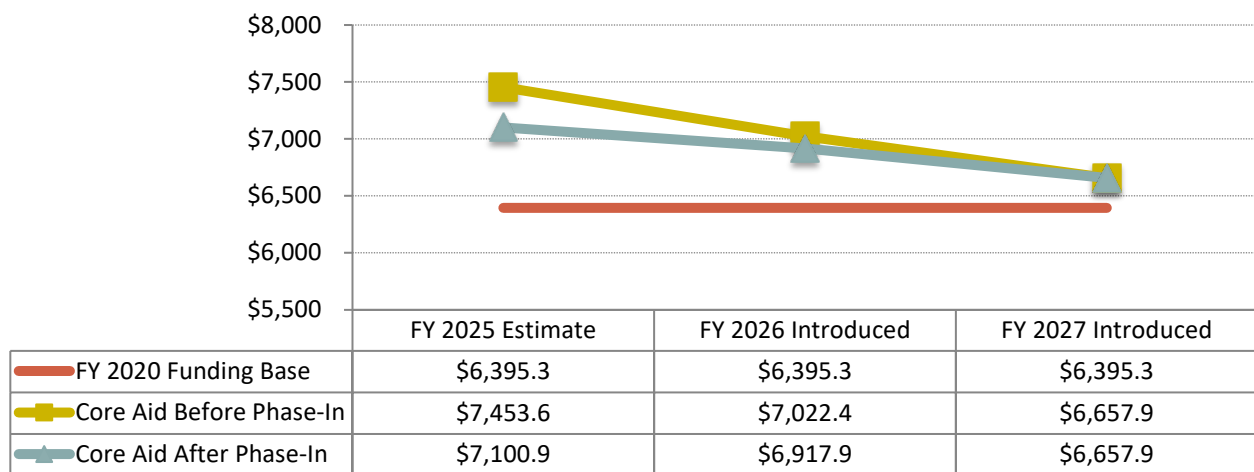
The state share of the base cost also decreases from an estimated \$4.62 billion in FY 2025 to \$4.17 billion in FY 2026 and \$3.81 billion in FY 2027, largely due to increases in property values and income levels used in computing district per-pupil local contributions. To illustrate, the statewide weighted capacity per pupil – a measure of a district's capacity to raise local revenues using a weighted combination of property values and income measures – is projected to increase by 8.2% in FY 2026 and 7.2% in FY 2027. The combination of these factors means less state aid is necessary to bring the total state and local amount up to the district's per-pupil base cost. This

also translates to smaller state share percentages, averaging 35.0% statewide in FY 2026 and 32.2% in FY 2027, which are progressively lower than the estimated statewide average of 38.4% for FY 2025. This in turn reduces projected funding for the categorical components that provide additional aid to students receiving special education, career-technical education, gifted education, or English learners. However, the projected amounts for DPIA do not change since DPIA does not rely on the state share percentage. Rather, it is based on the number and concentration of students in poverty.

Completion of formula phase-in

The executive proposal continues the phase-in of the school funding formula through FY 2027, when the formula will be 100% phased-in. The combination of rising property values and decreasing enrollment contributes to a downward trend in formula-calculated foundation aid prior to the phase-in. As described above, the phase-in works by multiplying the phase-in percentage by the difference between the amount of core foundation aid the formula calculates for a district and its FY 2020 base amount. The result (whether positive or negative) is added to the district’s FY 2020 base amount. Thus, under the executive proposal, when the phase-in percentage reaches 100% in FY 2027, all districts will receive their formula-calculated core foundation aid, and the phase-in will cease to adjust for the difference between that and the FY 2020 base. Chart 6 illustrates the declining effect of the phase-in under the executive proposal. Core foundation aid prior to accounting for the phase-in is estimated at \$7.45 billion in FY 2025, compared to \$7.10 billion after the phase-in. Thus, the effect of the phase-in for the current fiscal year is a net reduction of \$352.7 million in foundation aid. Under the executive proposal, the reduction due to the phase-in is estimated to be \$104.5 million in FY 2026, a decrease of 70.4% from the previous year, with no reduction in FY 2027.

Chart 6: Effect of Formula Phase-In on Core Foundation Aid (in millions), FY 2025-FY 2027



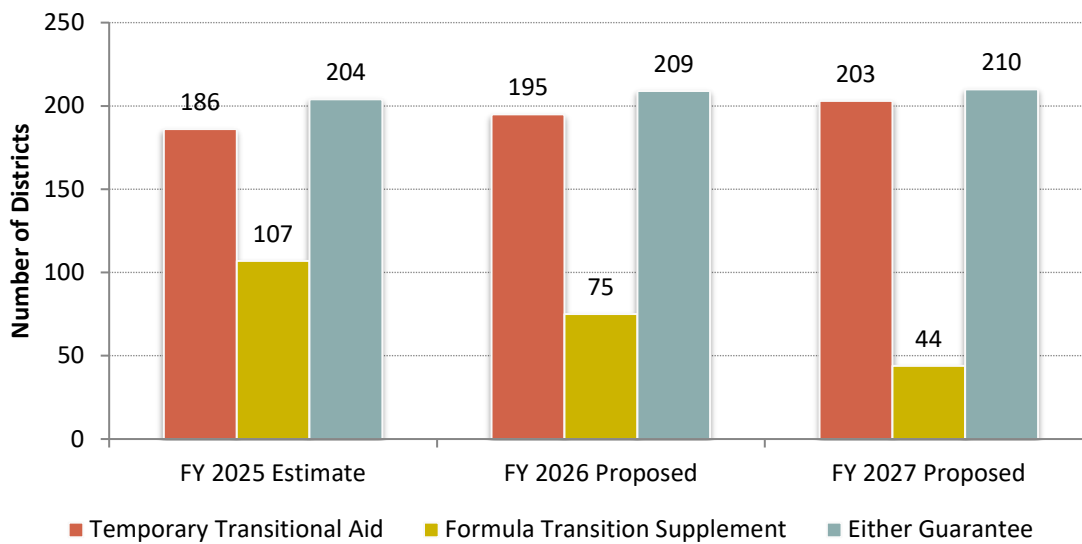
Main guarantees

As Table 2 above shows, lower state foundation aid after the phase-in (“core foundation aid”) significantly increases the amount paid through temporary transitional aid over the biennium. Temporary transitional aid grows from \$285.1 million in FY 2025 to projected levels of

\$408.4 million in FY 2026 and \$564.7 million in FY 2027. However, the formula transition supplement decreases from \$28.0 million in FY 2025 to \$17.0 million in FY 2026, before increasing to \$24.4 million in FY 2027.

The decreases in core foundation aid contribute to a slight increase in the number of districts on one or both of the formula’s main guarantees in FY 2026 and FY 2027. Temporary transitional aid generally ensures a district’s core foundation aid does not fall below what it received in FY 2020. The number of districts receiving temporary transitional aid is estimated to increase from 186 in FY 2025 to 195 in FY 2026, and to 203 districts in FY 2027. Meanwhile, the number of districts receiving the formula transition supplement, which is based on FY 2021 funding levels, is expected to decrease from 107 in FY 2025 to 44 in FY 2027 due to increased transportation aid (transportation is not included in the temporary transitional aid base, but is included in the formula transition supplement base). Under the executive proposal, the minimum state share for transportation increases from 41.67% in FY 2025 to 45.83% in FY 2026 and 50% in FY 2027. Overall, however, the number of districts on either guarantee is estimated to increase overall from 204 in FY 2025 to 210 in FY 2027 (see Chart 7).

Chart 7: Number of Districts on Main Guarantees, FY 2025-FY 2027



Community eligibility provision (CEP) and DPIA

In FY 2024, the federal government adopted a rule to expand the Community Eligibility Provision (CEP) of the National School Lunch and National School Breakfast programs. Under the updated provision, all students may receive free meals if they are enrolled in a district or school with an “identified student percentage” (i.e., the percentage of students eligible for free and reduced-price meals through direct certification due to their participation in certain other assistance programs) of at least 25%. Prior to the federal rule change in October 2023, this percentage was 40%.

The executive proposal requires all districts that participate in the National School Lunch and National School Breakfast programs and that have an identified student percentage of at least 25% to participate in the CEP and provide free lunches or breakfasts, respectively, to all

students at no charge. Because DEW largely bases its count of economically disadvantaged students for funding purposes on the number eligible for free and reduced-price meals, this change has implications for the amount of disadvantaged student impact aid (DPIA) districts receive.

The executive proposal maintains the current calculation of DPIA. However, the proposed requirement for districts meeting the CEP criteria to participate in that program likely will increase the population of students identified as economically disadvantaged for purposes of receiving DPIA. Paradoxically, the increase in identified students may result in a decrease in DPIA payments due to the calculation of the formula's "economically disadvantaged index." This index represents the ratio of a district's percentage of students who are identified as economically disadvantaged to the statewide percentage of students who are identified as economically disadvantaged (the ratio is then squared to target funding to districts with higher concentrations of poverty). To determine a district's DPIA payment, the formula multiplies the index by the district's number of economically disadvantaged students and a flat per-pupil amount of \$422, which remains unchanged from FY 2025 in the executive proposal.

As the statewide percentage rises, some districts' individual economically disadvantaged percentages may be smaller relative to the statewide percentage, resulting in a decrease in their economically disadvantaged index. Lower index values will translate to less DPIA. Estimated funding levels for traditional school districts, community and STEM schools, and JVSJs in the executive proposal are based on January 2025 student counts, including economically disadvantaged students. Under the executive proposal, DPIA (as calculated prior to the formula's phase-in) remains flat in FY 2026 and FY 2027 because the simulations used to project funding assume that enrollment remains constant from FY 2025 to FY 2027. However, actual funding in FY 2026 and FY 2027 will be based on actual data. If more districts and schools participate in the CEP due to the executive proposal's requirement, an increase in the statewide economically disadvantaged percentage may drive down economically disadvantaged index values for certain districts and reduce overall DPIA funding.

Community and STEM schools

Community and STEM schools continue to be funded separately from traditional districts. The state foundation aid formula for these schools is similar to the formula for traditional districts. However, since these schools do not have taxing authority, state funding for them does not account for any local support. That is, the state share for community and STEM schools is effectively 100%. The executive budget largely maintains the current law formulas but increases the phase-in percentages to the same levels as traditional districts, decreases the formula transition supplement guarantee base to 95% of FY 2021 levels in FY 2026 and 90% in FY 2027 in line with traditional districts, and codifies and expands the equity supplement created by H.B. 33 of the 135th General Assembly. Foundation aid for community and STEM schools under the executive proposal is estimated at \$1.34 billion in FY 2026 and \$1.42 billion in FY 2027, increases of \$73.6 million (5.8%) and \$74.5 million (5.5%), respectively.

Equity supplement

H.B. 33 of the 135th General Assembly, the main operating budget for FY 2024 and FY 2025, established a community school equity supplement of \$650 per pupil in each fiscal year.

Under that act, site-based community schools are eligible for the supplement but e-schools and STEM schools are not. The executive proposal codifies the equity supplement into permanent law and expands eligibility to STEM schools. As under H.B. 33, the equity supplement is calculated after the formula's phase-in, but before the formula transition supplement. Estimated funding for the equity supplement increases from \$55.5 million in FY 2025 to \$58.0 million in each FY 2026 and FY 2027 under the executive proposal.

JVSDs

JVSDs receive state operating funding through a separate formula similar to that used to fund traditional school districts. Like the formulas for traditional districts and community and STEM schools, the executive budget largely maintains the current law formula while continuing the phase-in in the same manner as those districts and schools and decreasing the guarantee bases for temporary transitional aid and the formula transition supplement to 95% in FY 2026 and 90% in FY 2027. However, the Governor's proposal modifies the formula for calculating the state share of a JVSD's base cost to use per-pupil, rather than aggregate amounts, as described further below. Under the executive budget, JVSD funding is projected to be \$540.7 million in FY 2026 and \$569.8 million in FY 2027, increases of \$43.6 million (8.8%) and \$29.1 million (5.4%), respectively.

Change to JVSD state share of the base cost calculation

Under current law, the formula bases a JVSD's state share of the base cost in part on a flat "charge-off" rate of 0.5 mills applied to its local capacity valuation; that is, the lesser of its most recent taxable property value or the average of its taxable property values over the most recent preceding three years. The district's state share of the base cost is the greater of (1) the difference between its total base cost and this 0.5-mill charge-off amount, or (2) 10% of its total base cost. This means that a JVSD's state share of the base cost does not depend on its current year enrolled ADM, unlike the formulas for traditional districts and community and STEM schools. The executive proposal replaces this calculation with a new state share of the base cost that more closely aligns with the formula used for traditional school districts, in that it relies on each JVSD's per-pupil base cost, a per-pupil local capacity amount, and current year enrolled ADM.

Per-pupil local capacity amount

The executive proposal replaces the 0.5-mill aggregate charge-off amount for JVSDs under current law with a per-pupil local capacity amount. The executive proposal determines this amount by multiplying each JVSD's per-pupil local capacity valuation by 0.5 mills (0.0005 or 0.05%), rather than its total local capacity valuation.

Proposed JVSD Per-Pupil Local Capacity Amount

JVSD Per-pupil local capacity amount = (Local capacity valuation x 0.0005) / Base cost enrolled ADM

Local capacity valuation = Lesser of three-year average value or most recent annual value

State share percentage

The executive proposal then determines a JVSD's state share percentage by dividing the difference between a JVSD's per-pupil base cost and its per-pupil local capacity amount by the

per-pupil base cost. The executive proposal maintains current law’s minimum state share percentage of 10%.

Proposed JVSD State Share Percentage

$$\text{JVSD State share percentage} = \text{Greater of } [(\text{Base cost per pupil} - \text{Per-pupil local capacity amount}) / \text{Base cost per pupil}] \text{ or } 10\%$$

State share of the base cost

The executive proposal determines each JVSD’s state share of the base cost by multiplying the district’s per-pupil base cost by its state share percentage to obtain a per-pupil state share of the base cost and then by the district’s current year enrolled ADM to yield the aggregate state share of the base cost.

Proposed JVSD State Share of the Base Cost

$$\text{JVSD State share of the base cost} = \text{Base cost per pupil} \times \text{State share percentage} \times \text{Enrolled ADM}$$

Summary of foundation aid for public schools

The foundation aid allocation for public schools under the executive proposal is estimated at \$9.97 billion in FY 2026, an increase of \$85.6 million (0.9%) compared to estimated FY 2025 aid of \$9.89 billion, and \$10.03 billion in FY 2027, an increase of \$63.4 million (0.6%) compared to the FY 2026 level.

Table 4. Summary of Foundation Aid (in millions) by School Type, FY 2025-FY 2027

School Type	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Traditional districts	\$8,117.9	\$8,086.3	\$8,046.1
Community and STEM schools	\$1,270.3	\$1,344.0	\$1,418.5
JVSDs	\$497.2	\$540.7	\$569.8
Total	\$9,885.4	\$9,971.0	\$10,034.4
Change	--	\$85.6	\$63.4
% Change	--	0.9%	0.6%

Foundation aid spending requirements

Current law requires school districts and other public schools to adhere to certain spending requirements associated with DPIA, the student wellness and success portion of the base cost (“student wellness and success funds” or SWSF), and career-technical education associated services funds. The executive budget modifies the requirements for districts and schools with respect to these funds.

DPIA

Under current law, districts and schools must spend DPIA on one or more of 17 specified initiatives in coordination with at least one community partner. The executive budget requires a district or community school that was required to submit a reading achievement improvement plan in the prior fiscal year to spend at least 50% of its DPIA in the current fiscal year on initiatives in reading improvement and intervention and professional development in literacy instruction. Any other district or community or STEM school must spend at least 25% of its DPIA on the same reading and literacy initiatives.

SWSF

The executive budget also adds requirements associated with the planning process for SWSF spending. Specifically, the executive proposal requires a district or school to *annually* develop a plan to use its SWSF and districts and schools to provide opportunities for meaningful input from community mental health providers, local boards of alcohol, drug addiction, and mental health (ADAMH), and selected community partners on various aspects of their SWSF plans. The executive proposal requires SWSF plans to list the initiatives to be implemented, the amount of funding for each, the names of community partners with which the plan is developed, the type of needs assessment or relevant data used to identify the need for each initiative, the goal for each initiative, and how each initiative's impact will be measured or evaluated.

CTE associated services funds

A portion of the school funding formula's categorical funds for career-technical education (CTE) is designated for associated services. Under current law, districts and schools may use these funds only for approved purposes, such as apprenticeship coordinators, coordinators for other CTE services, career-technical evaluation, and other purposes designated by DEW. The executive proposal eliminates the express authorization for a school district to use their associated services funds for these purposes and expressly permits the funds to be used for purposes focused on engagement, planning, use of data, and continuous improvement. Specifically, the executive proposal permits the use of CTE associated services funds for (1) engaging and collaborating with education and workforce stakeholders, (2) developing and maintaining a comprehensive plan to increase career-focused education activities, (3) ensuring that plans are informed by quality data and using data to expand access to career-focused activities, (4) planning and allocating resources for the growth, sustainability, and enhancement of career-focused activities in the long term, and (5) establishing continuous improvement and program approval processes.

Scholarship programs

The state provides five main scholarships for students to obtain education services from private providers, typically chartered nonpublic schools: (1) the traditional Educational Choice (EdChoice) Scholarship Program, which provides scholarships for students who are assigned or would be assigned to district school buildings that have persistently low academic achievement, (2) the EdChoice Expansion Scholarship Program, which offers means-tested scholarships for all other students, (3) the Cleveland Scholarship Program, for students residing in the Cleveland Municipal School District, (4) the Autism Scholarship Program, and (5) the Jon Peterson Special Needs (JPSN) Scholarship Program. The latter two provide scholarships to students with autism in grades pre-K-12 and students with any category of disability in grades K-12, respectively, to

enroll in an approved special education program other than the one offered by the student's school district. The executive proposal continues to fund all state scholarships directly using foundation funding but does not allocate specific amounts to each scholarship program. Rather, it funds them within an earmark from GRF appropriation line item (ALI) 200550, Foundation Funding – All Students, that also funds foundation aid payments to school districts, community schools, and STEM schools.

Under continuing law, the maximum scholarship amounts for most of the scholarship programs increase by the same percentage that the statewide average base cost per-pupil increases. The executive proposal maintains the current law maximum scholarship amounts since it also maintains the use of the FY 2024 statewide average base cost per pupil in FY 2026 and FY 2027. Scholarship program spending is estimated to reach a total of \$1.16 billion in FY 2026 and \$1.25 billion in FY 2027, annual increases of \$88.6 million (8.2%) and \$88.2 million (7.6%), respectively. The increases in estimated scholarship spending over the FY 2026-FY 2027 biennium are due to projected increases in program participation and average award amounts. Table 5 below breaks out the estimated amounts by program.

Scholarship Program	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
EdChoice expansion	\$475.4	\$521.2	\$563.5
Traditional EdChoice	\$292.7	\$316.5	\$342.2
Autism	\$150.7	\$161.4	\$172.8
Jon Peterson Special Needs	\$101.1	\$107.3	\$113.7
Cleveland	\$54.4	\$56.6	\$58.9
Total	\$1,074.4	\$1,163.0	\$1,251.1
Change	--	\$88.6	\$88.2
% Change	--	8.2%	7.6%

Community and STEM school facilities

The executive proposal increases funding for community and STEM school facilities costs from \$88.6 million in FY 2025 to \$133.2 million in each of FY 2026 and FY 2027, an increase of \$44.6 million (50.4%). This funding is paid on a per-pupil basis. The executive proposal increases the per-pupil amount paid to site-based community schools and STEM schools from \$1,000 to \$1,500 and maintains the amount paid to e-schools at \$25 per pupil. The payments are supported by lottery profits.

School bus safety grants and bus driver training

The executive proposal establishes a School Bus Safety Grant Program in FY 2026 funded by \$30 million from lottery profits in Fund 7017 ALI 200413, School Bus Safety. Under this program, DEW will create guidelines for awarding grants for school bus safety features informed

by the Governor's School Bus Safety Working Group and in consultation with the Department of Public Safety. Eligible applicants include traditional school districts, community and STEM schools, county boards of developmental disabilities, and chartered nonpublic schools that provide transportation services. Grants may be used for repair, replacement, or addition of school bus safety features to school buses in active service, or for safety enhancements to the purchase of a new school bus. Grantees may not use grant funds to enhance buses they do not own.

Additionally, the executive proposal requires school bus and motor van drivers to complete six hours of in-service training annually beginning in FY 2027 and requires DEW to develop an in-service training curriculum and approve training providers. Currently, school bus driver training requirements are established in administrative rule (Ohio Administrative Code (O.A.C.) 3301-83-06) and require four hours of in-service training. The executive budget supports the increased training requirement and wider availability of advanced bus driver training by increasing the GRF earmark for bus driver training in ALI 200502, Pupil Transportation, by \$3.9 million from FY 2026 to FY 2027.

Tech Prep Expansion grants

The executive budget earmarks \$9 million in each fiscal year from the GRF for Tech Prep Expansion grants, an increase of \$6.9 million compared to the FY 2025 level. These competitive grants are designed to expand the number of students with access to career-technical education. The additional funds will be used to distribute grants to new partners throughout the state, focusing on career planning and mentorship programs. Though there are currently six Ohio Tech Prep Regional Centers, DEW plans to transition to a regional model in line with the seven JobsOhio regions.

Principal Apprenticeship Program

The executive proposal creates a Principal Apprenticeship Program funded with an earmark of \$5 million in each fiscal year from GRF ALI 200448, Educator and Principal Preparation. The program must provide multiple pathways for training and development in school leadership and administration, including the option for participants to obtain a master's degree. Licensed educators in public or chartered nonpublic schools, as well as professionals in other fields, may apply. DEW may give preference to applicants with multiple years of classroom teaching experience or multiple years of experience as a classroom teacher or in the same professional career field and teaching, training, or supervising others. The executive proposal requires participants to complete on-site training and be mentored by a school principal. The State Board of Education must issue a professional administrator license to a participant who successfully completes the program.

Literacy initiatives

The executive proposal includes several provisions targeting literacy improvement. In addition to the requirement described above for certain districts and schools to spend at least certain amounts of their DPIA payments on reading improvement and intervention initiatives, the executive budget continues funding of \$12 million in each fiscal year for literacy coaches and proposes new requirements for educator training in the science of reading.

The executive proposal appropriates \$12 million annually in Fund 7017 ALI 2006A7, Literacy Coaches, and requires these funds to support coaches in the districts and schools with the lowest rates of proficiency on the state's English language arts assessments. Coaches must meet certain training requirements and must follow Ohio's Coaching Model from Ohio's Plan to Raise Literacy Achievement. In FY 2025, the coaches are supported by a non-GRF fund that received cash transfers from the GRF. The executive budget shifts literacy coach funding to lottery profits. These funds are in addition to continued GRF funding of \$4.5 million in FY 2026 and \$4.6 million in FY 2027 for literacy activities through ALI 200566, Literacy Improvement.

The executive proposal also requires DEW to maintain an introductory course on the science of reading for licensed educators, as well as develop a competency-based training course to update and reinforce educators' knowledge and skills in the science of reading. The executive proposal requires current public school teachers and administrators to complete the competency-based course by June 30, 2030, and every five years thereafter, and requires teachers and administrators hired after July 1, 2025, to complete the introductory course within one year and the competency-based course every five years thereafter. School psychologists and speech-language pathologists must also complete the introductory course by the end of FY 2027, and the competency-based course every five years thereafter. Certain exceptions apply if teachers or administrators have completed other similar trainings or coursework.

Absence intervention and truancy

The executive budget makes a number of changes to the laws governing absence intervention, truancy, and chronic absenteeism. These changes implement the recommendations of the Ohio Attendance Task Force, the goal of which is to shift resources from compliance activities to prevention and early intervention. The executive budget repeals the requirement that a school district or other public school assign habitual truants to an absence intervention team and adopt a prescribed absence intervention plan. Instead, the executive budget requires districts and schools to adopt a policy in consultation with the juvenile court that, among other contents:

- Identifies strategies to prevent students from becoming chronically absent;
- Includes procedures for notifying a student's parent, guardian, or custodian, when the student has been absent from school for a number of hours determined by the district board or governing authority, which cannot exceed 5% of the minimum number of hours required in the school year;
- Establishes a tiered system that provides more intensive interventions and supports for students with greater numbers of absences and includes resources to help students and their families address the root causes of the absences;
- Provides for one or more absence intervention teams to work with students at risk of becoming chronically absent and their families to improve the students' attendance at school; and
- Prohibits suspending, expelling, or otherwise preventing a student from attending school based on the student's absences.

The executive budget also:

- Eliminates the timeline under which an attendance officer must file a complaint in juvenile court against a truant student and instead requires a complaint only if the school district determines that the student is not making satisfactory progress in improving the student's attendance at school;
- Requires that a filed complaint allege that the child is an unruly child for being a habitual truant and that the parent or guardian has violated the duty to cause the child to attend school; and
- Permits a district or school to consult or partner with public and nonprofit agencies to provide assistance to students and families in reducing absences.

According to DEW, districts and schools report that they must dedicate a significant amount of staff hours and resources to implement the requirements that are repealed in the executive budget. In a research study conducted by the Ohio Education Research Center, 88% of survey respondents, a representative sample of all Ohio districts and schools, reported that they dedicate at least one FTE staff person to implement the administrative requirements eliminated in the executive proposal and 36% dedicate four or more FTE staff members. Districts and schools indicated that administrative workload with respect to the compliance activities is driven by the need to dedicate staff time to adhere to the required format of the letters and notification for families and the format and requirements for an attendance intervention plan. DEW further pointed to national research that indicates attendance is improved by proactive, supportive intervention measures and not by consequence-related interventions as under current law. The goal of these provisions, therefore, is to eliminate these statewide requirements for intervention so that districts and schools can communicate with families positively and proactively and dedicate resources towards early intervention and incentives.

Educational regional service system

The executive budget proposes reforms to the mission and structure of the educational regional service system, also referred to as "state support teams" or SSTs. Currently, 16 SSTs serve various regions of the state. ESCs currently serve as the SST's fiscal agents. The teams consult with districts and schools to improve student achievement, primarily focusing on support for special education and struggling districts and schools. They also help implement DEW initiatives, including those related to literacy and positive behavioral intervention and supports (PBIS) to name a few. SST services and professional learning opportunities are provided at no cost to districts and schools. According to DEW, the teams are mainly funded by federal funds, mostly from Individuals with Disabilities Education Act (IDEA) state activity dollars. The state provides funding to SSTs through an earmark of \$3.5 million each fiscal year from GRF ALI 200550, Foundation Funding – All Students, for school improvement initiatives.

The executive proposal requires the SSTs to support state and regional workforce development initiatives, in addition to education initiatives. It also requires the SSTs to provide services to STEM schools and expands SST service providers to include career-technical planning districts, county developmental disabilities boards, Tech Prep regional centers, and community colleges (under the executive proposal, these providers are permitted to serve as an SST fiscal agent). It also eliminates the 16 regions established in statute and, instead, requires DEW to

establish *up to* 16 SST regions. DEW explained that the goal of these changes is to rethink and rebalance how the SSTs operate, better align the regions to the seven JobsOhio regions, and improve the overall quality of the services provided. The executive budget also makes changes to provisions associated with SST performance contracts and administrative fees.

Competency-based adult education

Under current law, DEW supports adult education in part through the Adult Diploma Program and the 22+ Adult High School Program. The executive proposal eliminates these programs and replaces them with a competency-based adult education system under which traditional school districts, JVSs, and community schools, as well as community colleges or Ohio technical centers may establish their own programs that meet certain requirements to be established in DEW administrative rules. The executive proposal authorizes DEW to pay each provider up to \$7,500 per student per school year based on the individual's successful completion of the program's diploma requirements. According to DEW, the proposal is based on stakeholder feedback that recommended combining the best elements of each program and providing more flexibility with fewer mandates.

The executive proposal defines a competency-based program as one in which individuals receive credit based on demonstrations and assessments of learning rather than the amount of time spent studying a subject and establishes mandatory competency requirements in mathematics and English language arts, as well as competency standards for workforce readiness, industry-recognized credentials, state career pathway technical assessments, pre-apprenticeship and apprenticeship programs, and work-based learning experiences. Additionally, the executive proposal includes minimum course credits in English language arts, mathematics, science, social studies, and financial literacy that an individual must complete to be eligible for graduation. Individuals 18 years of age or older who have withdrawn from school and not been awarded a high school diploma or equivalence certificate may participate in these programs.

Analysis of FY 2026-FY 2027 budget proposal

Introduction

This section provides an analysis of the Governor’s recommended funding for each appropriation line item (ALI) in DEW’s budget and for two school-related property tax reimbursement appropriation items that are located in the State Revenue Distribution (RDF) section of the budget bill. For organizational purposes, these ALIs are grouped into nine major categories based on their funding purposes. The analysis for an ALI with a lower category or subcategory designation will appear before that for an ALI with a higher category or subcategory designation. That is, the analysis for an ALI with a category designation of C1:8 will appear before the analysis for an ALI with a category designation of C2:1 and the analysis for an ALI with a category designation of C1:3 will appear before the analysis for an ALI with a category designation of C1:8.

To aid the reader in locating each ALI in the analysis, the following table shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds. This is the same order the ALIs appear in the DEW and RDF sections of the budget bill.

In the analysis, each appropriation item’s estimated expenditures for FY 2025 and recommended appropriations for FY 2026 and FY 2027 are listed in a table. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are proposed by the Governor. If the appropriation is earmarked, the earmarks are listed and described.

Categorization of DEW’s Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget Proposal

Fund	ALI	ALI Name	Category
General Revenue Fund Group			
GRF	200321	Operating Expenses	C8:1 State Administration
GRF	200416	Career Technical Education	C8:1 State Administration
GRF	200420	Information Technology Development and Support	C8:2 State Administration
GRF	200422	School Management Assistance	C5:3 School Operations Support
GRF	200424	Policy Analysis	C4:5 Curriculum, Assessment, and Accountability
GRF	200426	Ohio Educational Computer Network	C5:1 School Operations Support
GRF	200427	Academic Standards	C4:4 Curriculum, Assessment, and Accountability
GRF	200437	Student Assessment	C4:1 Curriculum, Assessment, and Accountability
GRF	200439	Accountability/Report Cards	C4:3 Curriculum, Assessment, and Accountability
GRF	200446	Education Management Information System	C4:2 Curriculum, Assessment, and Accountability
GRF	200448	Educator and Principal Preparation	C6:1 Educator Quality
GRF	200455	Community Schools and Choice Programs	C8:3 State Administration
GRF	200465	Education Technology Resources	C5:2 School Operations Support

Categorization of DEW's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget Proposal

Fund	ALI	ALI Name	Category
GRF	200478	Industry-Recognized Credentials High School Students	C2:3 Educational Enhancements
GRF	200502	Pupil Transportation	C1:1 Basic Public School Support
GRF	200505	School Meal Programs	C5:7 School Operations Support
GRF	200511	Auxiliary Services	C3:1 Nonpublic School Support
GRF	200532	Nonpublic Administrative Cost Reimbursement	C3:2 Nonpublic School Support
GRF	200540	Special Education Enhancements	C2:1 Educational Enhancements
GRF	200545	Career-Technical Education Enhancements	C2:2 Educational Enhancements
GRF	200550	Foundation Funding	C1:1 Basic Public School Support
GRF	200566	Literacy Improvement	C7:1 Academic Achievement
GRF	200572	Adult Education Programs	C7:2 Academic Achievement
GRF	200574	Half-Mill Maintenance Equalization	C1:2 Basic Public School Support
GRF	200576	Adaptive Sports Programs	C2:5 Educational Enhancements
GRF	657401	Medicaid in Schools	C2:4 Educational Enhancements
Dedicated Purpose Fund Group			
4520	200638	Charges and Reimbursements	C8:6 State Administration
5980	200659	Auxiliary Services Reimbursement	C3:3 Nonpublic School Support
5H30	200687	School District Solvency Assistance	C5:5 School Operations Support
5KX0	200691	Ohio School Sponsorship Program	C1:5 Basic Public School Support
5MM0	200677	Child Nutrition Refunds	C5:6 School Operations Support
5U20	200685	National Education Statistics	C4:6 Curriculum, Assessment, and Accountability
5VS0	200604	Foundation Funding – All Students	C1:1 Basic Public School Support
5Y00	200491	Public and Nonpublic Education Support	C1:1 Basic Public School Support
6200	200615	Educational Improvement Grants	C7:4 Academic Achievement
Internal Service Activity Fund Group			
1380	200606	Information Technology Development and Support	C8:2 State Administration
4R70	200695	Indirect Operational Support	C8:4 State Administration
4V70	200633	Interagency Program Support	C8:5 State Administration
State Lottery Fund Group			
7017	200413	School Bus Safety	C1:4 Basic Public School Support
7017	200612	Foundation Funding – All Students	C1:1 Basic Public School Support
7017	200614	Accelerate Great Schools	C7:3 Academic Achievement

Categorization of DEW's Appropriation Line Items for Analysis of FY 2026-FY 2027 Budget Proposal

Fund	ALI	ALI Name	Category
7017	200631	Quality Community and Independent STEM Schools Support	C1:3 Basic Public School Support
7017	200684	Community School Facilities	C5:4 School Operations Support
7017	2006A7	Literacy Coaches	C7:1 Academic Achievement
Federal Fund Group			
3670	200607	School Food Services	C5:10 School Operations Support
3700	200624	Education of Exceptional Children	C2:10 Educational Enhancements
3AF0	657601	Schools Medicaid Administrative Claims	C2:4 Educational Enhancements
3EH0	200620	Migrant Education	C2:9 Educational Enhancements
3EJ0	200622	Homeless Children Education	C2:8 Educational Enhancements
3GE0	200674	Summer Food Service Program	C5:9 School Operations Support
3GG0	200676	Fresh Fruit and Vegetable Program	C5:11 School Operations Support
3HF0	200649	Federal Education Grants	C7:8 Academic Achievement
3HI0	200634	Student Support and Academic Enrichment	C2:6 Educational Enhancements
3HL0	200678	Comprehensive Literacy State Development Program	C7:6 Academic Achievement
3L60	200617	Federal School Lunch	C5:7 School Operations Support
3L70	200618	Federal School Breakfast	C5:7 School Operations Support
3L80	200619	Child/Adult Food Programs	C5:8 School Operations Support
3L90	200621	Career-Technical Education Basic Grant	C1:8 Basic Public School Support
3M00	200623	ESEA Title 1A	C1:6 Basic Public School Support
3M20	200680	Individuals with Disabilities Education Act	C1:7 Basic Public School Support
3Y20	200688	21 st Century Community Learning Centers	C7:5 Academic Achievement
3Y60	200635	Improving Teacher Quality	C6:2 Educator Quality
3Y70	200689	English Language Acquisition	C7:7 Academic Achievement
3Y80	200639	Rural and Low Income Technical Assistance	C2:7 Educational Enhancements
3Z20	200690	State Assessments	C4:1 Curriculum, Assessment, and Accountability
3Z30	200645	Consolidated Federal Grant Administration	C8:7 State Administration
State Revenue Distribution			
GRF	200903	Property Tax Reimbursement – Education	C9:1 Property Tax Reimbursements
GRF	200417	Personal Property Tax Replacement Phase Out – School District	C9:2 Property Tax Reimbursements

Category 1: Basic Public School Support

This category of ALIs contains the appropriations for state and federal formula-driven support for all public school students.

C1:1: Foundation Funding (ALIs 200550, 200502, 200604, 200491, and 200612)

Excluding the specific earmarks (which are discussed in sections that immediately follow this discussion), GRF ALIs 200550 and 200502, Fund 5VSO ALI 200604, Fund 5Y00 ALI 200491, and Lottery Fund 7017 ALI 200612, are used to collectively support state foundation aid payments for all public school students in the state and scholarship payments for students enrolled in state scholarship programs. The appropriations for state foundation aid payments total \$11.15 billion in FY 2026 and \$11.29 billion in FY 2027. This marks a 1.4% increase compared to the estimated amount for the payments in FY 2025 and an additional 1.3% increase in FY 2027.

Foundation Aid Appropriations			
Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200550, Foundation Funding – All Students			
Earmarks	\$90,557,606	\$86,485,509	\$88,756,869
Remainder – Foundation aid	\$8,178,939,394	\$8,338,501,465	\$8,428,691,006
GRF ALI 200502, Pupil Transportation			
Earmarks	\$139,126,969	\$177,986,608	\$199,809,796
Remainder – Foundation aid	\$680,660,031	\$699,348,806	\$755,819,905
Fund 5VSO ALI 200604, Foundation Funding – All Students			
	\$600,000,000	\$600,000,000	\$600,000,000
Fund 5Y00 ALI 200491, Public and Nonpublic Education Support			
	\$196,200,000	\$171,200,000	\$171,200,000
Fund 7017 ALI 200612, Foundation Funding – All Students			
	\$1,323,945,000	\$1,338,945,000	\$1,338,945,000
Total foundation aid			
	\$10,979,744,425	\$11,147,995,271	\$11,294,655,911
% change			
	--	1.5%	1.3%

The state's public education funding formula determines foundation aid payment allocations for traditional school districts, community and STEM schools, and JVSs. Additionally, these appropriations include statutorily prescribed amounts for students attending a nonpublic school through a state scholarship program. Under the unit funding approach established in H.B. 110 of the 134th General Assembly, a single allocation of funding supports school foundation aid for school districts, community and STEM schools, and students using state scholarships to attend nonpublic schools. Foundation aid for traditional districts includes funding for the operating costs of transporting students to and from school, distributed through ALI 200502,

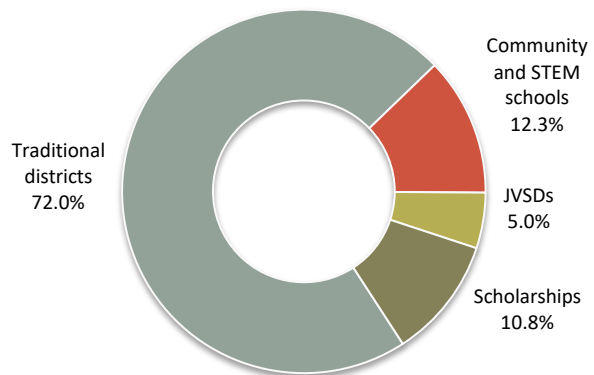
Pupil Transportation. Transportation funds are mostly allocated based on the prior year’s costs and either current year ridership or miles driven. Community schools may accept responsibility to provide transportation services to their students. Those that do so also receive transportation funds.

The executive proposal continues to use Fund 5VSO ALI 200604, Foundation Funding – All Students, in conjunction with other foundation funding ALIs to fund the foundation formula’s disadvantaged pupil impact aid (DPIA) component and the portion of the formula’s state share of the base cost attributable to the student wellness and success staffing component. The executive proposal continues to support Fund 5VSO through cash transfers of \$600.0 million each year from the GRF. Beginning in FY 2024, sports gaming tax revenues and sports gaming proprietor license fees to the Sports Gaming Profits Education Fund (Fund 5Y00) also support the formula. These funds are appropriated in ALI 200491, Public and Nonpublic Education Support, and are used in conjunction with the state’s other foundation aid ALIs to distribute formula aid to public schools and to make scholarship payments.

The school funding formula is typically revised to some degree every two years during the biennial budget process. As discussed in the “**Overview**” section, the Governor’s budget recommends generally incremental changes to the formula, including completing the phase-in in FY 2027 and reducing the base amounts used to determine funding under the formula’s guarantee provisions. The current school funding formula is discussed in great detail in a series of *Members Briefs* on the school funding formula that are posted on the [LSC website](#).

Under the current formula, funding flows directly to districts and community schools based on the enrollment of the students they educate. Chart 8 shows the distribution of estimated foundation aid over the FY 2026-FY 2027 biennium by school type. About 72% of foundation aid is projected to flow to traditional school districts. Community schools are estimated to receive about 12%, followed by JVSDs at 5%. As noted above, state-funded scholarship programs, including the traditional and income-based EdChoice programs, the Cleveland Scholarship Program, the Autism Scholarship Program, and the Jon Peterson Special Needs Scholarship Program, are also funded through these appropriations and comprise about 11% of projected biennium funding. While the formula provides direct funding for community and STEM schools, open enrollment, and scholarship programs, the College Credit Plus (CCP) Program is funded through foundation aid by a “deduction and transfer” mechanism. Additional details regarding Ohio’s various school choice options are provided below.

Chart 8: Estimated Foundation Aid by School Type, FY 2026-FY 2027 Biennium



Community schools

The total amount of foundation aid for community and STEM schools statewide is estimated at \$1.27 billion for FY 2025, and projected to increase to \$1.34 billion in FY 2026 and

\$1.42 billion in FY 2027 under the executive proposal. Community schools are public schools that are exempt from certain state requirements. These schools are not part of any school district and do not have taxing authority. Community schools were first established in Ohio in FY 1999. As of January of FY 2025, 341 community schools are educating about 120,000 FTE students. Community schools include 19 internet- and computer-based community schools (e-schools), which provide educational services electronically instead of in a traditional classroom setting, and the more traditional brick-and-mortar (site-based) schools. In FY 2025, about 85,400 FTE students (71% of total community school enrollment) attend site-based community schools while the remaining 34,800 FTE students (29%) are enrolled in e-schools.

Under current law, a community school may be designated a dropout prevention and recovery (DOPR) school if, in general, a majority of its students are enrolled in a DOPR program. A DOPR school receives a special state report card that provides alternative ratings that are tailored to DOPR programs. Currently, 84 (25%) of the 341 community schools carry the DOPR designation and educate about 23,000 FTE students. The executive budget proposes some changes to how these schools are defined to increase the accountability for students who attend a DOPR school but do not participate in DOPR programs. Specifically, the executive budget:

- Defines a DOPR school as a community school that enrolls only students who are between the ages of 14 and 21, and who, at the time of their initial enrollment, are at least one grade level behind their cohort age groups or experience crises that significantly interfere with their academic progress such that they are prevented from continuing their traditional educational programs.
- Requires each DOPR school operating under the current definition to, upon approval of the school's sponsor, (1) transfer those grades that do not comply to a separate community school or (2) cease offering those grades. Such a school must also assist students who are not eligible to enroll in a DOPR school under the new definition to transfer to the separate community school or enroll in a different school. DEW must assign any separate community school spun off because of these provisions with its own internal retrieval number (IRN), a unique number DEW uses to identify districts, schools, and other education providers.
- Permits a DOPR school to continue operating through the 2026-2027 school year without complying with the new definition.

DOPR e-school supplemental funding

The state provides supplemental payments for e-schools with a majority of students enrolled in a DOPR program. The program provides supplemental funding through a hybrid funding model for students in grades 8-12 based on a combination of enrollment, documented learning opportunities, and credit attainment or course completion. Currently, H.B. 33 of the 135th General Assembly earmarks \$4.5 million in each of FY 2024 and FY 2025 from GRF ALI 200550 to pay the supplemental funds. However, the DEW Director may reallocate excess funds for other purposes in GRF ALI 200550 to fully pay the supplemental funding if the amount earmarked for the payments is insufficient. In FY 2024, ten schools received supplemental payments totaling \$9.1 million. DEW is budgeting \$11 million for the payments in FY 2025. The executive proposal moves the funding for these payments from an earmark to the "remainder"

of GRF ALI 200550 allocated for school foundation aid and scholarship payments. According to DEW, the executive proposal assumes the payments will be about \$11 million each fiscal year, the same amount as FY 2025.

STEM schools

STEM schools were first authorized by law in June 2007. These public schools are similar to community schools in many respects but must operate in collaboration with higher education institutions and business organizations. Currently, there are eight STEM schools that are governed independently from any school district. In FY 2025, STEM schools are educating about 3,900 FTE students.

Open enrollment

Each school district in Ohio can choose to accept students from other districts under an open enrollment policy. Districts may offer open enrollment to students from adjacent districts or from any Ohio district. Additionally, S.B. 208 of the 135th General Assembly requires districts to accept the open enrollment of students from active-duty military families regardless of their district of residence. While districts are not required to permit enrollment of students from other districts, they may not prohibit students from leaving their district through open enrollment. Open enrollment students are counted in the educating district for funding purposes.

As of the 2024-2025 school year, about 77% of school districts (including JVSDs) allow statewide open enrollment, 6% of school districts allow adjacent district open enrollment only, and the remaining 17% of school districts do not accept open enrollment students. In FY 2025, about 76,800 FTE students are attending schools other than their resident district schools through open enrollment.

Scholarship programs

EdChoice Expansion Scholarship Program

Beginning in FY 2024, the EdChoice Expansion Scholarship Program provides a scholarship for any student entering grades K-12 to attend a chartered nonpublic school. Prior to FY 2024, this program was open to students with household incomes up to 250% of the federal poverty level (FPL). However, H.B. 33 of the 135th General Assembly expanded the program to any student regardless of income or the academic rating of the school they would otherwise attend. While virtually any student may obtain a scholarship to attend a chartered nonpublic school under this program, award amounts are means-tested based on a formula that accounts for a family's household income. Families with incomes up to 450% FPL may receive the maximum amount of \$6,166 for students in grades K-8 or \$8,408 for students in grades 9-12, with progressively reduced award amounts paid to families with incomes above that level. The formula sets a minimum scholarship amount equal to 10% of the maximum amount. The scholarship may not exceed a student's actual tuition charges. In FY 2024, about 87,000 FTE students received EdChoice Expansion scholarships totaling \$405.3 million to attend 585 chartered nonpublic schools. The executive proposal continues the current eligibility requirements and formula for determining award amounts.

Traditional EdChoice Scholarship Program

The Traditional EdChoice Scholarship Program provides a scholarship to attend a participating chartered nonpublic school if a student's resident school district has a three-year average Title I formula percentage of 20% or greater² and the public school the student would normally be assigned ranks in the bottom 20% of school buildings on the performance index aspect of the report card under certain conditions. Under current law, the maximum scholarship amount is set at \$6,166 for students in grades K-8 and \$8,408 for students in grades 9-12. The scholarship may not exceed a student's actual tuition charges. The executive budget maintains the maximum scholarship amounts. In FY 2024, about 40,300 FTE students received scholarships amounting to about \$272.3 million to attend 527 chartered nonpublic schools.

Autism Scholarship Program

The Autism Scholarship Program provides scholarships to students with autism and an individualized education program (IEP) established by their resident school districts whose parents choose to enroll the student in an approved special education program other than the one offered by the student's school district. The amount of the scholarship is the lesser of the total fees charged by the alternative provider or \$32,445. In FY 2024, about 4,600 students received scholarships amounting to about \$136.5 million for education and support services from 311 providers.

Jon Peterson Special Needs Scholarship Program

The Jon Peterson Special Needs (JPSN) Scholarship Program is similar to the Autism Scholarship Program except that it is available to all students with disabilities with an IEP established by their resident school districts. In general, a JPSN scholarship is calculated as the sum of a base amount and an amount for the student's disability category, subject to a cap of \$32,445. In FY 2024, about 7,800 students received scholarships amounting to about \$95.4 million to access services from 454 providers.

Cleveland Scholarship Program

The Cleveland Scholarship Program provides scholarships to students who are residents of Cleveland Municipal School District (CMSD) to be used to attend a participating chartered nonpublic school. Beginning in FY 2024, a student participating in this program may attend any participating nonpublic school regardless of its location. Prior to FY 2024, a school had to be located within the boundaries of the Cleveland Municipal School District or within a certain proximity to be eligible to participate.

The program serves students in grades K-12, giving priority to students from low-income families. Scholarships are based on a school's tuition cost, with a maximum scholarship of \$6,166 for students in grades K-8 and \$8,408 for students in grades 9-12. In FY 2024, about 7,800 students participated in the program with scholarships totaling \$53.4 million to attend

² Title I formula percentage is the Title I formula count, which includes children aged 5-17 (1) below the poverty level as determined by the U.S. Census Bureau, (2) above the poverty level but receiving Temporary Assistance for Needy Families (TANF) payments, and (3) in institutions for neglected or delinquent children or in foster homes, divided by the age 5-17 population.

84 participating schools. In addition to scholarships, the program funds tutoring services for students who remain in CMSD. The executive budget earmarks \$1.0 million in each fiscal year to pay for the tutoring program.

College Credit Plus (CCP) Program

The CCP Program allows qualified Ohio high school students to take college courses at state expense for both college and high school credit. The tuition amounts for the college classes a public school student attends are deducted from the educating district's or school's state foundation aid and paid to the institution attended by the student. In general, CCP payments made by DEW 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. For FY 2024, public schools paid about \$68.0 million to colleges under the program through deductions from foundation aid.

GRF ALI 200550, Foundation Funding, Earmarks			
Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Gifted education – educational service centers	\$5,357,606	\$5,733,404	\$5,733,404
Educational service centers state subsidy	\$47,600,000	\$49,152,105	\$51,023,465
School improvement initiatives – educational service centers	\$3,500,000	\$3,500,000	\$3,500,000
Power plant valuation adjustments	\$7,000,000	\$7,000,000	\$7,000,000
State scholarship program administration	\$8,140,000	\$12,400,000	\$12,800,000
Cleveland tutoring grants	\$1,000,000	\$1,000,000	\$1,000,000
College Credit Plus for home-instructed students	\$3,000,000	\$3,000,000	\$3,000,000
Private Treatment Facility Project	\$700,000	\$700,000	\$700,000
Academic distress commissions	\$1,760,000	\$1,000,000	\$1,000,000
Ohio STEM Learning Network	\$1,500,000	\$1,500,000	\$1,500,000
Stay in the Game! Network and chronic absenteeism	--	\$1,500,000	\$1,500,000
DOPR E-school supplemental funding*	\$11,000,000	--	--
GRF ALI 200550 Earmark total	\$90,557,606	\$86,485,509	\$88,756,869
% change	--	-4.5%	2.6%

* The executive proposal funds the DOPR e-school supplemental payments in the remainder of ALI 200550, Foundation Funding – All Students, along with foundation aid and scholarship payments.

As indicated earlier, GRF ALI 200550, Foundation Funding, also includes funding for various earmarks. These earmarks are listed in the table above and described briefly below.

Gifted education – educational service centers

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 requires these funds to be distributed to ESCs providing gifted services by using the unit-based funding model from FY 2009.

Educational service centers state subsidy

These funds provide state support to the 51 ESCs in Ohio. Each ESC receives a base lump sum payment of \$356,250. ESCs with a student count between 5,000 and 35,000 receive an additional \$24.72 per pupil for each additional student above 5,000, while those with student counts of more than 35,000 receive an additional \$24.72 per pupil for the first 30,000 students above 5,000 and an additional \$30.90 per pupil for each student above 35,000. The ESC operating subsidy formula includes a phase-in mechanism similar to that for traditional districts. The executive proposal maintains the ESC formula for FY 2026 and FY 2027 and completes the phase-in of the formula using the same phase-in percentages as traditional districts in the upcoming biennium.

School improvement initiatives – educational service centers

ESCs use these funds through 16 regional state support teams to provide direct services to districts in support of their continuous improvement initiatives. All schools and districts benefit from this support; however, the funding targets those identified as having the highest level of need. The executive proposal continues to permit DEW to distribute the funds through a competitive grant process.

Power plant valuation adjustments

These funds are used for additional payments to school districts that have at least one power plant in their territory and that experience at least a 10% decrease in public utility tangible personal property (PUTPP) value between tax year (TY) 2017 and the preceding tax year (e.g., TY 2025, for purposes of the FY 2026 payment) or between the preceding tax year and the second preceding tax year (e.g., in FY 2026, between TY 2024 and TY 2025). In general, the payment for an eligible district is based on a recomputation of the district's FY 2019 foundation aid using the preceding year's total taxable value (instead of the three-year average value used to determine funding for FY 2019) and the change in local property taxes between TY 2017 and the preceding tax year.

State scholarship program administration

This funding, along with GRF ALI 200455, Community Schools and School Choice Programs, supports DEW's costs in administering the state's scholarship programs. Due to continued growth in state scholarship program participation, especially EdChoice Expansion, the executive proposal increases funding for this earmark by \$4.3 million compared to the FY 2025 level. The additional funds will assist the Office of Nonpublic Educational Options in meeting staffing needs, payment processing, and IT system development.

Cleveland tutoring grants

This funding supports the Cleveland Tutoring Program, which provide grants to CMSD students to obtain tutorial assistance from approved providers. The grant amount is the lesser of the provider's charges or \$400. The executive proposal continues the earmark for this program at its historical funding level of \$1.0 million per fiscal year. The executive proposal also requires CMSD to report the use of these funds in the district's three-year continuous improvement plan, as has been the case historically.

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 CCP Program. In FY 2024, 1,634 home-instructed students received funding for 24,016 credit hours out of a total of 32,904 credit hours requested.

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 IEP and receive appropriate services.

Separately, the executive budget makes changes regarding the payment of tuition for students receiving education in residential treatment facilities. According to DEW, these provisions clarify payment and discharge procedures for children through a placement in a residential treatment facility under OhioRISE,³ as the law does not currently address which school district is responsible for paying tuition for a child who is placed in a residential treatment facility and receives education services through the facility (rather than from the district where the facility is located).

Specifically, the executive budget requires the school district in which a child's parent resides to pay a residential treatment facility for educational services provided when a child is parentally placed in that facility in consultation with, and upon recommendation of, the OhioRISE Program. The facility must provide education services that meet the minimum standards established by the DEW Director or, in the case of an out-of-state facility, substantially similar requirements of the jurisdiction where the facility is located, except the home or facility may reduce the number of instructional hours only as necessary to accommodate the child's treatment program. It also requires the school district where the child's parent resides to (1) continue to enroll the child and excuse the child from attendance until the child is discharged from the home or facility and (2) collaborate with the home or facility to create a supportive reentry plan. DEW must (1) approve a formula to determine the total educational cost to be paid for the child, which must calculate a per diem cost for the educational services provided to the child for each day and reflect the total actual cost incurred, (2) certify the total educational cost to be paid to the home or facility and the district that is paying tuition, and (3) deduct the amount from state basic aide fund payable to the district and pay that amount to the home or facility.

³ OhioRISE is a specialized Medicaid managed care program that launched in the summer of 2022 to better serve children and youth with complex behavioral health and multi-system needs.

School districts are exempt from the responsibility to pay tuition for a child who has been awarded a state scholarship.

Academic distress commissions

This funding is used for duties and activities related to the establishment of academic distress commissions (ADCs). These costs include the salary of the chief executive officer (CEO) appointed by each ADC or the superintendents of the districts subject to an ADC under certain conditions (see below). The executive budget permits DEW to use the funds to provide support and assistance to an ADC and the districts subject to an ADC. Currently, two districts are subject to an ADC: Youngstown City School District and East Cleveland City School District. Lorain City School District was released from its ADC in October 2023 under H.B. 33 of the 135th General Assembly.

In H.B. 110 of the 134th General Assembly, the General Assembly established a three-year process, in effect from FY 2023 to FY 2025 (with two potential one-year extensions available after FY 2025), for existing ADCs to be released from oversight. The process involves each district creating a DEW-approved improvement plan and undergoing a performance audit conducted by the Auditor of State. Upon the plan's approval, the district may reassume managerial and operational control from the ADC and the district's CEO and is not subject to any other provisions of current law regarding ADCs. Most recently, DEW approved a modified plan for Youngstown City Schools in March 2023. While the school district is implementing the plan, the district's ADC continues to exist to provide assistance to the district but without the CEO, who is removed from the position, and without any operational or managerial control of the district. However, the district board may employ the former CEO as the district superintendent. If so, DEW must provide compensation to the individual under the terms of the former CEO contract while the district is implementing its improvement plan. At the outset of the improvement plan process, each district hired their CEO as superintendent. However, the Youngstown City School District superintendent resigned at the end of June 2023, and DEW discontinued funding the Lorain City School District's superintendent contract when its ADC dissolved. DEW continues to fund the cost of the East Cleveland superintendent contract.

Ohio STEM Learning Network

These funds will be distributed to the Ohio STEM Learning Network. The Network works with DEW to oversee STEM schools in the state. The funds will be used to support the expansion of free STEM programming, to create regional STEM supports to target underserved student populations, and to support the STEM school designation process.

Stay in the Game! Attendance Network and chronic absenteeism

This earmark is to support the Stay in the Game! Attendance Network, an initiative of DEW, the Cleveland Browns Foundation, and Harvard University's Center for Education Policy Research Proving Ground to reduce chronic absenteeism. The initiative is managed by Battelle and includes initiatives for districts, educators, community advocates, and families and caregivers to engage in activities to improve school attendance.

GRF ALI 200502, Pupil Transportation, Earmarks			
Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Bus driver training	\$1,088,930	\$1,088,930	\$4,988,930
Special education transportation	\$138,038,039	\$176,897,678	\$194,820,866
ALI 200502 Earmark total	\$139,126,969	\$177,986,608	\$199,809,796
% change	--	27.9%	12.3%

GRF ALI 200502, Pupil Transportation, also includes funding for various earmarks. These earmarks are listed in the table above and described briefly below.

Bus driver training

DEW uses these funds to contract with seven ESCs and one JVSD to provide instruction for the Ohio Preservice Driver Training Program. The program provides training for approximately 3,000 new bus drivers and recertification training for an additional 3,000 veteran drivers each year. These funds also provide annual in-service training and may be used for costs to enroll bus drivers in the continuous criminal record monitoring service known as the Retained Applicant Fingerprint Database or RAPBACK. The executive budget permits the earmark to be used to expand access to advanced driver training for school bus drivers.

The executive proposal requires that by July 1, 2026, any person employed as a school bus or motor van driver must complete six hours of in-service training annually, rather than four hours as under current law. DEW must develop a curriculum for the in-service training and approve training providers. Finally, the proposal authorizes the classroom portion of school bus driver recertification training to be conducted online, similar to the online courses for pre-service training and annual in-service training under current law. The \$3.9 million increase in funding for this earmark from FY 2026 to FY 2027 supports both the increased training requirement, estimated at \$3.4 million, and expanded access to advanced bus driver training, estimated at \$500,000. Currently, two advanced bus driver sessions are offered each year, covering 500 of the state's 19,000 drivers.

Special education transportation

Funding from this earmark partially reimburses school districts, county developmental disabilities (DD) boards, and ESCs for the operating costs of transporting public and nonpublic special education students whom it is impossible or impractical to transport by regular school bus. A school district receives an amount that is equal to the district's actual cost incurred in the prior year to transport those students multiplied by the greater of the district's state share percentage or 37.5% in FY 2024 and 41.67% in FY 2025, which are the same minimum percentages used to calculate a district's base pupil transportation funding. County DD boards and ESCs are funded through a nearly identical special education transportation formula, except that the state share percentage for these entities is a uniform amount equal to the minimums for traditional districts. In FY 2026 and FY 2027, the executive proposal increases the minimum percentages to 45.83% and 50%, respectively.

C1:2: Half-Mill Maintenance Equalization (ALI 200574)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200574, Half-Mill Maintenance Equalization	\$10,358,000	\$8,559,640	\$8,203,450
% change	--	-17.4%	-4.2%

Funding from this ALI equalizes the one-half mill levy required of school districts to help pay for the maintenance costs of new or renovated buildings financed through the Ohio Facilities Construction Commission’s (OFCC) Classroom Facilities Assistance Program. Payments are made to districts for which the per-pupil tax revenues from this half-mill levy are less than the state average. A district’s payment equals the difference between the district’s tax revenue per pupil from the levy and the state average per pupil at the time the district enters into the project agreement with OFCC. According to DEW, as more districts reach the end of the term for their statutorily required maintenance levy, the number of schools supported by these funds and, thus, the cost of the program will decrease.

C1:3: Quality Community and Independent STEM Schools Support (ALI 200631)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 7017 ALI 200631, Quality Community and Independent STEM Schools Support	\$136,500,000	\$136,500,000	\$136,500,000
% change	--	0.0%	0.0%

This item uses lottery profits to provide additional funds to community schools and, beginning in FY 2024, independent STEM schools that are designated as a Community School or STEM School of Quality. The designation for community schools is based on certain criteria, which include report card grades, sponsor ratings, and other factors. A STEM school is designated if it operates autonomously, does not have a STEM school equivalent designation, is not governed by a school district, is not a community school, cannot levy taxes or issue tax-secured bonds, satisfies continuing law requirements for STEM schools, and satisfies the requirements described in the Quality Model for STEM and STEAM Schools established by DEW. Payments to a designated school are based on differentiated per-pupil amounts according to the school’s enrollment of students identified as economically disadvantaged and all other students. A designated school receives per-pupil funding of \$3,000 for students who are identified as economically disadvantaged and \$2,250 for all other students. In FY 2025, DEW awarded funds to 89 schools designated under the program, totaling \$102.3 million. The executive proposal holds funding for the program flat with the FY 2025 appropriation and codifies the program.

C1:4 School Bus Safety (ALI 200413)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 7017 ALI 200413, School Bus Safety	\$0	\$30,000,000	\$0
% change	--	--	-100%

This new ALI, funded by lottery profits, will support the school bus safety grant program recommended by the Governor's School Bus Safety Working Group. School districts, community schools, STEM schools, county DD boards, and chartered nonpublic schools that provide transportation services are eligible to apply for funds to repair, replace, or add safety features to school buses. Grants will be allocated based on the amount requested, the number of buses affected, and local capacity, with possible minimum or maximum funding limits. Funds cannot be used for buses not owned by the applicant.

C1:5: Ohio School Sponsorship Program (ALI 200691)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 5KX0 ALI 200691, Ohio School Sponsorship Program	\$1,250,000	\$1,900,000	\$1,900,000
% change	--	52.0%	0.0%

The Ohio School Sponsorship Program allows DEW to sponsor community schools. Like other community school sponsors, DEW's Office of School Sponsorship reviews and makes decisions on sponsorship applications from schools desiring to be sponsored by the Office; oversees sponsored schools with respect to academic, fiscal, and governance standards; and provides technical assistance. In addition to sponsoring schools that apply to the Office, it also temporarily assumes sponsorship of schools whose sponsors have had their sponsorship authority revoked. In FY 2025, DEW is sponsoring 26 community schools under the program. These schools each pay DEW a sponsorship fee of up to 3% of their operating revenue to support DEW's administrative duties associated with sponsorship. These fees are deposited into the Ohio School Sponsorship Fund (Fund 5KX0). According to DEW, the increased funding in the executive budget reflects program needs and available cash in Fund 5KX0.

C1:6: ESEA Title 1A (ALI 200623)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3M00 ALI 200623, ESEA Title 1A	\$600,000,000	\$677,740,000	\$698,072,200
% change	--	13.0%	3.0%

This ALI is used to distribute federal funding 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 students from low-income families. Up to 1% of the grant award may be used by DEW to administer the program.

Ohio’s spending of these and other federal funds is guided by Ohio’s consolidated state plan under the Every Student Succeeds Act (ESSA), the most recent reauthorization of the Elementary and Secondary Education Act (ESEA). ESSA requires a state to set aside 7% or more of its Title I, Part A allocation for school improvement activities. In addition, ESSA permits, but does not require, a state to reserve up to 3% of its federal allocation to provide subgrants to districts and schools for various direct student services. DEW has opted to do so and currently uses the funds to provide Expanding Opportunities for Each Child formula grants to LEAs with schools identified as the lowest performing or with the highest achievement gaps. The grants enable the schools to expand access to programming in advanced coursework, career pathways, personalized learning, credit recovery and academic acceleration, and graduation pathways. The proposed increases for FY 2026 and FY 2027 are based on expected growth in the federal grant.

C1:7: Individuals with Disabilities Education Act (ALI 200680)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3M20 ALI 200680, Individuals with Disabilities Education Act	\$520,000,000	\$530,400,000	\$541,008,000
	% change	--	2.0%

This ALI 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, community and STEM schools, county DD boards, Ohio Deaf and Blind Education Services, the Department of Youth Services, and nonpublic schools (through nonpublic equitable services allocations) based on a formula prescribed by the U.S. Department of Education, including a base amount for each local education agency and additional population and poverty allocations. A portion of these funds may be used by DEW for administration (2%) and other state-level activities (10%). The proposed increases for FY 2026 and FY 2027 are based on historical growth in the federal grant.

C1:8: Career-Technical Education Basic Grant (ALI 200621)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3L90 ALI 200621, Career-Technical Education Basic Grant	\$54,500,000	\$56,680,000	\$58,947,200
	% change	--	4.0%

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. DEW may use up to 10% of the state's grant allocation for state leadership activities in career-technical education (CTE) and up to 5% for administration of the federally required state plan for career-technical education. Of the 10% leadership activity requirements, up to 2% may support individuals in correctional institutions, juvenile justice facilities, and institutions that serve individuals with disabilities. Smaller portions of the state leadership allocation are required for individuals in nontraditional fields and recruitment of special populations for CTE programs. The executive budget's increased funding for this ALI reflects expected growth in the federal award. Currently, state matching funds for the administrative portion of the federal grant are paid from GRF ALI 200321, Operating Expenses. Under the executive proposal, these expenses will be paid from GRF ALI 200416, Career Technical Education.

Category 2: Educational Enhancements

This category of ALIs provides additional funding for special education, career-technical education, and the education of at-risk students.

C2:1: Special Education Enhancements (ALI 200540)

The majority of funding provided under this GRF ALI is used for formula payments for preschool special education services and school-age special education services provided by county DD boards and institutions. This ALI also funds school psychology interns, parent mentoring programs, and secondary transition services. This item's earmarks are shown in the table below. Currently, the ALI funds matching dollars that are transferred to the Opportunities for Ohioans with Disabilities Agency (OOD) to draw down federal funding for vocational rehabilitation services. The executive budget eliminates the earmark in DEW's budget and provides the funding directly in the OOD budget.

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Special education at DD boards and institutions	\$38,500,000	\$33,945,594	\$33,945,594
Parent mentoring programs	\$1,350,000	\$1,350,000	\$1,350,000
School psychology interns	\$3,000,000	\$3,000,000	\$3,000,000
Vocational rehabilitation services	\$6,500,000	\$0	\$0
Secondary transition services	\$2,000,000	\$1,000,000	\$1,000,000
Remainder – preschool special education	\$147,500,000	\$153,976,832	\$153,976,832
GRF ALI 200540 total	\$198,850,000	\$193,272,426	\$193,272,426
% change	--	-2.8%	0.0%

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 DD boards 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 weights for each student, the statewide average base cost per pupil for the fiscal year, 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. ESCs and county DD boards receive this funding through transfers from the amounts allocated to the school districts with which those entities have service agreements.

Special education at DD boards and institutions

This funding is provided to county 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 school-age children. For each child, a county DD board receives the statewide average base cost per pupil plus the applicable special education weight for that child's disability category multiplied by the statewide average base cost per pupil, the latter of which is adjusted by the state share percentage of the child's resident district. Each state institution receives funding based on the applicable special education weight specified for each child receiving services for a disability multiplied by the statewide average base cost per pupil. If necessary, DEW must prorate the payments so as not to exceed the amount appropriated for each year.

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. The set-aside supports 54 parent mentor projects across the state with a grant of \$25,000 each year. Federal IDEA funds supplement state support of this program to provide an additional 44 parent mentor projects.

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. School psychology interns are given a \$30,000 annual stipend, meaning that the proposed funding supports up to 100 interns, as well as annual coordination of school psychology internship recruitment and placement.

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.

C2:2: Career-Technical Education Enhancements (ALI 200545)

This appropriation item supports career-technical education at institutions; Ohio Deaf and Blind Education Services, which oversees the Ohio State School for the Blind (OSSB) and the Ohio School for the Deaf (OSD); and various other career-technical education programs and initiatives. This appropriation item is fully earmarked for these purposes, which are listed in the table below in the order in which they appear in the bill.

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Career awareness and exploration	\$16,325,000	\$16,325,000	\$16,325,000
Institution career-technical programs	\$2,563,000	\$2,563,000	\$2,563,000
Tech prep expansion grants	\$2,686,000	\$9,600,000	\$9,600,000
Agriculture 5 th Quarter Project	\$600,000	\$600,000	\$600,000
OhioMeansJobs website	\$1,171,391	\$650,000	\$650,000
Ohio ProStart School Restaurant Program	\$250,000	\$250,000	\$250,000
Ohio Code-Scholar Pilot Program	\$240,000	\$0	\$0
GRF ALI 200545 total	\$23,835,391	\$29,988,000	\$29,988,000
% change	--	25.8%	0.0%

Career awareness and exploration funds

These funds are used by the lead district of each career-technical planning district (CTPD) for career awareness and exploration activities. Specifically, the lead district may use the funds for (1) delivery of career awareness programs to students in grades K-12, (2) provision of a common, consistent curriculum to students, (3) assistance to teachers in providing a career development curriculum to students, (4) development of a career development plan for each student, and (5) provision of opportunities for students to engage in activities, such as career fairs, hands-on experiences, and job shadowing, across all career pathways at each grade level. The executive budget adds career and workforce skill mentorship opportunities as an eligible expense of the funds. The lead district of the CTPD must use the funds in a manner consistent with the CTPD's plan on file with DEW. The funds are paid on a per-pupil basis to the lead district of each CTPD based on the enrollment of the districts and schools with which the CTPD is affiliated. The executive proposal sets the per-pupil amount at \$10 in FY 2026 and FY 2027, unchanged from FY 2025.

Institution career-technical programs

Roughly 90% of these funds support career-based intervention programs at correctional institutions operated by the departments of Rehabilitation and Correction and Youth Services. The remaining portion is distributed to Ohio Deaf and Blind Education Services. 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. Currently, 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 planning districts), though DEW plans to transition to a regional model in line with the seven JobsOhio regions. The funds must be used to directly support career services provided to students enrolled in school districts, community schools, STEM schools, and affiliated higher education institutions. The funds may be used to purchase equipment. The Ohio Department of Higher Education and DEW co-administer the program. The executive proposal increases FY 2026 and FY 2027 funding by about \$7 million from estimated FY 2025 spending levels. Additional funds will be used to distribute grants to partners throughout the state, focusing on career planning and mentorship programs. This aligns with proposed permanent law changes that add post-graduation career-planning to the requirements for earning a high school diploma.

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 DEW for grants each year that assist in paying a stipend for course instructors to oversee summer programming. The value of the grant depends on the number of teachers for whom districts apply for funding. In FY 2025, 242 teachers across 117 school districts are serving about 16,500 students through the grant. A district receives roughly \$2,500 for each teacher.

OhioMeansJobs website

These funds support career planning and reporting through the K-12 Student Portal of the OhioMeansJobs website. The 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, create a budget based on future expenses, research college financial aid and scholarship opportunities, access practice tests for the SAT, ACT, and Advanced Placement examinations, virtual interview practice, and computer skills training, all free of charge.

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 eleventh and twelfth 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 in the program have the opportunity to earn industry-recognized certificates (including Certificate of Achievement, SERV Safe, and Food Manager SERV Safe credentials), college credit, and scholarships.

C2:3: Industry-Recognized Credentials High School Students (ALI 200478)

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Industry-recognized credential reimbursements	\$5,500,000	\$0	\$0
Innovative Workforce Incentive Program	\$10,500,000	\$16,000,000	\$16,000,000
GRF ALI 200478 total	\$16,000,000	\$16,000,000	\$16,000,000
% change	--	0.0%	0.0%

This item currently is used to provide funding for reimbursements to school districts and other public schools for the testing fees to obtain an industry-recognized credential or an equivalent certification and to operate the Innovative Workforce Incentive Program (IWIP). The executive proposes to discontinue the general reimbursements from this ALI for credentials earned. However, it continues to require districts and schools to pay for the cost of a credential. Due to the volume of credentials earned, DEW has been required to prorate the industry-recognized credential reimbursements to avoid exceeding the earmarked amounts. DEW explained that a significant amount under the general reimbursement program went for large numbers of students earning a small number of what is described as lower-value credentials, such as CPR/First Aid and the Occupational Health and Safety Administration (OHSA) 10-Hour credential, which teaches basic safety and health information to entry-level workers in construction and general industry.

Given this, the executive proposal limits this line item's funding to payments for the high-value credentials under IWIP. According to DEW, the IWIP program focuses on segments of the economy that have been identified as high-growth, in-demand fields including information technology and cyber security, advanced manufacturing, construction, engineering, and the skilled trades. Under the program, Governor's Office of Workforce Transformation (OWT) maintains a list of credentials that qualify for the program. Currently, DEW pays each district and school \$1,250 for each qualifying credential earned by a student during the prior fiscal year, though the payments were prorated to \$550 per credential, or 44.0% of the maximum, in FY 2024 to stay within the earmarked amount. In FY 2024, 244 schools and districts were reimbursed \$10.5 million for 19,175 credentials earned during the 2022-2023 school year. The executive budget reduces the maximum payment to \$725. The recommended funding will support full payment for up to 22,069 qualifying credentials each year. If the number of qualifying credentials earned in a given year surpasses that threshold, the budget continues to require DEW to prorate the payments.

C2:4: Medicaid Schools Program (ALIs 657401 and 657601)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 657401, Medicaid in Schools	\$327,000	\$349,925	\$358,362
Fund 3AF0 ALI 657601, Schools Medicaid Administrative Claims	\$250,000	\$150,000	\$150,000
Medicaid in Schools Program total	\$577,000	\$499,925	\$576,459
% change	--	-13.4%	1.7%

The Medicaid Schools Program provides districts and schools with reimbursement for services to Medicaid-eligible students, including the costs of enrolling eligible children in the Medicaid Program and assisting children who are already enrolled to access the benefits available to them. These ALIs support DEW's cost to administer the program. DEW receives claims and financial reports from districts and schools and then submits the claims to the Ohio Department of Medicaid for reimbursement. DEW also provides technical assistance and program monitoring to verify federal program mandates and assure program compliance and accountability. GRF ALI 657401, Medicaid in Schools, supplements the federal reimbursement DEW receives for these activities in Fund 3AF0 ALI 657601, Schools Medicaid Administrative Claims. The executive proposal increases GRF ALI 657401, which funds two staff positions, to support higher payroll and benefit costs and aligns the appropriations for ALI 657601 to expected spending levels.

C2:5: Adaptive Sports Program (ALI 200576)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200576, Adaptive Sports Program	\$250,000	\$500,000	\$500,000
% change	--	100.0%	0.0%

This ALI is used by DEW, in consultation with the Adaptive Sports Program of Ohio (ASPO), to fund adaptive sports programs in school districts across the state. According to ASPO, adaptive sports make minor modifications and use specialized equipment to provide individuals with physical disabilities an opportunity to participate in sports. The executive budget expands the uses of this item to include funding for intercollegiate adaptive athletics programs that provide opportunities for competitive wheelchair and adaptive sports to postsecondary students with disabilities.

C2:6: Student Support and Academic Enrichment (ALI 200634)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3H10 ALI 200634, Student Support and Academic Enrichment	\$68,000,000	\$54,131,000	\$50,604,930
% change	--	-20.4%	-6.5%

This item provides federal block grant dollars to school districts for a wide range of activities in three broad categories: (1) well-rounded education, (2) safe and drug-free learning environments and healthy students, and (3) effective use of technology. DEW must distribute at least 95% of the state's award for subgrants to local education agencies (LEAs). DEW may set aside up to 5% of the grant award for state activities aligned with its federal Every Student Succeeds Act of 2015 (ESSA) plan. According to DEW, funding in this ALI decreases due to the wind down of the one-time, federal Stronger Connections grant, a \$33 million supplemental grant, that expires in September 2026.

C2:7: Rural and Low Income Technical Assistance (ALI 200639)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3Y80 ALI 200639, Rural and Low Income Technical Assistance	\$3,600,000	\$3,300,000	\$3,300,000
% change	--	-8.3%	0.0%

This ALI provides supplemental federal funds to address the unique needs of rural and low-income school districts that may lack the personnel and resources needed to compete for federal competitive grants or receive federal formula allocations that are too small to be effective in meeting their intended purpose. The funds must be used to increase academic performance by supplementing activities available under various federal grants.

C2:8: Homeless Children Education (ALI 200622)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3EJ0 ALI 200622, Homeless Children Education	\$3,600,000	\$4,823,000	\$5,112,380
% change	--	34.0%	6.0%

This federal grant ensures access to a free and appropriate education for homeless school-age children and youth. The funds support competitive 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 DEW for state-level planning activities. The executive proposal increases funding for this ALI to reflect expected federal award amounts.

C2:9: Migrant Education (ALI 200620)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3EH0 ALI 200620, Migrant Education	\$2,700,000	\$1,700,000	\$1,700,000
% change	--	-37.0%	0.0%

This federal grant supports educational opportunities for migrant children to help reduce the educational disruptions and other problems that result from repeated moves. DEW distributes subgrants to local operating entities, such as school districts and educational service centers, based on the numbers and needs of migrant children, those students at risk of failing, and the availability of other funds to serve migrant children.

According to DEW, the greatest densities of migrant students are in the rural communities of northwest Ohio, with other concentrated pockets of migrant students located in northeastern and central Ohio. DEW awards funds from this ALI to four school districts and one ESC that currently provide direct educational services to migrant students and have designated territories to cover migrant students in the other districts. A sixth grantee, the Northwest Ohio Educational Service Center, receives funds to operate the Ohio Migrant Education Center, which is responsible for identification of migrant students, data collection, and coordination activities, among others. The executive proposal aligns the appropriations for this ALI with recent spending levels.

C2:10: Education of Exceptional Children (ALI 200624)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3700 ALI 200624, Education of Exceptional Children	\$1,750,000	\$1,750,000	\$1,750,000
% change	--	0.0%	0.0%

These federal funds, provided through the State Personnel Development Grant (SPDG) Program, provide professional development, consultation, and technical assistance for school districts to improve instruction for and performance of students with disabilities. In 2022, Ohio was awarded a new five-year grant.

Category 3: Nonpublic School Support

This category of appropriations provides funding to support chartered nonpublic schools. There are currently 747 chartered nonpublic schools in Ohio.

C3:1: Auxiliary Services (ALI 200511)

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
College Credit Plus Program	\$2,600,000	\$2,600,000	\$2,600,000
Remainder – Auxiliary Services	\$164,253,000	\$167,692,963	\$169,662,613
GRF ALI 200511 total	\$166,853,000	\$170,292,963	\$172,262,613
% change	--	2.1%	1.2%

Auxiliary Services

Auxiliary services funding provides assistance to chartered nonpublic schools on a per nonpublic-pupil basis to purchase secular textbooks; instructional equipment, including

computers and media content; health services; guidance, counseling, and social work services; remedial services; programs for children with disabilities or for gifted children; and mobile units used in the provision of certain services; among other purposes. Funds can also be used to pay for security services and to provide language and academic support services to English language learners attending nonpublic schools. The executive proposal adds mental health as an allowable service supported by auxiliary services funds. Moneys may not be expended for any religious activities. In FY 2025, auxiliary services funding is \$913 per pupil.

DEW may pay auxiliary services funds directly to any chartered nonpublic school that elects to receive the funds that way. Any chartered nonpublic school may also permit a third-party organization to receive and manage the funds on its behalf. The organization may charge up to 4% of the school’s total auxiliary services funds. Otherwise, a school receives the funds through the school district in which it is located.

College Credit Plus Program

The executive budget earmarks funds to pay for the costs of the CCP Program for participants from nonpublic schools. The CCP Program allows qualified Ohio high school students to take college courses at state expense for both college and high school credit. In FY 2024, 5,500 nonpublic students received funding for 51,035 credit hours out of a total of about 82,800 credit hours requested, with upper-class students receiving priority in the number of credits awarded.

C3:2: Nonpublic Administrative Cost Reimbursement (ALI 200532)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200532, Nonpublic Administrative Cost Reimbursement	\$75,381,000	\$76,935,110	\$77,824,960
% change	--	2.1%	1.2%

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 rate determined by the General Assembly. Under the executive proposal, DEW may pay up to \$475 per student in FY 2026 and FY 2027, the same amount authorized in the current biennium. In FY 2025, the amount appropriated permits DEW to pay up to \$440 per student.

C3:3: Auxiliary Services Reimbursement (ALI 200659)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 5980 ALI 200659, Auxiliary Services Reimbursement	\$650,000	\$650,000	\$650,000
% change	--	0.0%	0.0%

These funds are used to replace and repair mobile units that provide auxiliary services and can also be used to fund early retirement or severance pay for employees paid from GRF ALI 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. No transfers have occurred since FY 2013. A portion of the funds may also be used to make payments for chartered nonpublic school students participating in the College Credit Plus Program, although funds have not been used for this purpose in recent years.

Category 4: Curriculum, Assessment, and Accountability

This category of ALIs supports state academic content standards and model curricula, state assessments, and the state school accountability system.

C4:1: Student Assessment (ALIs 200437 and 200690)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200437, Student Assessment	\$54,151,000	\$53,409,125	\$53,682,346
<i>Advanced Placement & CLEP test reimbursement</i>	\$622,713	\$622,713	\$622,713
<i>Remainder – Assessments</i>	\$53,528,287	\$52,786,412	\$53,059,633
Fund 3Z20 ALI 200690, State Assessment	\$11,500,000	\$11,500,000	\$11,500,000
Assessment total	\$65,651,000	\$64,909,125	\$65,182,346
% change	--	-1.1%	0.4%

This funding primarily supports contracts to administer the state's assessment system, which provides data for the school report cards and teacher evaluation system, among other purposes, as well as the administrative expenses DEW incurs in overseeing the assessments. Fund 3Z20 ALI 200690, State Assessment, provides federal funds in support of the contract for federally mandated achievement assessments in grades 3-8 and 10. The decrease from FY 2025 to FY 2026 in GRF ALI 200437 is due to savings DEW expects from the executive proposal's reduction in the percentage of state test questions it must make a public record from 40% to 20%.

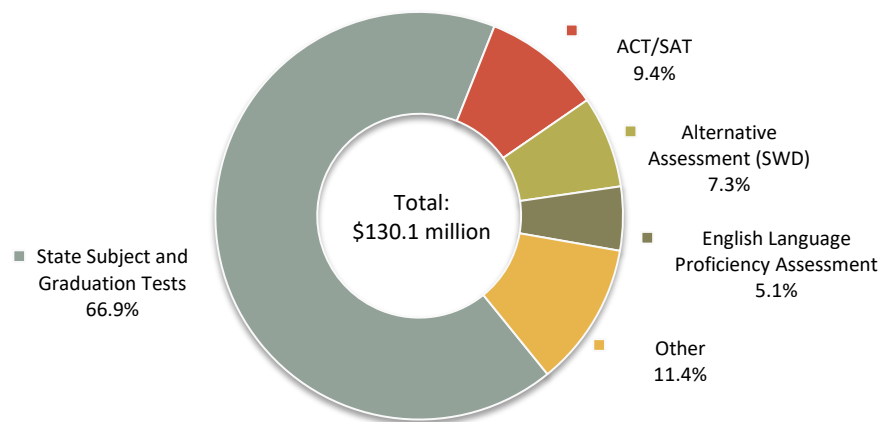
The executive budget continues to earmark \$622,713 in each fiscal year to reimburse a portion of the costs associated with Advanced Placement and College-Level Examination Program tests for low-income students. The executive budget adds that, if the earmarked funds and federal funds are not sufficient to cover the costs of Advanced Placement, College-Level Examination, and International Baccalaureate tests for low-income students, school districts and other public schools must pay the remainder of the costs using other funds.

Under the executive proposal, by the end of FY 2026, DEW must adopt a universal diagnostic assessment for each of grades kindergarten through three in both reading and mathematics and administer it to students in public districts, community schools, and STEM schools. This proposed provision replaces the current law requirement for a diagnostic assessment for first and second grade in reading, writing, and mathematics, and for third grade in reading and writing. The executive proposal requires the diagnostic assessment for reading to measure student comprehension of foundational reading skills aligned to the science of reading.

DEW may leverage some of the funds in ALI 200437 to support this expense. While DEW may incur some development costs, it explained that the cost of administering the diagnostic assessment will be borne by districts and schools.

Chart 9 below summarizes DEW’s assessments budget from the GRF and Fund 3Z20 for the next biennium. As the chart shows, most of the funds will be used to pay for contracts for state tests in English language arts, mathematics, science, and social studies. In the chart, “Other” includes DEW administrative costs as well as costs for dropout recovery school assessments, translator reimbursements to districts, the WorkKeys assessment, technical advisors, and scoring verification.

Chart 9: K-12 Assessments Budget (\$ in millions), GRF and Fund 3Z20, FY 2026-FY 2027 Biennium



C4:2: Education Management Information System (ALI 200446)

Earmarks	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
EMIS Grants	\$405,000	\$405,000	\$405,000
Information technology center subsidy	\$950,000	\$950,000	\$950,000
Remainder – Education Management Information System	\$8,082,000	\$8,703,226	\$9,170,278
GRF ALI 200446 total	\$9,437,000	\$10,058,226	\$10,525,278
% change	--	6.6%	4.6%

Education Management Information System

These funds support the Education Management Information System (EMIS), DEW’s primary system for collecting student, staff, course, program, and financial data from Ohio’s public schools. The data collected through EMIS are used to determine state and federal performance accountability designations, produce report cards, calculate and administer state funding to schools, and determine federal funding allocations. This ALI supports the development

and implementation of data standards, the facilitation of data-driven decision making for improving academic achievement, and the ongoing development and enhancement of the Secure Data Center to allow districts to review, analyze, and validate their data in a timely manner. The executive budget provides additional funding to support compensation increases for existing staff and higher IT costs. It also requires public schools to report their mathematic score curriculum and instructional materials for grades pre-K-12 through EMIS.

EMIS grants

This earmark directs funds to information technology centers (ITCs) to provide EMIS training and professional development for school district personnel across the state.

Information technology center subsidy

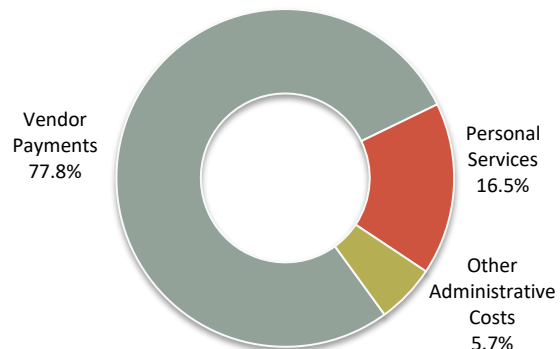
This earmark supports the state’s 16 ITCs with the collection and administration of EMIS data, including processing, storing, and transferring data to ensure the effective operation of EMIS. Funds are distributed to ITCs using a per-pupil formula based on the enrollment of member districts.

C4:3: Accountability/Report Cards (ALI 200439)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200439, Accountability/Report Cards	\$7,266,000	\$7,619,440	\$7,687,742
% change	--	4.9%	0.9%

GRF ALI 200439, Accountability/Report Cards, supports the development and distribution of report cards for each of 607 school districts, 91 career-technical planning districts, nearly 3,600 school buildings (including community, STEM, and vocational schools), and the state overall. About 78% of the budget for this ALI is used to make payments to vendors that assist in the work, including SAS for the production of value-added reports, the Management Council of the Ohio Education Computer Network (MCOECN) for the teacher student linkage/roster verification process, and the National Student Clearinghouse for the Prepared for Success measure. The remainder supports DEW personnel and other administrative costs, including supplies, maintenance, and IT expenses.

Chart 10: GRF ALI 200439 Budget by Expense Category FY 2026-FY 2027 Biennium



The executive proposal eliminates the percentage of students promoted to the fourth grade under the Third Grade Reading Guarantee as a performance measure for the Early Literacy component on the state report card for public schools and assigns weights of 50% to the two remaining measures of that component: (1) the proficiency rate on the reading segment of the third grade English language arts assessment and (2) progress in improving literacy in grades K-3.

If one of these two remaining measures is not included on a district or school's report card, DEW must prescribe a performance rating for the Early Literacy component by rule.

According to DEW, the percentage of students promoted to fourth grade generally is very high as a result of a provision in H.B. 33 of the 135th General Assembly that permits a student to be promoted to fourth grade if the student's parent or guardian, in consultation with the student's reading teacher and building principal, requests that the student be promoted regardless of whether the student is reading at grade level. Therefore, this metric is much less valuable for determining public school performance.

Also, the executive proposal requires DEW to include the College, Career, Workforce, and Military Readiness component into the calculation of each district and building's overall star rating on state report cards, starting in the 2025-2026 school year.

C4:4: Academic Standards (ALI 200427)

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Civics and social studies integrated model curriculum	\$0	\$1,000,000	\$500,000
Remainder – Academic Standards	\$4,598,000	\$5,035,410	\$5,429,023
GRF ALI 200427 total	\$4,598,000	\$6,035,410	\$5,929,033
% change	--	31.3%	-1.8%

This ALI supports the development and dissemination of state academic standards and model curricula to school districts. It also funds professional development programs for teachers and the functions of the Office of Curriculum and Assessment to provide technical support to ensure effective use of Ohio's Learning Standards for effective instructional practice. The Learning Standards detail the skills expected of students to demonstrate mastery of the various subjects at different grade levels. The executive budget increases the funding for these activities.

Civics and social studies integrated model curriculum

The executive budget earmarks \$1,000,000 in FY 2026 to contract with experts in civics education and social studies to develop an integrated model curriculum that includes courses in English language arts, social studies, and civics education. DEW anticipates contracting with either the state university centers for civics, society, and culture, or other national experts. It also earmarks \$500,000 in FY 2027 to develop and deploy professional learning for successful implementation of the integrated model curriculum. The goal of this initiative, based on feedback the administration received from elementary and social studies teachers, is to give greater priority to social studies by integrating it into English language arts curriculum.

Provisions related to curriculum and graduation

The executive budget includes a number of provisions that revise requirements related to curriculum or graduation. Each is discussed briefly below.

Advanced learning opportunities in mathematics

The executive budget requires each school district to provide advanced learning opportunities in mathematics in the following school year for each student that achieves an advanced level of skill (the highest achievement level) on a mathematics achievement assessment or end-of-course examination. It also requires a student enrolled in an advanced mathematics course to take the required corresponding mathematics achievement assessment or end-of-course examination for that course. In the 2023-2024 school year, about 138,000 (16%) students taking the state mathematics tests scored at an advanced level of skill. However, it exempts from the requirements school districts that do not offer advanced learning opportunities in mathematics for the grade in which the student is enrolled in the next school year and permits a student's parent or guardian to submit a written request to opt out of the advanced mathematics learning opportunities and classes. According to DEW, these provisions aim to require districts to automatically enroll students who score at the advanced level of skill into advanced mathematics classes if the district offers those classes for the student's grade level.

Instruction on mental health promotion, suicide prevention, and health and wellness outcomes

The executive budget requires school districts and other public schools to annually provide students in grades 6-12 developmentally appropriate, evidence-based instruction in mental health promotion and suicide prevention, instead of instruction on evidence-based suicide prevention and safety training and violence prevention. The executive budget requires the instruction to include information on the development and maintenance of positive mental health, stigma reduction, the signs and symptoms of depression, suicide, and self-harm, and seeking help for self and peers. It also eliminates the requirement that students receive evidence-based social inclusion instruction and instead requires students to receive annual evidence-based instruction in universal prevention practices or programs that teach students the necessary knowledge and skills to improve health and wellness outcomes. This instruction must focus on enhancing interpersonal skills, encouraging healthy decision-making, and increasing resiliency. A district or school must notify each student's parent or guardian of the instruction prior to providing it, their ability to review any related instructional materials, and their option to opt the student out from receiving the instruction by submitting a written request. DEW must maintain a list of approved evidence-based training programs that districts and schools must use when providing this instruction.

According to DEW, the changes are intended to shift instruction from standalone topics in violence prevention and social inclusion for differing grade levels to "universal" prevention education that teaches students skills that they can use to make healthy decisions in many areas, such as substance abuse, sexual activity, and self-harm, so that instruction requirements are less prescriptive and more cohesive. As a result, school districts and other public schools may be able to implement the instruction more consistently and efficiently among grade levels. DEW reports that school districts have found difficulty in identifying prevention programs that comply with the law.

Youth peer-led programming

The executive budget also permits districts and schools to provide youth peer-led programming based on relational connections and youth empowerment models, instead of permitting a district or school to designate a student-led violence prevention club. Youth peer-led programming must promote help-seeking behaviors and encourage students to individually assess and develop strengths in their life and removes the requirement to implement and sustain suicide and violence prevention and social inclusion training.

Middle school career-technical education

Beginning July 1, 2026, the executive budget eliminates waivers from a school district's obligation to provide a career-technical education to seventh and eighth graders. According to DEW, roughly a third of school districts are receiving a waiver. Career-technical education for seventh and eighth graders tends to focus on career exploration and awareness activities. DEW reports that high participation rates in middle school career-technical education lead to greater student success in high school career-technical education programs.

While the provision may increase costs for the districts that currently receive a waiver, those districts may also receive additional state aid. According to DEW, students in grades 7-8 who participate in approved career connection courses generate career-technical education weighted funds through the state foundation aid formula.

Graduation requirements

For the purposes of meeting high school graduation requirements, continuing law permits a student that is unable to demonstrate competency by earning a certain score on state mathematics and English language arts end-of-course examinations to demonstrate competency by, among other avenues, showing career readiness in two career-focused activities, one of which must be a foundational option while the other may be a supporting option. The executive budget includes a student's completion of 250 hours of work-based learning experience as a foundational option to demonstrate competency, rather than as a supporting one as under current law.

In addition, the executive budget eliminates the requirement for the DEW Director's industry-recognized credentials committee to establish a point value system for credentials to help determine whether a student qualifies for a high school diploma and, instead, requires the committee to establish a new set of criteria for that purpose.

Graduation and career plans

The executive budget requires a graduation plan for a public and chartered nonpublic high school student to also identify post-graduation career goals for the student and align the student's high school experience with those goals. It also permits a public or chartered nonpublic school to have a graduation and career plan developed jointly by a student and a representative of an organization that has partnered with the school to provide career planning and advising supports. Public schools must ensure that (1) a graduation and career plan policy conforms to, rather than supplements, its career advising policy established under continuing law and (2) a plan for a student aligns to the student's student success plan developed under continuing law. The executive budget also requires DEW to develop a career pathways resource and requires school districts annually to distribute it to all students in grades 6-12.

C4:5: Policy Analysis (ALI 200424)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200424, Policy Analysis	\$500,000	\$500,000	\$516,419
% change	--	0.0%	3.3%

This ALI funds research and data collection related to education policy analysis. It supports several staff positions and a contract with the Ohio Education Research Center. Additionally, these funds support the development of reports, analyses, and briefings regarding current trends in education practice, efficient and effective resource allocation, and evaluation of programs to improve educational outcomes.

C4:6: National Education Statistics (ALI 200685)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 5U20 ALI 200685, National Education Statistics	\$185,000	\$185,000	\$185,000
% change	--	0.0%	0.0%

This federal funding, deposited into Fund 5U20, supports the position of the National Assessment of Educational Progress (NAEP) state administrator and collection of state and local education statistics that must be reported to the National Center for Education Statistics (NCES). The state administrator position provides technical assistance to state and local education agencies on the collection of education statistics. NAEP is a nationally representative student assessment. State participation is mandatory.

Category 5: School Operations Support

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

C5:1: Ohio Educational Computer Network (ALI 200426)

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Building connectivity	\$8,399,500	\$8,425,500	\$8,425,500
Information technology centers	\$5,550,000	\$6,305,000	\$6,305,000
Cybersecurity initiatives	\$0	\$1,650,000	\$1,650,000
Middle-mile lease renewal	\$2,130,000	\$0	\$0
Remainder – State software support	\$3,914,500	\$3,613,500	\$3,613,500
GRF ALI 200426 total	\$19,994,000	\$19,994,000	\$19,994,000
% change	--	0.0%	0.0%

Building connectivity

This funding is used to support the connection of public school buildings and participating chartered nonpublic schools to the state education network, called the Ohio Educational Computer Network (OECN). Schools receive a per-building subsidy for this purpose. Funds subsidize connections to 16 ITCs, about 3,000 district and community school buildings, and more than 200 chartered nonpublic schools. In FY 2025, the connectivity subsidy is \$2,100 per building per year, an amount expected to remain the same for FY 2026 and FY 2027. These funds also support management of the OECN; internet service provider charges; Internet2, which is a private network connecting schools and universities across the country; and the disaster recovery back-up site for the state network.

Information technology centers

This funding supports the 16 ITCs that provide computer and EMIS support, software products, and information services to their member districts, including all but two school districts (Akron and Columbus), as well as community schools, JVSs, and ESCs. Funds also support the administration, collection, reporting, and exchange 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.

Cybersecurity initiatives

The executive proposal requires DEW to use this earmark to support cybersecurity initiatives in public and nonpublic schools. The initiatives will be led by the Management Council of the OECN (MCOECN). These efforts may include vulnerability management, security awareness training, multifactor authentication, and endpoint detection and response capabilities. The executive proposal requires DEW to consult with the Governor's Cybersecurity Strategic Advisor to determine specific programs and initiatives to support.

Remainder – State software support

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 systems to support electronic sharing of student records and transcripts between entities. The funds are provided as grants to the MCOECN.

C5:2: Education Technology Resources (ALI 200465)

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
INFOhio and Union Catalog	\$2,500,000	\$2,500,000	\$2,500,000
Education Technology Centers	\$1,778,879	\$1,778,879	\$1,778,879
Remainder – Education Technology Resources	\$804,121	\$393,949	\$406,346
GRF ALI 200465 total	\$5,083,000	\$4,672,828	\$4,685,225
% change	--	-8.1%	0.3%

INFOhio and Union Catalog

This earmark supports the INFOhio Network and the Union Catalog. INFOhio works with Ohio’s other state-funded library networks, Ohio Public Library Information Network (OPLIN) (public libraries), and OhioLINK (universities) to provide resources and information access to Ohio’s K-12 students and educators. 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. Another INFOhio initiative is Open Space, which is an open education resource that gives educators access to free lesson plans, assessments, and other resources. 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, prerecorded video material, computer software for student use, live student courses, automated media systems, and instructional and professional development materials for teachers. According to DEW, education technology centers delivered 968 educational sessions to 572,000 educators and students in FY 2024. The educators and students were engaged for more than 305,000 hours.

Remainder – Education Technology Resources

This funding supports oversight for several technology-related initiatives, including administration of the federal E-Rate Program. The funds may be used for (1) training, technical support, guidance, and assistance with compliance reporting to school districts and public libraries applying for federal E-Rate funds, (2) oversight and guidance of school district technology plans, (3) support to district technology personnel, and (4) support of the development, maintenance, and operation of a network of computer-based information and instructional systems (i.e., the administrative software funded in item 200426). Funds for this earmark decrease compared to FY 2025 because the executive proposal shifts funding for a grant to MCOECN for disaster recovery to ALI 200426, Ohio Educational Computer Network.

C5:3: School Management Assistance (ALI 200422)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200422, School Management Assistance	\$2,598,000	\$3,332,220	\$3,474,596
% change	--	28.3%	4.3%

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

The recommended increase in this ALI is primarily to support the cost of current staff, which will include marginal increases for existing positions and to cover some IT costs.

C5:4: Community School Facilities (ALI 200684)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 7017 ALI 200684, Community School Facilities	\$88,555,000	\$133,155,000	\$133,155,000
% change	--	50.4%	0.0%

This funding, supported by lottery profits, assists community and STEM schools with the cost associated with facilities. The executive proposal increases the per-pupil funding each site-based community school and STEM school receives from \$1,000 to \$1,500 and maintains the amount paid to e-schools at \$25.

Unused school facilities

Under continuing law, school districts must offer any unused school facilities it owns for lease or sale to the governing authorities of community schools and STEM schools that are located within the territory of the district, with priority given to high-performing community schools located in the district. The bill revises the law by doing the following:

- Revises the definition of a “high-performing community school” so that it aligns to the criteria used to designate community schools for purposes of the Quality Community School Support Program.
- To determine whether a school building is an unused school facility, clarifies the building is unused if its student enrollment is less than 60% of either:
 - The maximum student enrollment established in the building’s architectural specifications or master design plan; or
 - The building’s greatest student enrollment in the ten most recent school years, including the current school year.

Current law identifies a building as an unused school facility if less than 60% of the building was used for direct academic instruction in the preceding school year.

- Changes the value for which a school district must sell an unused school facility from the property’s appraised fair market value to the property’s appraised value as an educational facility.
- Changes, from an auction to a lottery, the method by which a district must sell its property if more than one high-performing community school notifies the district of its intention to purchase property.
- Requires a district, if no high-performing community school located in the district offers to purchase or lease a property, to offer the property for sale or lease to high-performing community schools located outside of the district prior to offering to sell or lease the property to other startup community schools and STEM schools.

- Requires each district annually to report to DEW by November 30 information related to determining whether a school building operated by the district is an unused school facility; and
- Requires DEW annually to post by December 31 a list of unused school facilities in each school district.

C5:5: School District Solvency Assistance (ALI 200687)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 5H30 ALI 200687, School District Solvency Assistance	\$2,000,000	\$2,000,000	\$2,000,000
% change	--	0.0%	0.0%

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, DEW 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 executive proposal continues to require the DEW Director to determine the allocations to each account. The executive proposal continues to permit the Controlling Board to authorize a transfer of lottery profits from any fund used by DEW, the Lottery Profits Reserve Fund (Fund 7018), or the GRF to the School District Solvency Assistance Fund (Fund 5H30) if the cash in Fund 5H30 is insufficient to provide the needed assistance.

Fund 5H30 was last used in FY 2024, when Mt. Healthy City School District in Hamilton County received approximately \$11 million in solvency assistance. Prior to that, the last disbursement from the fund occurred in FY 2016.

C5:6: Child Nutrition Refunds (ALI 200677)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 5MM0 ALI 200677, Child Nutrition Refunds	\$550,000	\$550,000	\$550,000
% change	--	0.0%	0.0%

This ALI is used to repay the United States Department of Agriculture (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.

C5:7: School Meal Programs (ALIs 200505, 200617, and 200618)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200505, School Meal Programs	\$13,163,000	\$13,163,000	\$13,163,000
Fund 3L60 ALI 200617, Federal School Lunch	\$457,074,973	\$565,999,000	\$595,000,000
Fund 3L70 ALI 200618, Federal School Breakfast	\$173,298,101	\$195,000,000	\$205,000,000
School Meal Programs total	\$643,536,074	\$774,162,000	\$813,163,000
% change	--	20.3%	5.0%

These ALIs mainly support the federal National School Lunch Program (NSLP) and National School Breakfast Program (SBP), which are federal programs that support free and reduced-price meals for students meeting income and eligibility guidelines. Under federal law, students with a household income of up to 130% of the federal poverty level (FPL) may receive a free meal, and students with a household income of between 130% FPL and 185% FPL may receive a reduced-price meal. Additionally, a school or district in which at least 25% of students, reduced from 40% beginning in the 2024-2025 school year, meet certain criteria for other types of federal benefits or are in certain defined eligibility groups may choose to participate in the Community Eligibility Provision (CEP), which qualifies all students in the school or district for free meals regardless of household income. CEP enables schools in higher poverty areas to avoid collecting the household income application traditionally used to qualify students for free or reduced-price meal benefits. The NSLP and SBP reimburse schools and other participating entities on a per-meal basis for the costs of providing free and reduced-price meals, as well as a smaller per-meal subsidy for paid meals, up to certain amounts based on the percentage of lunches served free or at reduced price.

State funds from GRF ALI 200505 serve as the required match for receiving the federal funds in ALI 200617. According to DEW, the state match requirement is just under \$9.0 million per year. Schools use these GRF funds for food service operations to lower the cost of lunches provided to students. Since FY 2024, ALI 200505 is also used to provide state reimbursements that make reduced-price meals free, at a cost of approximately \$4.4 million each year. Continuing law enacted in H.B. 33 of the 135th General Assembly requires public and chartered nonpublic schools that participate in the NSLP and SBP to provide a lunch or breakfast at no cost to students eligible for reduced-price meals and requires DEW to provide the reimbursements in support of the policy.

If any appropriation in item 200505 remains after the reimbursements are paid and the match is met, the state funds may also be used to partially reimburse schools that are required by the state to have a school breakfast program or, under the executive budget, to support the Summer EBT Program in coordination with the Department of Job and Family Services. School districts must participate in the school breakfast program if at least 20% of their students are eligible for free or reduced-price lunches unless they opt out for financial reasons. According to DEW, the Summer EBT Program provides cash grocery benefits through the Supplemental Nutrition Assistance Program (SNAP) to households with children who qualify for free or reduced-price meals. Each eligible child receives a one-time \$120 benefit for the summer.

The increases in federal funding through ALIs 200617 and 200618 in FY 2026 and FY 2027 align with expected growth in claims for federal reimbursement, which may be partially due to an increase in the number of school districts adopting the Community Eligibility Provision (CEP). Currently, participation in CEP is optional for districts and schools. The executive proposal requires all districts and schools that meet or exceed the 25% threshold to participate in CEP.

C5:8: Child/Adult Food Programs (ALI 200619)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3L80 ALI 200619, Child/Adult Food Programs	\$115,606,485	\$116,000,000	\$118,000,000
% change	--	0.3%	1.7%

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

C5:9: Summer Food Service Program (ALI 200674)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3GE0 ALI 200674, Summer Food Service Program	\$30,000,000	\$23,000,000	\$23,000,000
% change	--	-23.3%	0.0%

This ALI 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. Funding for FY 2026 and FY 2027 decrease compared to FY 2025, as the Governor's proposal aligns appropriations with historical spending levels. Appropriations in prior years were elevated due to policies stemming from the COVID-19 pandemic.

C5:10: School Food Services (ALI 200607)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3670 ALI 200607, School Food Services	\$13,379,350	\$13,379,350	\$13,379,350
% change	--	0.0%	0.0%

This federal funding is used by DEW for administrative support and monitoring of federally funded school food programs, including funding the Department's child nutrition staff. The funds are also used to contract with external reviewers to ensure compliance with federal procurement regulations and to perform operational evaluations of local program sponsors.

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 ALI 200321, Operating Expenses.

DEW receives separate federal grants to (1) improve child nutrition program accountability, performance measurement, and data accuracy through innovative technology and (2) improve food and supply chain resiliency by coordinating and providing technical assistance to build and increase the capacity of schools to buy and use local foods in school meals and provide agricultural education opportunities to children. This ALI also distributes federal funding under discretionary nutrition grant programs, such as the Equipment Assistance Grant Program to improve school food services.

C5:11: Fresh Fruit and Vegetable Program (ALI 200676)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3GG0 ALI 200676, Fresh Fruit and Vegetable Program	\$5,145,074	\$5,500,000	\$6,000,000
% change	--	6.9%	9.1%

This ALI 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. The proposed increase for FY 2026 and FY 2027 is based on the historical growth of grant awards from the U.S. Department of Agriculture.

Category 6: Educator Quality

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

C6:1: Educator and Principal Preparation (ALI 200448)

Earmark	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Principal Apprenticeship Program	\$0	\$5,000,000	\$5,000,000
Military Veteran Educators Program	\$3,225,000	\$1,612,500	\$1,612,500
State system of support assistance	\$358,000	\$350,993	\$364,254
Teach for America	\$2,000,000	\$2,000,000	\$2,000,000
FASTER Saves Lives training	\$200,000	\$200,000	\$200,000
College Credit Plus teacher credential grants	\$6,000,000	\$0	\$0
SmartOhio Financial Literacy Program	\$500,000	\$0	\$0
PAST Foundation	\$500,000	\$0	\$0
GRF ALI 200448 total	\$12,783,000	\$9,163,493	\$9,176,754
% change	--	-28.3%	0.1%

GRF ALI 200448, Educator and Principal Preparation, includes funding for various earmarks. The earmarks proposed by the executive are listed in the table above and described briefly below.

Principal Apprenticeship Program

The executive budget provides funding for DEW to support the proposed Principal Apprenticeship Program. The program will offer pathways for individuals to receive training in school leadership and administration, with an option to earn a master's degree. It is open to teachers in public and chartered nonpublic schools and professionals from other fields, with preference given to individuals with teaching or supervisory experience. Participants will be mentored by school principals and complete on-site job training. Successful completion of the program will lead to the issuance of a grades pre-K-12 professional administrator license by the State Board of Education. DEW expects the program to last two years for participants, with the first year dedicated to graduate-level instruction in the foundations of school leadership and the second year to the apprenticeship with a mentor and onsite job training, workshops, and seminars. Participants will be competitively selected based on an assessment of leadership potential, an application that outlines evidence of leadership experience in their current role, and letters of recommendation. Funding will be distributed to regional providers, such as schools, districts, educational service centers, and higher education institutions, through a competitive request for proposals and grant process.

Military Veteran Educators Program

The Governor's recommendation continues to support the Military Veteran Educators Program, which is operated in consultation with the Department of Veterans Services. The executive budget returns funding for the program to FY 2024 appropriation levels. In general, the program assists veterans in seeking a career in education through a multi-pronged approach that may include:

- Grants to institutions of higher education to provide financial incentives and assistance for eligible military individuals to enroll in and complete an educator preparation program. DEW currently offers such grants to higher education institutions competitively through the EmpowerEdVet Program, which has awarded grants to 11 colleges and universities.
- Assistance with costs for eligible military individuals to complete college coursework or professional development in pedagogy to obtain an alternative military educator license. The executive budget also allows for this assistance to be used for an eligible military individual to advance to a professional educator license. DEW currently subsidizes the cost of educator license fees, fees to take the Ohio Assessment for Educators, and the costs of attending the Alternative Resident Educators Institute and Intensive Pedagogical Training Institute.
- Assistance to public schools to support activities to recruit eligible military individuals to work in public schools and support bonuses to public schools that hire eligible military individuals. The executive budget expands the entities eligible for assistance to include educational service centers (ESCs) and county developmental disabilities (DD) boards.

DEW currently offers \$1,500 unrestricted incentive payments to schools or districts that hire eligible military individuals.

- Reimbursements to public schools that pay financial bonuses to eligible military individuals who complete at least one year of employment with the school. Like the assistance above, ESCs and county DD boards are also eligible for the reimbursements under the executive budget. DEW currently reimburses districts and schools for costs associated with offering a \$3,000 hiring bonus to eligible military individuals.
- The Governor's Ohio Military Veteran Educators Fellowship Pilot Program to recruit and train eligible military individuals to become licensed to teach in low-performing public schools.

State system of support assistance

This funding is used by DEW to monitor and support Ohio's state system of support in accordance with the Every Student Succeeds Act. Specifically, DEW uses the funds to support school improvement for struggling schools through data analysis, needs assessment, curriculum and instructional support, 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 annual set-aside for ESC school improvement initiatives in GRF ALI 200550, Foundation Funding – All Students.

Teach For America

These funds support Teach For America's corps member recruitment, teacher training and development, and ongoing development and impact of alumni working 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.

Provisions related to educator employment and training

The executive budget requires a district superintendent to assign teachers based on the best interests of the students enrolled in the district and prohibits superintendents from using seniority or continuing contract status as the primary factor in determining a teacher's assignment and specifies that the law pertaining to teacher assignments prevails over conflicting provisions of collective bargaining agreements between employee organizations and public employers entered into on or after the effective date of this amendment. In addition, the executive budget requires DEW to annually collect school district employment and vacancy data and to aggregate and report the data on its public website. DEW expects minimal costs to collect the data.

The executive budget requires each school district, community school, and STEM school to develop its own youth suicide awareness and prevention in-service educator training curriculum instead of adopting or adapting curriculum developed by DEW. It also eliminates (1) the option for a school employee to satisfy youth suicide awareness in-service training through self-review of suitable suicide prevention materials approved by the school board or

governing authority, and (2) the requirement that child sexual abuse in-service training for educators be provided by law enforcement officers or prosecutors and instead requires a district to develop its own curriculum in consultation with public or private agencies. According to DEW, it has been difficult for schools to find law enforcement officers or prosecutors who are able to provide the staff training on child sexual abuse.

C6:2: Improving Teacher Quality (ALI 200635)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3Y60 ALI 200635, Improving Teacher Quality	\$75,645,000	\$77,157,900	\$78,701,058
% change	--	2.0%	2.0%

Most of this federal grant is passed through to school districts based on a federal formula that considers enrollment and poverty in each district. The bulk of the funds are distributed to school districts for a wide variety of activities related to recruitment and retention of effective teachers and school leaders and professional development. Up to 1% of the state's grant allocation may be used for state administration. Additional portions may be reserved for various other state activities.

Category 7: Academic Achievement

This category of ALIs includes funding to support a variety of programs and initiatives designed to improve the academic achievement of Ohio's students and adults without high school diplomas.

C7:1: Literacy Improvement (ALIs 200566 and 2006A7)

The executive budget continues funding for literacy coaches and regional literacy support teams, but modifies how they are funded. In FY 2024 and FY 2025, the budget combined appropriations in GRF ALI 200566 and Fund 5AQ1 ALI 2006A4, both named Literacy Improvement, to substantially increase funding for literacy improvement, including one-time funding to reimburse school districts, community schools, and STEM schools for stipends paid to teachers to complete mandated professional development in the science of reading and evidence-based strategies for effective literacy instruction and new state funding for literacy coaches. The budget supported ALI 2006A4 through two cash transfers to the Literacy Improvement Fund (Fund 5AQ1): \$160.1 million from the FY 2023 GRF ending balance and \$11.0 million in FY 2024 from the School District Solvency Assistance Fund (Fund 5H30).

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200566, Literacy Improvement	\$1,500,000	\$4,472,674	\$4,617,596
Fund 7017 ALI 2006A7, Literacy Coaches	\$0	\$12,000,000	\$12,000,000
Fund 5AQ1 ALI 2006A4, Literacy Improvement	\$56,824,000	\$0	\$0
Literacy improvement total	\$58,324,000	\$16,472,674	\$16,617,596
% change	--	-71.8%	0.9%

The executive budget recommends funding two ALIs to direct GRF and lottery support to literacy activities, totaling \$16.5 million in FY 2026 and \$16.6 million in FY 2027. This represents a decrease of 71.8% from estimated FY 2025 literacy spending of \$58.3 million, largely due to the proposed discontinuation of Fund 5AQ1 ALI 2006A4, Literacy Improvement, which supported the one-time stipends for teacher professional development and other literacy initiatives. The executive budget does not continue the teacher stipend program and moves funding for literacy coaches to its own ALI, 2006A7, Literacy Coaches, funded by \$12 million in each fiscal year from lottery profits. GRF funding through ALI 200566, Literacy Improvement, will continue to support regional literacy activities to align state, local, and federal efforts in order to bolster all student’s reading success.

For comparison purposes, the table below shows the allocations for each activity in FY 2025 based on appropriations and earmarks and the proposed amounts for FY 2026 and FY 2027 regardless of the ALI used. Actual spending in FY 2025 may be more or less than the allocations given flexibility in the appropriation language. Additional details follow the table.

Purpose	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Literacy coaches	\$12,000,000	\$12,000,000	\$12,000,000
Literacy support teams and program administration	\$3,324,000	\$4,472,674	\$4,617,596
Literacy professional development stipends	\$43,000,000	\$0	\$0
ALIs 200566, 2006A7, and 2006A4 total	\$58,324,000	\$16,472,674	\$16,617,596
% change	--	-71.8%	0.9%

Literacy coaches (Fund 7017 ALI 2006A7)

This new ALI will continue funding for coaches to provide literacy supports to school districts, community schools, and STEM schools with the lowest rates of proficiency in literacy based on their performance on the English language arts assessments. The coaches must have training in the science of reading and evidence-based strategies for effective literacy instruction and intervention and implement Ohio’s Coaching Model, as described in Ohio’s Plan to Raise Literacy Achievement. The coaches work through four ESCs while DEW trains and directs them. According to DEW, the contracts with literacy coaches total about \$9.3 million for FY 2025, with the cost for each coach ranging from about \$160,000 to \$175,000. In the upcoming biennium, DEW expects to fund between 68 and 75 coaches.

Literacy Improvement (GRF ALI 200566)

These funds support regional literacy professional development teams that are established by ESCs or consortia of ESCs. These teams work to bolster literacy activities to align state, local, and federal efforts to improve all students’ reading success. A portion of this funding may be used by DEW for administrative work related to the program. According to DEW, the recommended funding levels for this purpose will support administration, oversight, evaluation, and coordination of literacy efforts across the state and continue funding for the annual statewide literacy conference and professional development work. While the table above appears to indicate a relatively large funding increase for these activities, DEW explained that the

Department will not spend as much originally planned for literacy coaches in FY 2025 as that program winds up, which allows the unused funds to be directed toward literacy professional development teams and support. The estimated cost for those activities is over \$4.1 million in FY 2025. The executive budget increases funding to \$4.5 million in FY 2026 and \$4.6 million in FY 2027.

Provisions related to tutoring

The executive budget eliminates the requirement that high-dosage tutoring provided to students on reading improvement and monitoring plans by school districts and other public schools be provided outside of the student’s regular instruction time and expressly permits a district or school to incorporate high-dosage tutoring into a student’s regular instruction time. It also requires a locally approved high-dosage tutoring program to align with best practices identified by DEW.

In addition, the executive budget requires (1) DEW’s request for qualifications for high-quality tutoring programs to include a request for program efficacy data or other evidence of program effectiveness for participating students, (2) requires DEW to remove from the high-quality tutoring program list any program that DEW determines is not aligned to the science of reading or uses a three-cueing approach, and (3) DEW to, at least every three years after the initial list is posted, provide an opportunity for entities to submit their qualifications for consideration to be included on the list and post an updated list to the DEW website.

C7:2: Adult Education Programs (ALI 200572)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200572, Adult Education Programs	\$12,174,226	\$9,848,399	\$9,866,137
% change	--	-19.1%	0.2%

This ALI supports programs that assist individuals who dropped out of school with obtaining a high school diploma or equivalence certificate. Currently, most of the ALI funds the 22+ Adult High School Diploma Program and the Adult Diploma Program. The former awards locally issued high school diplomas through a participating school district, community school, or two-year college. Providers receive up to \$5,000 annually for each individual enrolled in the program depending on the extent of the individual’s successful completion of high school graduation requirements. In FY 2024, 1,163 individuals received a high school diploma through the program.

The latter provides the education and training necessary for an individual ages 18 and older to earn a state-issued high school diploma and an industry-recognized credential or certificate in an in-demand field. State 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. In FY 2024, 663 individuals received a high school diploma through the program.

The executive proposal eliminates the Adult Diploma Program and 22+ Adult High School Diploma and replaces them with a competency-based educational program for eligible individuals to earn a high school diploma. Eligible individuals who are at least 18 years old, have officially withdrawn from school, and who have not received a high school diploma or certificate of high school equivalence qualify to participate in a competency-based educational program. DEW must certify the enrollment and attendance of individuals reported by providers and will make a payment to each provider of up to \$7,500 per school year based on the extent of each enrolled individual's successful completion of the program's diploma requirements.

This ALI also supports vouchers that lower the cost of high school equivalency examinations for first-time test takers. Each career-technical planning district reimburses individuals taking a nationally recognized high school equivalency examination approved by DEW for the first time for application fees, examination fees, or both, in excess of \$40, up to a maximum reimbursement per individual of \$80. The career-technical planning district makes available and offers career counseling services, including information on adult education programs that are available. A portion of the appropriation line item is used to reimburse the Department of Youth Services and the Department of Rehabilitation and Correction for individuals in these facilities who have taken an approved examination for the first time.

Finally, the ALI supports DEW's operating expenses associated with program administration and evaluation, technical assistance, and research. The executive budget allocates 10% of this ALI's recommended funding for DEW's operating expenses and the remainder for subsidy payments. DEW reported that it is looking to reduce the operating costs from this line item with implementation of the competency-based educational program.

C7:3: Accelerate Great Schools (ALI 200614)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 7017 ALI 200614, Accelerate Great Schools	\$1,500,000	\$1,500,000	\$1,500,000
% change	--	0.0%	0.0%

This ALI, funded from lottery profits, supports the Accelerate Great Schools public-private partnership that works to provide high quality education to new and existing schools in Cincinnati.

C7:4: Educational Improvement Grants (ALI 200615)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 6200 ALI 200615, Educational Improvement Grants	\$1,050,000	\$600,000	\$600,000
% change	--	-42.9%	0.0%

This ALI is supported by miscellaneous education grants from private sources. Expenditures are dependent on the number and amount of grants received and are directed

towards the grantor’s specified purpose. The FY 2025 level is elevated due to a one-time grant that required a subsidy distribution.

C7:5: 21st Century Community Learning Centers (ALI 200688)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3Y20 ALI 200688, 21 st Century Community Learning Centers	\$47,000,000	\$47,940,000	\$48,898,800
% change	--	2.0%	2.0%

These federal funds provide grants to school districts and community and faith-based organizations to create community learning centers that provide academic enrichment and a wide variety of additional services for children, with particular emphasis on students in low-performing, high-poverty schools. Grants are awarded on a competitive basis for a five-year period, with a maximum of \$200,000 per year the first three years, and gradually reduced maximum amounts for the final two years. DEW may use up to 2% of the funds for administrative purposes and up to 5% for state-level activities. The 2.0% increase in FY 2026 and FY 2027 is based on historical growth levels of the grant. In FY 2025, 21 institutions were awarded a new grant. However, DEW is not holding a grant competition for FY 2026. Current grantees will continue to receive grant funds as long as they meet all pertinent state and federal requirements.

C7:6: Comprehensive Literacy State Development Program (ALI 200678)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3HL0 ALI 200678, Comprehensive Literacy State Development Program	\$14,630,000	\$14,630,000	\$14,630,000
% change	--	0.0%	0.0%

These federal funds are distributed to school districts, ESCs, and early childhood education programs to improve literacy outcomes for children from birth through grade 12. The funds are part of a five-year grant that supports the development of model comprehensive literacy sites in early childhood education programs, district preschools, and elementary, middle, and high schools statewide. Approximately 95% of the award is to be distributed to these entities. Additionally, the ALI is used to support professional learning and coaching. DEW was awarded another five-year grant in September 2024. It will award new subgrants through a competitive opportunity in 2025.

C7:7: English Language Acquisition (ALI 200689)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3Y70 ALI 200689, English Language Acquisition	\$12,000,000	\$13,728,000	\$14,277,120
% change	--	14.4%	4.0%

These federal funds assist school districts in helping their English learners meet the state’s academic content and student achievement standards. These funds help ensure English learners have equal educational opportunities and in assisting districts to close the achievement gap between these students and their peers. The funds may be used for supplemental services that improve English proficiency and academic achievement of English learners, including through language instruction educational programs and professional development for teachers who educate English learners. DEW may use 5% of these funds to standardize entrance and exit procedures for English learner status, and provide planning, evaluation, administration, technical, and professional development activities to school districts. In FY 2025, over 80,000 students were identified as English learners across the state. The executive proposal increases funding for this ALI based on the expected growth in the federal grant award.

C7:8: Federal Education Grants (ALI 200649)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3HF0 ALI 200649, Federal Education Grants	\$6,831,327	\$5,000,000	\$5,000,000
% change	--	-26.8%	0.0%

This ALI consolidates funding for the activities of several smaller federal grants from multiple federal agencies. Federal grants disbursed from this ALI have supported:

- Financial assistance to state or local institutions that serve neglected and delinquent students;
- DEW’s administrative expenses with respect to the federal Troops to Teachers Program, which assists eligible veterans with the transition to careers in education;
- Competitive grants for model demonstration projects to develop coaching systems;
- Improvement of coordination for education programs that address the needs of migrant children whose education is interrupted;
- The statewide longitudinal data system;
- School-based mental health services in districts and schools with demonstrated need;
- School violence prevention; and
- A model demonstration project to identify students with dyslexia and provide professional development for their teachers.

Category 8: State Administration

C8:1: Operating Expenses (ALIs 200321 and 200416)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200321, Operating Expenses	\$15,661,000	\$14,474,898	\$15,054,312
GRF ALI 200416, Career Technical Education	\$0	\$2,758,006	\$2,893,106
Total	\$15,661,000	\$17,232,904	\$17,947,418
% change	--	10.0%	4.1%

GRF ALI 200321, Operating Expenses, funds personal services, maintenance, and equipment for administrative functions not directly related to one program, including the Director's office, communications, legal counsel, and school funding. This ALI also supports the administrative expenses necessary to meet certain federal match or maintenance of effort (MOE) requirements. Specifically, this ALI provides the state match for federal maintenance of effort requirements for the State Administrative Expenses for the Child Nutrition grant spent from Fund 3670 ALI 200607, School Food Services, (about \$230,000 per year) and the state match for administrative expenses for federal career-technical education funds spent from Fund 3L90 ALI 200621, Career-Technical Education Basic Grant. In FY 2025, DEW anticipates spending \$2.5 million from this line item for the administrative match for the federal career-technical education grant.

The executive proposal shifts the administrative matching funds for the federal career-technical education grant into its own line item: GRF ALI 200416, Career Technical Education. According to DEW, the executive recommendations for both ALIs cover projected salary, benefits, and other related expenses for existing positions. No new staff will be hired.

C8:2: Information Technology Development and Support (ALIs 200420 and 200606)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200420, Information Technology Development and Support	\$4,100,000	\$4,231,479	\$4,316,527
Fund 1380 ALI 200606, Information Technology Development and Support	\$16,111,120	\$18,394,387	\$18,597,721
Information Technology Development and Support total	\$20,211,120	\$22,625,866	\$22,914,248
% change	--	11.9%	1.3%

GRF funding in ALI 200420 supports development and implementation of information technology (IT) solutions to improve DEW's performance and service provision. It also supports data-driven decision making, differential instruction, and web-based application development to

communicate academic content standards and curriculum models to schools. GRF ALIs that cannot fully pay the cost of IT programming access these funds.

Non-GRF funding through ALI 200606 supports information technology services for various DEW programs through development and maintenance of network infrastructure and software, purchase of computer software and hardware, project management, program services, and funding for DEW staff and information technology contracts. In recent years, the Department has been consolidating IT project costs into this ALI rather than directly from program ALIs. The item is supported by charges assessed to DEW offices based on usage of IT services and from program offices for specific projects.

The executive proposal increases funding for information technology development and support, mainly in the non-GRF ALI to fund additional work on various IT projects, particularly the Education System of Tiered E-Plans and Supports (ED STEPS). ED STEPS is a project to replace the previous Comprehensive Continuous Improvement Plan and enable districts and schools to develop a single, comprehensive plan for student growth by leveraging federal, state, and other resources.

C8:3: Community Schools and Choice Programs (ALI 200455)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200455, Community Schools and Choice Programs	\$4,232,000	\$4,370,165	\$4,446,705
% change	--	3.3%	1.8%

This item is used by DEW to support the administrative costs of the Office of Community Schools and, in combination with a set-aside from GRF ALI 200550, Foundation Funding – All Students, the Office of Nonpublic Educational Options. These offices provide oversight and administration of school choice programs, including community schools, their sponsors, nonpublic schools, and other providers participating in the state’s scholarship programs. A portion of the appropriation may be used to support the community school sponsor evaluation system. The executive proposal’s recommended funding levels will be mainly used to cover increased payroll and related costs for existing staff and IT costs.

C8:4: Indirect Operational Support (ALI 200695)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 4R70 ALI 200695, Indirect Operational Support	\$11,227,038	\$9,944,311	\$10,166,435
% change	--	-11.4%	2.2%

This ALI supports a variety of administrative functions not directly tied to a specific funding source, including accounting, human resources, grants management, and auditing. Funding for these costs is recouped from the federal government and other various funds used by DEW containing payroll expenses by applying an indirect cost rate 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).

C8:5: Interagency Program Support (ALI 200633)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 4V70 ALI 200633, Interagency Program Support	\$5,000,000	\$3,000,000	\$3,000,000
% change	--	-40.0%	0.0%

This ALI supports joint initiatives or collaborations for specific programs that require DEW's assistance. Funds are received from other state agencies for such activities that require DEW support and are deposited into Fund 4V70. In FY 2025, this ALI primarily provided support for the administration of the Summer EBT Program, which provides summer grocery benefits to low-income families with school-age children while school is out of session.

From FY 2017 through FY 2023, this ALI supported preschool slots using casino operator settlement funds received from the Department of Job and Family Services, supplementing the early childhood education grant program formerly funded in GRF ALI 200408, Early Childhood Education. Beginning in FY 2024, early childhood education programs were moved from DEW to the Department of Children and Youth (DCY). This ALI continued supporting certain activities into FY 2025 during the transition to DCY.

C8:6: Charges and Reimbursements (ALI 200638)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 4520 ALI 200638, Charges and Reimbursements	\$1,500,000	\$1,500,000	\$1,500,000
% change	--	0.0%	0.0%

This ALI is supported by funds received through fees for products or services provided by DEW, including publications, sponsored conferences, and donations. These funds support the use of materials and facilities for DEW conferences and purposes specified by donations. Specifically, this ALI primarily supports DEW's responsibility for organizing the annual Ohio Educational Technology Conference.

C8:7: Consolidated Federal Grant Administration (ALI 200645)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
Fund 3Z30 ALI 200645, Consolidated Federal Grant Administration	\$19,900,000	\$15,000,000	\$15,000,000
% change	--	-24.6%	0.0%

This ALI acts as an administrative pool of various federal grant funds, which allows for the consolidation of administrative dollars to effectively manage, administer, and coordinate all

grants received under the federal Elementary and Secondary Education Act (ESEA). This ALI also supports the dissemination of information regarding model programs and practices, establishing peer-review mechanisms for the various federal grants, training personnel in monitoring these activities, and technical assistance to grant recipients. The executive proposal decreases appropriations for this ALI in light of the expiration of federal COVID-19 relief funds and, thus, the diminished need for staff and related expenses to administer federal funds.

Category 9: Property Tax Reimbursements

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

C9:1: Property Tax Reimbursement – Education (ALI 200903)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200903, Property Tax Reimbursement – Education	\$1,238,032,000	\$1,291,917,108	\$1,312,678,846
	% change	--	4.4%
			1.6%

The state pays 10% of locally levied property taxes for residential and agricultural real property owners and an additional 2.5% for homeowners on new levies enacted prior to November 2013, thus decreasing property taxes paid by individual property taxpayers in Ohio. These provisions are often referred to as property tax “rollbacks.” This ALI funds the rollback reimbursements for traditional school districts and JVSs.

This ALI 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 less than a threshold that increases each year according to an inflationary factor. The income threshold in 2025 is \$40,000. 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. The standard threshold exempts the first \$9,800 of taxable value (\$28,000 of true value) from property taxes while an enhanced threshold exempts the first \$19,600 of taxable value (\$56,000 of true value) from property taxes for disabled veterans and spouses of certain deceased public service officers. Both the standard and enhanced thresholds are adjusted for inflation each year.

C9:2: Personal Property Tax Replacement Phase Out – School District (ALI 200417)

Fund/ALI	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
GRF ALI 200417, Personal Property Tax Replacement Phase Out – School District	--	\$46,478,241	\$42,618,185
Fund 7047 ALI 200902, Property Tax Replacement Phase Out – Education	\$53,927,487	\$0	\$0
Personal Property Tax Replacement Phase Out total	\$53,927,487	\$46,478,241	\$42,618,185
% change	--	-13.8%	-8.3%

Under the executive budget, new GRF ALI 200417 will support 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. Under current law, TPP replacement payments are supported by receipts from the commercial activity tax that are deposited into the School District Tangible Property Tax Replacement Fund (Fund 7047). The executive budget eliminates these deposits and, instead, funds the payments directly from the GRF. It also permits the OBM Director to transfer cash as necessary from Fund 7047 to the GRF during the FY 2026-FY 2027 biennium.

The executive budget maintains the current law mechanisms to phase down the replacement payments. Beginning in FY 2018, fixed-rate operating levy replacement payments are reduced from the prior year's payment by an amount equal to $\frac{5}{8}$ of one mill (0.000625) of the average of the total taxable value of the district for TY 2014, TY 2015, and TY 2016. Replacement payments based on emergency levies ended after FY 2022, while payments for permanent improvement levies ended after FY 2016.

Through FY 2026, continuing law provides a temporary exception to the phase-down schedule for school districts that have a nuclear power plant in their territory (Benton-Carroll-Salem Local in Ottawa County and Perry Local in Lake County). From FY 2022 through FY 2026, the replacement payments for those two districts are equal to the payments received in FY 2017. The executive budget extends this exception to FY 2027.

Department of Education and Workforce

General Revenue Fund

GRF 200321 Operating Expenses

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$15,092,002	\$15,098,184	\$15,378,176	\$15,661,000	\$14,474,898	\$15,054,312
% change	0.0%	1.9%	1.8%	-7.6%	4.0%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.20 of H.B. 33 of the 135th G.A. (originally established by H.B. 487 of the 129th G.A.)

Purpose: This line item funds personal services, maintenance, and equipment for administrative functions not directly related to one program, such as communications, legal counsel, and so on. This line item also provides the state match for administrative expenses for federal career-technical education funds spent from Fund 3L90 line item 200621, Career-Technical Education Basic Grant, and the federal maintenance of effort requirements for administrative expenses for the Child Nutrition grant spent from Fund 3670 line item 200607, School Food Services. The executive proposal shifts the state match for administrative expenses for federal career-technical education funds into its own line item, GRF 200416, Career Technical Education.

GRF 200408 Early Childhood Education

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$59,336,017	\$64,038,422	\$112,723,609	\$21,359,202	\$0	\$0
% change	7.9%	76.0%	-81.1%	-100.0%	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item (originally established by H.B. 298 of the 119th G.A.)

Purpose: This line item funded early childhood education (ECE) programs for children from families with incomes below 200% of the federal poverty level (FPL). The funds were used to provide per-pupil funding to ECE providers, including school districts, educational service centers, community schools, chartered nonpublic schools, and certain licensed child care centers. The Department used up to 2% of the appropriated funds for program support and technical assistance. Beginning in FY 2024, GRF funding for ECE programs is housed under the Department of Children and Youth in GRF line item 830407, Early Childhood Education. However, the Department of Education and Workforce (DEW) may continue to administer certain funds and programs as necessary during the transition to the Department of Children and Youth. H.B. 33 of the 135th G.A. authorizes the transfer of appropriations between the two departments if necessary for the continued efficient administration of children's services programs.

Department of Education and Workforce

General Revenue Fund

GRF 200416 Career Technical Education

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$0	\$0	\$2,758,006	\$2,893,106
% change	N/A	N/A	N/A	N/A	4.9%

Source: General Revenue Fund

Legal Basis: Proposed by the Executive Budget (originally established by H.B. 191 of the 112th G.A.)

Purpose: This line item will provide administrative matching funds for federal career-technical education funds spent from Fund 3L90 ALI 200621, Career-Technical Education Basic Grant. Currently, these funds are paid from GRF line item 200321, Operating Expenses.

GRF 200420 Information Technology Development and Support

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$3,580,723	\$3,779,712	\$3,917,570	\$4,100,000	\$4,231,479	\$4,316,527
% change	5.6%	3.6%	4.7%	3.2%	2.0%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.40 of H.B. 33 of the 135th G.A. (originally established by H.B. 282 of the 123rd G.A.)

Purpose: This line item supports the development and implementation of information technology solutions designed to improve the performance and services of DEW, along with any associated personnel, maintenance, and equipment costs. 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 through web-based applications.

GRF 200422 School Management Assistance

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$2,467,395	\$2,387,889	\$2,870,058	\$2,598,000	\$3,332,220	\$3,474,596
% change	-3.2%	20.2%	-9.5%	28.3%	4.3%

Source: General Revenue Fund

Legal Basis: R.C. 3316; Sections 265.10 and 265.50 of H.B. 33 of the 135th G.A. (originally established by H.B. 1285 of the 112th G.A.)

Purpose: This line item is used to provide fiscal technical assistance and in-service education for school district management personnel and to administer, monitor, and implement the fiscal caution, fiscal watch, and fiscal emergency provisions of state law.

Department of Education and Workforce

General Revenue Fund

GRF 200424 Policy Analysis

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$353,023	\$494,953	\$467,332	\$500,000	\$500,000	\$516,419
% change	40.2%	-5.6%	7.0%	0.0%	3.3%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.60 of H.B. 33 of the 135th G.A. (originally established by H.B. 204 of the 113th G.A.)

Purpose: This line item supports research and data collection related to education policy analysis, including 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. DEW must use a portion of the line item to maintain a longitudinal database to assess the impact of policies and programs on Ohio's education and workforce development systems. Also, it may use the line item for an evidence-based clearinghouse to support school improvement strategies under the federal Every Student Succeeds Act of 2015, for software systems or policy studies, and to monitor and enhance quality assurance for research-based policy analysis and program evaluation.

GRF 200426 Ohio Educational Computer Network

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$14,837,387	\$14,094,348	\$17,566,442	\$19,994,000	\$19,994,000	\$19,994,000
% change	-5.0%	24.6%	13.8%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: R.C. 3301.075; Sections 265.10 and 265.70 of H.B. 33 of the 135th G.A. (originally established by H.B. 204 of the 113th G.A.)

Purpose: This line item is used to maintain and provide technical assistance for a system of information technology throughout Ohio. The bulk of the funding supports connecting public and state-chartered nonpublic schools to the state's education network, to each other, and to the Internet. Funds also support information technology centers (ITCs) to provide administrative information services to member school districts, the development and maintenance of administrative and instructional software for school districts, the teacher-student linkage roster verification process for teacher value-added reports, and systems to support electronic sharing of student records and transcripts. In FY 2024, H.B. 33 also earmarked \$5.8 million from this item to renew the 10-year leases of middle-mile broadband that connect the state broadband backbone (OARnet) with ITCs and select large urban school districts and to support other connectivity upgrades for K-12 schools with severely restricted broadband connections.

Department of Education and Workforce

General Revenue Fund

GRF 200427 Academic Standards

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$4,335,791	\$3,853,792	\$4,406,048	\$4,598,000	\$6,035,410	\$5,929,033
% change	-11.1%	14.3%	4.4%	31.3%	-1.8%

Source: General Revenue Fund

Legal Basis: R.C. 3301.079; Sections 265.10 and 265.80 of H.B. 33 of the 135th G.A. (originally established by H.B. 94 of the 124th G.A.)

Purpose: This line item supports the development and dissemination of the state academic content standards and model curricula to school districts. The line item also funds professional development programs and other tools on the standards and model curricula. The executive budget proposes new earmarks of up to \$1,000,000 in FY 2026 to develop an integrated model curriculum that includes English language arts, social studies, and civics and up to \$500,000 in FY 2027 to develop an deploy professional learning for successful implementation of the integrated model curriculum.

GRF 200437 Student Assessment

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$57,574,632	\$46,158,073	\$54,491,057	\$54,151,000	\$53,409,125	\$53,682,346
% change	-19.8%	18.1%	-0.6%	-1.4%	0.5%

Source: General Revenue Fund

Legal Basis: R.C. 3301.078, 3301.079, 3301.0710, 3301.0711, 3301.0712, 3301.0715 and 3301.27; Sections 265.10 and 265.90 of H.B. 33 of the 135th G.A. (originally established by H.B. 111 of the 118th G.A.)

Purpose: This line item is used to develop, field test, print, distribute, collect, score, and report results of achievement assessments for elementary and high school students and diagnostic assessments for students in grades K-3. Federal funding to assist with the cost of administering federally-mandated achievement assessments is appropriated in Fund 3Z20 line item 200690, State Assessments. H.B. 33 earmarks \$622,713 in each of FY 2024 and FY 2025 to reimburse a portion of the costs of Advanced Placement and College-Level Examination Program tests for low-income students.

Department of Education and Workforce

General Revenue Fund

GRF 200439 Accountability/Report Cards

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$6,732,972	\$6,580,690	\$6,638,062	\$7,266,000	\$7,619,440	\$7,687,742
% change	-2.3%	0.9%	9.5%	4.9%	0.9%

Source: General Revenue Fund

Legal Basis: R.C. 3302.03, 3302.031, and 3302.26; Sections 265.10 and 265.100 of H.B. 33 of the 135th G.A. (originally established by H.B. 95 of the 125th G.A.)

Purpose: This line item supports the development and distribution of district and school report cards, as well as funding and expenditure accountability reports, the development and maintenance of teacher value-added reports, the teacher student linkage/roster verification process, and a performance management section on DEW's website. Funds also support training district and regional specialists and district educators in the use of the value-added progress dimension and in the use of data to improve student achievement.

GRF 200442 Child Care Licensing

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$2,110,046	\$2,145,854	\$2,906,434	\$0	\$0	\$0
% change	1.7%	35.4%	-100.0%	N/A	N/A

Source: General Revenue Fund

Legal Basis: Discontinued line item (originally established by the Controlling Board on October 16, 1995)

Purpose: This line item funded the licensure and inspection of preschool and school-age child care programs operated by school districts, ESCs, community schools, chartered nonpublic schools, and county developmental disabilities (DD) boards. Beginning in FY 2024, this function and its funding are housed under the Department of Children and Youth in GRF line item 830409, Childcare Licensing. However, DEW may continue to administer certain funds and programs as necessary during the transition to the Department of Children and Youth. H.B. 33 of the 135th G.A. authorizes the transfer of appropriations between the two departments if necessary for the continued efficient administration of children's services programs.

Department of Education and Workforce

General Revenue Fund

GRF 200446 Education Management Information System

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$8,126,320	\$8,367,051	\$9,307,230	\$9,437,000	\$10,058,226	\$10,525,278
% change	3.0%	11.2%	1.4%	6.6%	4.6%

Source: General Revenue Fund

Legal Basis: R.C. 3301.0714 and 3302.03; Sections 265.10 and 265.110 of H.B. 33 of the 135th G.A. (originally established by H.B. 111 of the 118th G.A.)

Purpose: This line item supports the collection and reporting of student, staff, and financial data through the Education Management Information System (EMIS). Activities include the development and maintenance of a uniform set of data definitions, enhancement of data quality assurance practices, and responsibilities related to report cards and value-added progress dimension calculations. This line item also makes per-pupil distributions to 18 information technology centers (ITCs) to assist with data collection, processing, storage, and transfer costs and supports grants to ITCs to provide EMIS-related professional development opportunities for district and school personnel.

GRF 200448 Educator and Principal Preparation

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$4,712,251	\$4,015,290	\$3,504,563	\$12,783,000	\$9,163,493	\$9,176,754
% change	-14.8%	-12.7%	264.8%	-28.3%	0.1%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.120 of H.B. 33 of the 135th G.A. (originally established by H.B. 95 of the 125th G.A.)

Purpose: This line item supports a variety of initiatives related to educator preparation and school improvement, including Ohio's State System of Support for districts and schools implementing school improvement processes. This line item also includes various other earmarks. Earmarked funds for the FY 2024-FY 2025 biennium support grants to assist high school teachers to become credentialed to teach College Credit Plus courses; the Ohio Military Veteran Educators Program to incentivize veterans to seek a career in education; Teach For America; the SmartOhio Financial Literacy Program at the University of Cincinnati; the PAST Foundation's STEM Educator Workforce Collaborative to support training for teachers in STEM fields; and FASTER Saves Lives training for selected school staff to stop active shooters and treat casualties. Prior to FY 2024, this line item also supported the Educator Standards Board (ESB). Beginning in FY 2024, the ESB is supported under the stand-alone budget of the State Board of Education in Fund 4L20 line item 210600, Operating Expenses. While H.B. 33 transfers most of the powers and duties of the State Board to the Governor-appointed DEW Director, the State Board retains its powers and duties related to educator licensure and the ESB. The executive budget proposes \$5 million in each of FY 2026 and FY 2027 to establish the Principal Apprenticeship Program, which will offer pathways for individuals to receive mentorship and on-site job training in school leadership and administration, with an option to earn a master's degree.

Department of Education and Workforce

General Revenue Fund

GRF 200455 Community Schools and Choice Programs

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$3,809,124	\$3,557,895	\$3,910,360	\$4,232,000	\$4,370,165	\$4,446,705
% change	-6.6%	9.9%	8.2%	3.3%	1.8%

Source: General Revenue Fund

Legal Basis: R.C. 3310, 3313.974 to 3313.979, 3314, 3326; Sections 265.10 and 265.130 of H.B. 33 of the 135th G.A. (originally established by H.B. 215 of the 122nd G.A.)

Purpose: This line item funds the operation of the Office of Community Schools and the Office of Nonpublic Educational Options. These offices provide administration, oversight, and technical assistance to community schools, their sponsors, and nonpublic schools, including those participating in state scholarship programs. DEW may use portion of this line item to support the community school sponsor evaluation system.

GRF 200457 STEM Initiatives

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$320,000	\$0	\$500,000	\$0	\$0	\$0
% change	-100.0%	N/A	-100.0%	N/A	N/A

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.130 of H.B. 33 of the 135th G.A. (originally established by H.B. 119 of the 127th G.A.)

Purpose: This line item provides funds to various entities for certain STEM education initiatives. In FY 2024, the funds are distributed to the Alliance for Working Together Foundation to support ongoing STEM education. In FY 2022, the line item funded a pilot project affiliated with the Alliance for Working Together Foundation that supported innovative STEM initiatives providing early access to programming, engineering design, and problem-solving skills to middle school students in Ashtabula, Cuyahoga, Geauga, Lake, Portage, and Trumbull counties.

Department of Education and Workforce

General Revenue Fund

GRF 200465 Education Technology Resources

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$4,410,739	\$5,023,987	\$5,170,325	\$5,083,000	\$4,672,828	\$4,685,225
% change	13.9%	2.9%	-1.7%	-8.1%	0.3%

Source: General Revenue Fund

Legal Basis: R.C. 3301.075; Sections 265.10 and 265.140 of H.B. 33 of the 135th G.A. (originally established by H.B. 59 of the 130th G.A.)

Purpose: This line item funds Union Catalog and INFOhio Network library-related services, provides grants to educational television stations working with education technology centers to provide public schools with instructional resources and services, and may be used to administer the federal E-Rate program, provide oversight and guidance of school district technology plans, support district technology personnel, and support the development and maintenance of administrative and instructional software for school districts (funds for this purpose are also appropriated in GRF line item 200426, Ohio Educational Computer Network).

GRF 200478 Industry-Recognized Credentials High School Students

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$15,415,810	\$17,518,690	\$16,000,000	\$16,000,000	\$16,000,000	\$16,000,000
% change	13.6%	-8.7%	0.0%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.150 of H.B. 33 of the 135th G.A. (originally established by H.B. 166 of the 133rd G.A.)

Purpose: This line item is used for industry-recognized credential reimbursements and the Innovative Workforce Incentive Program (IWIP). In FY 2024 and FY 2025, up to \$5.5 million each fiscal year supports payments to school districts and other public schools whose students earn an industry-recognized credential or receive an equivalent certification. Under the program, the educating entity pays the cost of the credential and receives reimbursement for testing fees. Up to \$10.5 million in each of FY 2024 and FY 2025 supports IWIP, which provides payments of \$1,250 for each credential a student earns from a list of priority credentials determined by the Governor's Office of Workforce Transformation. The executive budget proposes to discontinue the general reimbursements from this line item for credentials earned in favor of using this line item entirely for the IWIP program. It also reduces the maximum payment from \$1,250 to \$725.

Department of Education and Workforce

General Revenue Fund

GRF 200492 College Credit Plus - Auxiliary Funding

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$0	\$5,000,000	\$0	\$0
% change	N/A	N/A	N/A	-100.0%	N/A

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.170 of H.B. 33 of the 135th G.A.

Purpose: This line item funds grants to school districts of at least \$1,000 for each new College Credit Plus course a district offers that is taught in a secondary school by a high school teacher with appropriate credentials. A school district must use at least 25% of the grant to make a payment to the teacher of the new course. DEW must give priority to school districts with a lack of advanced standing courses and districts with low College Credit Plus participation rates.

GRF 200502 Pupil Transportation

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$605,178,506	\$662,874,978	\$747,152,516	\$819,787,000	\$877,335,414	\$955,629,701
% change	9.5%	12.7%	9.7%	7.0%	8.9%

Source: General Revenue Fund

Legal Basis: R.C. 3317.019, 3317.024, 3317.0212, and 3317.072; Sections 265.10, 265.190, and 265.270 of H.B. 33 of the 135th G.A. (originally established by H.B. 191 of the 112th G.A.)

Purpose: This line item supports public school operating costs for transporting public and nonpublic school students to and from school. DEW uses the bulk of the line item to distribute funds through the transportation formula, which is a component of state foundation aid that supports regular transportation services provided in yellow buses either owned by the district or operated through contract. In general, it is based on transportation costs reported by school districts for the prior fiscal year, current year ridership and mileage counts, and the greater of a district's state share percentage or a minimum percentage (37.5% in FY 2024 and 41.67% in FY 2025). The transportation formula includes various add-ons that support low-density districts, reward efficiency, and make payments for other types of pupil transportation. Finally, a transportation guarantee ensures that a district's transportation aid in each year does not fall below its FY 2020 transportation aid prior to any budget reductions. Transportation for special education students who cannot be transported by regular school bus is reimbursed separately through a formula funded outside state foundation aid. A district's special education transportation aid is equal to its prior-year cost of transporting those students multiplied by the same percentage used to calculate the state share for regular transportation services. A similar formula is used for county DD boards and ESCs. This item also funds bus driver training and, in FY 2022 and FY 2023, supported transportation collaboration grants.

Department of Education and Workforce

General Revenue Fund

GRF 200505 School Meal Programs

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$8,963,500	\$8,963,500	\$11,368,379	\$13,163,000	\$13,163,000	\$13,163,000
% change	0.0%	26.8%	15.8%	0.0%	0.0%

Source: General Revenue Fund

Legal Basis: R.C. 3301.91 and 3317.024; Sections 265.10 and 265.200 of H.B. 33 of the 135th G.A. (originally established by H.B. 191 of the 112th G.A.)

Purpose: This line item primarily is used to provide the required state match for receiving National School Lunch Program funds deposited in Fund 3L60 line item 200617, Federal School Lunch. Schools use these GRF funds for food service operations in an effort to lower the cost of lunches provided to students. Beginning in FY 2024, this line item also supports required reimbursements to schools to make school lunch and breakfast free for students eligible under federal law for reduced-price school meals. A portion of this line item may also be used to partially reimburse school buildings within school districts that are required to have a school breakfast program.

GRF 200511 Auxiliary Services

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$156,052,027	\$158,189,613	\$162,864,614	\$166,853,000	\$170,292,963	\$172,262,613
% change	1.4%	3.0%	2.4%	2.1%	1.2%

Source: General Revenue Fund

Legal Basis: R.C. 3317.024, 3317.06, and 3317.062; Sections 265.10 and 265.230 of H.B. 33 of the 135th G.A. (originally established by H.B. 191 of the 112th G.A.)

Purpose: This line item provides assistance on a per nonpublic-pupil basis to chartered nonpublic schools to purchase secular textbooks; instructional equipment, including computers and media content; health services; guidance, counseling, and social work services; remedial services; programs for children with disabilities or for gifted children; mobile units used in the provision of certain services; security services; and language and academic support services to English language learners; among other purposes. Moneys may not be expended for any religious activities. Beginning in FY 2022, all chartered nonpublic schools, instead of only nonreligiously-affiliated schools as under former law, may elect to receive the funds directly. A chartered nonpublic school may designate a third-party organization to receive and manage the auxiliary funds on its behalf. Otherwise, a school receives the funds through the school district in which it is located. Funds in this line item are also earmarked for payment of the College Credit Plus Program for nonpublic students.

Department of Education and Workforce

General Revenue Fund

GRF 200532 Nonpublic Administrative Cost Reimbursement

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$70,759,968	\$71,500,744	\$73,440,062	\$75,381,000	\$76,935,110	\$77,824,960
% change	1.0%	2.7%	2.6%	2.1%	1.2%

Source: General Revenue Fund

Legal Basis: R.C. 3317.063; Sections 265.10 and 265.240 of H.B. 33 of the 135th G.A. (originally established by H.B. 694 of the 114th G.A.)

Purpose: This line item reimburses chartered nonpublic schools for mandated administrative and clerical costs incurred during the previous year. Mandated activities include 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. Reimbursement payments are the lesser of a school's mandated service costs and an amount for the school based on a maximum per-pupil reimbursement rate. H.B. 33 sets the maximum per-pupil rate at \$475 for FY 2024 and FY 2025, the same amount set for FY 2022 and FY 2023.

GRF 200540 Special Education Enhancements

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$166,803,554	\$185,481,170	\$194,941,895	\$198,850,000	\$193,272,426	\$193,272,426
% change	11.2%	5.1%	2.0%	-2.8%	0.0%

Source: General Revenue Fund

Legal Basis: R.C. 3317.0213, 3317.20, and 3317.201; Sections 265.10, 265.250, and 265.520 of H.B. 33 of the 135th G.A. (originally established by H.B. 650 of the 122nd G.A.)

Purpose: This line item primarily funds preschool special education and related services at school districts, ESCs, and county DD boards and special education and related services for school-aged students at county DD boards and state institutions. This line item also funds school psychology interns, parent mentoring programs, and secondary transition services. Currently, it also funds matching dollars for the Opportunities for Ohioans with Disabilities Agency (OOD) to draw down federal funding for vocational rehabilitation services. The executive budget eliminates this earmark in DEW's budget and provides the funding directly in the OOD budget.

Department of Education and Workforce

General Revenue Fund

GRF 200545 Career-Technical Education Enhancements

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$12,633,678	\$16,952,376	\$18,616,591	\$23,835,391	\$29,988,000	\$29,988,000
% change	34.2%	9.8%	28.0%	25.8%	0.0%

Source: General Revenue Fund

Legal Basis: R.C. 3317.014; Sections 265.10 and 265.260 of H.B. 33 of the 135th G.A. (originally established by H.B. 650 of the 122nd G.A.)

Purpose: This line item supports several career-technical education programs and initiatives, including a per-pupil payment for various career awareness and exploration purposes, tech prep program expansion, career-technical education at correctional institutions and the state schools for the blind and the deaf, the Agriculture 5th Quarter Project, career planning and reporting through the Ohio Means Jobs website, the Ohio ProStart school restaurant program, and the Ohio Code-Scholar Pilot Program.

GRF 200550 Foundation Funding - All Students

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$6,957,669,288	\$7,118,107,449	\$7,975,003,597	\$8,269,497,000	\$8,424,986,974	\$8,517,447,875
% change	2.3%	12.0%	3.7%	1.9%	1.1%

Source: General Revenue Fund

Legal Basis: R.C. 3317; Sections 265.10, 265.270, 265.275, 265.277, 265.280, 265.285, 265.290, and 265.310 of H.B. 33 of the 135th G.A. (originally established by H.B. 66 of the 126th G.A.)

Purpose: This line item, combined with GRF line item 200502, Pupil Transportation, Fund 7017 line item 200612, Foundation Funding - All Students (Lottery), Fund 5VSO line item 200604, Foundation Funding - All Students (DPF), and Fund 5Y00 line item 200491, Public and Nonpublic Education Support, provides the main source of state aid for school districts, community and STEM schools, and state scholarship programs. The school foundation formula determines how these funds are allocated. H.B. 33 continues the phase-in of the school funding formula first established in the FY 2022-FY 2023 biennium for FY 2024 and FY 2026. The executive budget proposes to complete the phase-in over FY 2026 and FY 2027.

In addition to foundation funding and scholarship payments, this line item funds ESCs, payments related to power plant valuation adjustments, College Credit Plus for home-educated students, administration of state scholarship programs, various STEM initiatives, DEW duties and support related to academic distress commissions, and the private treatment facility pilot project, among other purposes.

Department of Education and Workforce

General Revenue Fund

GRF 200566 Literacy Improvement

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,242,302	\$1,550,971	\$1,818,111	\$1,500,000	\$4,472,674	\$4,617,596
% change	24.8%	17.2%	-17.5%	198.2%	3.2%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.330 of H.B. 33 of the 135th G.A. (originally established by H.B. 1 of the 123rd G.A.)

Purpose: Beginning in FY 2024, this line item is used in conjunction with Fund 5AQ1 line item 2006A4, Literacy Improvement, to (1) support a set of new initiatives designed to improve student literacy, including stipends for state-mandated teacher professional development in literacy, subsidies for districts and schools to purchase high-quality instructional materials and reading intervention programs, and funding for literacy coaches, and (2) provide funding for ESCs or consortia of ESCs to establish and support regional literacy professional development teams to align state, local, and federal efforts to bolster early literacy activities and all students' reading success. DEW may use a portion of the funds allocated for (2) for administration, technical assistance, research, monitoring, and evaluation. Prior to FY 2024, this line item was primarily used for the purposes described in (2). In FY 2022 and FY 2023, this line item also supported the expansion of a demonstration project that originated as a federal grant to identify students with dyslexia and provide their teachers with professional learning and support to improve their instruction of those students.

GRF 200572 Adult Education Programs

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$7,440,279	\$9,975,059	\$11,176,818	\$12,174,226	\$9,848,399	\$9,866,137
% change	34.1%	12.0%	8.9%	-19.1%	0.2%

Source: General Revenue Fund

Legal Basis: R.C. 3313.902, 3314.38, 3317.23, 3317.24, 3345.86; Sections 265.10, 265.340, and 733.50 of H.B. 33 of the 135th G.A. (originally established by H.B. 282 of the 123rd G.A.)

Purpose: This line item supports various programs that assist individuals who dropped out of high school with obtaining a diploma or equivalence certificate. These programs include (1) the 22+ Adult High School Diploma Program, which provides a locally-issued high school diploma; (2) the Adult Diploma Program, which offers a pathway to obtain a state-issued high school diploma as well as an industry-recognized credential in an in-demand field; (3) a program that provides vouchers to lower the cost of high school equivalency exams for first-time test takers; and, in FY 2024, (4) the Competency-Based Diploma Pilot Program. A portion of this line item may be used for program administration, technical assistance, support, research, and evaluation of adult education programs, including high school equivalency examinations approved by DEW.

Department of Education and Workforce

General Revenue Fund

GRF 200574 Half-Mill Maintenance Equalization

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$17,301,055	\$15,146,256	\$13,657,997	\$10,358,000	\$8,559,640	\$8,203,450
% change	-12.5%	-9.8%	-24.2%	-17.4%	-4.2%

Source: General Revenue Fund

Legal Basis: R.C. 3318.18; Sections 265.10 and 265.350 of H.B. 33 of the 135th G.A. (originally established by H.B. 64 of the 131st G.A.)

Purpose: This line item equalizes the half-mill maintenance levy required of school districts participating in the Facilities Construction Commission’s Classroom Facilities Assistance Program. Districts with per-pupil valuations less than the state average receive funds to equalize this half-mill levy to the state average. Funding can be used only to maintain school buildings constructed with state assistance.

GRF 200576 Adaptive Sports Program

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$250,000	\$250,000	\$250,000	\$250,000	\$500,000	\$500,000
% change	0.0%	0.0%	0.0%	100.0%	0.0%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.350 of H.B. 33 of the 135th G.A. (originally established by H.B. 64 of the 131st G.A.)

Purpose: This line item is used, in collaboration with the Adaptive Sports Program of Ohio, to fund adaptive sports programs in school districts across the state. According to ASPO, adaptive sports make minor modifications and use specialized equipment to provide individuals with physical disabilities an opportunity to participate in sports. The executive budget expands the uses of this item to include funding for intercollegiate adaptive athletics programs that provide opportunities for competitive wheelchair and adaptive sports to postsecondary students with disabilities.

Department of Education and Workforce

General Revenue Fund

GRF 200597 Program and Project Support

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$3,800,000	\$3,800,000	\$9,305,189	\$8,560,500	\$0	\$0
% change	0.0%	144.9%	-8.0%	-100.0%	N/A

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.355 of H.B. 33 of the 135th G.A. (originally established by H.B. 64 of the 131st G.A.)

Purpose: This line item consists of earmarks funding various education-related programs. In FY 2024 and FY 2025, the line item provides funding for the Ohio Alliance of Boys and Girls Clubs, United Way partner agencies for education and other initiatives, a financial literacy and workforce readiness program, the J. Harrington & Marie E. Glidden Foundation to support the education of high school students with multiple disabilities, instruction for high school students in cardiopulmonary resuscitation and automated external defibrillators, the Stark Education Partnership, the Ohio Valley Youth Network to support its Sycamore Youth Center Education Enrichment and Life Skills After Schools Program, the Girl Scouts of North East Ohio to support the Community Connection Team Building Program, and STEM and coding robot grants for nonpublic schools. The executive proposal discontinues this line item.

GRF 657401 Medicaid in Schools

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$321,819	\$303,744	\$319,713	\$327,000	\$349,925	\$358,362
% change	-5.6%	5.3%	2.3%	7.0%	2.4%

Source: General Revenue Fund

Legal Basis: Sections 265.10 and 265.360 of H.B. 33 of the 135th G.A. (originally established by H.B. 49 of the 132nd G.A.)

Purpose: This line item supports DEW's administrative costs associated with the Medicaid Schools Program. This program provides districts and schools with reimbursement for services to Medicaid-eligible students, including the costs of enrolling eligible children in the Medicaid Program and assisting children who are already enrolled to access the benefits available to them. DEW receives claims and financial reports from local education agencies and then submits the claims to the Ohio Department of Medicaid for reimbursement. Further, DEW provides technical assistance and program monitoring to verify federal program mandates and assure compliance and accountability. DEW also receives federal funding for this purpose, appropriated in Fund 3AF0 line item 657601, Schools Medicaid Administrative Claims.

Department of Education and Workforce

Dedicated Purpose Fund Group

4520 200638 Charges and Reimbursements

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$507,848	\$501,998	\$834,101	\$1,500,000	\$1,500,000	\$1,500,000
% change	-1.2%	66.2%	79.8%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Registration fees for conferences sponsored by DEW, sale of publications, gifts and bequests, and any remaining assets after certain obligations are satisfied of community schools that permanently closed before FY 2022

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on April 13, 1972)

Purpose: This line item is mainly used for materials and facilities for conferences and for the purposes specified by gifts and bequests. Notably, DEW has used this line item to stage the annual Ohio Educational Technology Conference since FY 2023, when responsibility for organizing the event shifted from the Department of Higher Education (DHE) to the Department (DHE supported the conference in Fund 5D40 line item 235675, Conferences/Special Purposes).

4L20 200681 Teacher Certification and Licensure

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$12,227,102	\$12,768,475	\$6,652,988	\$0	\$0	\$0
% change	4.4%	-47.9%	-100.0%	N/A	N/A

Source: Dedicated Purpose Fund Group: License fees set by the State Board of Education for teachers and other school and district staff

Legal Basis: Discontinued line item (originally established by H.B. 152 of the 120th G.A.)

Purpose: These funds primarily covered the costs of processing licensure applications, technical assistance related to licensure, the administration of the educator disciplinary process, and providing the Resident Educator Summative Assessment to teachers. Beginning in FY 2024, these costs are supported under a stand-alone budget for the State Board of Education in Fund 4L20 line item 210600, Operating Expenses. While H.B. 33 transfers most of the powers and duties of the State Board to the Governor-appointed DEW Director, the State Board retains its powers and duties related to educator licensure and discipline. However, H.B. 33 authorizes the transfer of appropriations between the State Board and DEW if necessary to maintain program services during the transition.

Department of Education and Workforce

Dedicated Purpose Fund Group

5980 200659 Auxiliary Services Reimbursement

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$542,449	\$383,481	\$573,700	\$650,000	\$650,000	\$650,000
% change	-29.3%	49.6%	13.3%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Funds from the Auxiliary Services Personnel Unemployment Compensation Fund deemed to be in excess of the amount needed to pay unemployment claims

Legal Basis: R.C. 3317.064; Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 238 of the 116th G.A.)

Purpose: This line item is used to relocate, replace, or repair mobile units used in providing auxiliary services to chartered nonpublic schools. The funds may also be used to fund early retirement or severance pay for employees paid from auxiliary services GRF funding. A portion of the funds may also be used to make payments for chartered nonpublic school students participating in the College Credit Plus Program.

5AD1 2006A2 Career-Technical Education Equipment

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$2,249,244	\$97,750,756	\$0	\$0
% change	N/A	N/A	4,245.9%	-100.0%	N/A

Source: Dedicated Purpose Fund Group: GRF cash transfers of \$50.0 million in each of FY 2024 and FY 2025

Legal Basis: Sections 265.10 and 265.370 of H.B. 33 of the 135th G.A.

Purpose: This line item is used to support career-technical education equipment purchases necessary for traditional school districts, JVSs, community schools, and STEM schools to start new or expand career-technical education programs for in-demand career fields and certain industry-recognized credentials. These funds are in addition to an appropriation of \$200 million in FY 2024 under the Ohio Facilities Construction Commission budget (Fund 5CV3 line item 230652, Career-Technical Construction Program) to support construction projects that establish or expand career-technical education programs. The executive proposal discontinues this line item.

Department of Education and Workforce

Dedicated Purpose Fund Group

5AQ1 2006A4 Literacy Improvement

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$68,303,264	\$56,824,000	\$0	\$0
% change	N/A	N/A	-16.8%	-100.0%	N/A

Source: Dedicated Purpose Fund Group: Cash transfers of (1) \$160.1 million from the FY 2023 GRF ending balance and (2) \$11.0 million in FY 2024 from the School District Solvency Assistance Fund (Fund 5H30)

Legal Basis: Sections 265.10 and 265.330 of H.B. 33 of the 135th G.A.

Purpose: This line item is used in conjunction with GRF line item 200566, Literacy Improvement, to (1) support a set of new initiatives designed to improve student literacy, including stipends for state-mandated teacher professional development in literacy, subsidies for districts and schools to purchase high-quality instructional materials and reading intervention programs, and funding for literacy coaches, and (2) provide funding for ESCs or consortia of ESCs to establish and support regional literacy professional development teams to align state, local, and federal efforts to bolster early literacy activities and all students' reading success. DEW may use a portion of the funds allocated for (2) for administration, technical assistance, research, monitoring, and evaluation. Line item 2006A4 provides the bulk of support for these purposes in FY 2024 and FY 2025. Prior to FY 2024, the activities described in (2) were supported by GRF line item 200566. The executive proposal discontinues this line item.

5AR1 2006A5 Feminine Hygiene Products

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$2,803,629	\$0	\$0	\$0
% change	N/A	N/A	-100.0%	N/A	N/A

Source: Dedicated Purpose Fund Group: FY 2024 cash transfer of \$5.0 million from the School District Solvency Assistance Fund (Fund 5H30)

Legal Basis: R.C. 3313.6413; Sections 265.10 and 265.377 of H.B. 33 of the 135th G.A.

Purpose: This line item provides subsidies to public and chartered nonpublic schools to assist with the cost of feminine hygiene products. In FY 2024, H.B. 33 earmarks (1) \$2.0 million for districts and schools that enroll girls in any of grades 6-12 to install dispensers in school buildings and (2) \$3.0 million to reimburse districts and schools for the costs incurred to provide free feminine hygiene products. The executive proposal discontinues this line item.

Department of Education and Workforce

Dedicated Purpose Fund Group

5CV1 200632 Coronavirus Relief - Rural and Small Town School Districts

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$712,510	\$0	\$0	\$0	\$0	\$0
% change	-100.0%	N/A	N/A	N/A	N/A

Source: Dedicated Purpose Fund Group: FAL 21.019, Coronavirus Relief Fund

Legal Basis: Discontinued line item (originally established by Controlling Board on July 13, 2020)

Purpose: This line item provided federal funds to rural and small town school districts to assist with expenditures necessary to address the COVID-19 pandemic. The funds were permitted to be used for a wide variety of activities, including purchasing personal protective equipment, cleaning and sanitation, purchasing remote learning equipment, and additional transportation, among others. Funds were provided to districts based on the number of students enrolled and educated, with additional funding provided based on students with disabilities, English learners, and economically disadvantaged students as well as transportation obligations. These funds were in addition to federal coronavirus relief funds provided to school districts through the Elementary and Secondary School Emergency Relief (ESSER) Fund, appropriated in Fund 3HS0 line item 200640, Federal Coronavirus School Relief.

5CV1 200642 Coronavirus Relief - Suburban School Districts

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$437,236	\$0	\$0	\$0	\$0	\$0
% change	-100.0%	N/A	N/A	N/A	N/A

Source: Dedicated Purpose Fund Group: FAL 21.019, Coronavirus Relief Fund

Legal Basis: Discontinued line item (originally established by Controlling Board on July 13, 2020)

Purpose: This line item provided federal funds to suburban school districts to assist with expenditures necessary to address the COVID-19 pandemic. The funds were permitted to be used for a wide variety of activities, including purchasing personal protective equipment, cleaning and sanitation, purchasing remote learning equipment, and additional transportation, among others. Funds were provided to districts based on the number of students enrolled and educated, with additional funding provided based on students with disabilities, English learners, and economically disadvantaged students as well as transportation obligations. These funds were in addition to federal coronavirus relief funds provided to school districts through the Elementary and Secondary School Emergency Relief (ESSER) Fund, appropriated in Fund 3HS0 line item 200640, Federal Coronavirus School Relief.

Department of Education and Workforce

Dedicated Purpose Fund Group

5CV1 200643 Coronavirus Relief - Urban School Districts

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$798,455	\$0	\$0	\$0	\$0	\$0
% change	-100.0%	N/A	N/A	N/A	N/A

Source: Dedicated Purpose Fund Group: FAL 21.019, Coronavirus Relief Fund

Legal Basis: Discontinued line item (originally established by Controlling Board on July 13, 2020)

Purpose: This line item provided federal funds to urban school districts to assist with expenditures necessary to address the COVID-19 pandemic. The funds were permitted to be used for a wide variety of activities, including purchasing personal protective equipment, cleaning and sanitation, purchasing remote learning equipment, and additional transportation, among others. Funds were provided to districts based on the number of students enrolled and educated, with additional funding provided based on students with disabilities, English learners, and economically disadvantaged students as well as transportation obligations. These funds were in addition to federal coronavirus relief funds provided to school districts through the Elementary and Secondary School Emergency Relief (ESSER) Fund, appropriated in Fund 3HS0 line item 200640, Federal Coronavirus School Relief.

5CV1 200647 Coronavirus Relief - School Connectivity

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$10,291,459	\$0	\$0	\$0	\$0	\$0
% change	-100.0%	N/A	N/A	N/A	N/A

Source: Dedicated Purpose Fund Group: FAL 21.019, Coronavirus Relief Fund

Legal Basis: Discontinued line item (originally established by Controlling Board on July 27, 2020)

Purpose: This line item provided federal funds to create the BroadbandOhio School Connectivity Grant Program to help schools with costs associated with remote learning. The program awarded grants to traditional and joint vocational school districts, ESCs, community and STEM schools, county DD boards, and nonpublic schools to support connectivity for economically disadvantaged students, students defined by ODE as "vulnerable" youth, those with chronic conditions, and students who do not have other access to the Internet. Specifically, grant funds were permitted to be used for home internet service, mobile hotspots, public wireless internet infrastructure, and other connectivity technology for students. Schools were required to apply to ODE to receive the funds. Eligible grant requests of less than \$20,000 were approved for the full amount. However, due to high demand, eligible requests over \$20,000 were prorated at 60% of the difference between \$20,000 and the requested amount.

Department of Education and Workforce

Dedicated Purpose Fund Group

5CV1 200650 Coronavirus Relief - Other Education Entities

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,284,250	\$0	\$0	\$0	\$0	\$0
% change	-100.0%	N/A	N/A	N/A	N/A

Source: Dedicated Purpose Fund Group: FAL 21.019, Coronavirus Relief Fund

Legal Basis: Discontinued line item (originally established by Controlling Board on July 13, 2020)

Purpose: This line item provided federal funds to joint vocational school districts, community and STEM schools, county DD boards, and nonpublic schools to assist with expenditures necessary to address the COVID-19 pandemic. The funds were permitted to be used for a wide variety of activities, including purchasing personal protective equipment, cleaning and sanitation, purchasing remote learning equipment, and additional transportation, among others. Funds were provided to districts based on the number of students enrolled and educated, with additional funding provided based on students with disabilities, English learners, and economically disadvantaged students as well as transportation obligations. These funds were in addition to federal coronavirus relief funds provided to school districts and other public schools through either the Elementary and Secondary School Emergency Relief (ESSER) Fund, appropriated in Fund 3HS0 line item 200640, Federal Coronavirus School Relief, or the Governor's Emergency Education Relief (GEER) Fund, appropriated in Fund 3HQ0 line item 200627, Governor Emergency Education Relief - EDU.

5H30 200687 School District Solvency Assistance

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$10,758,000	\$2,000,000	\$2,000,000	\$2,000,000
% change	N/A	N/A	-81.4%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Advance repayments and transfers from the GRF and potentially other funds used by ODE

Legal Basis: R.C. 3316.20; Sections 265.10 and 265.380 of H.B. 33 of the 135th G.A. (originally established by H.B. 650 of the 122nd G.A.)

Purpose: This line item supports two accounts: (1) the shared resource account, which is used to make interest-free advances to school districts in a state of fiscal emergency to enable them to remain solvent; and (2) the catastrophic expenditures account, which is used to make grants to districts for unforeseen catastrophic events that severely depletes the financial resources of the district. The catastrophic expenditures account may also be used for solvency assistance in the event that all funds in the shared resources account are used. Solvency assistance advances made to districts must be repaid by the end of the second year following the fiscal year in which the advance was made unless the DEW Director and Director of Budget and Management approve an alternative payment schedule of up to 10 years. Grants from the catastrophic expenditures account do not need to be repaid, unless reimbursed by a third party.

Department of Education and Workforce

Dedicated Purpose Fund Group

5KX0 200691 Ohio School Sponsorship Program

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$859,793	\$925,247	\$920,447	\$1,250,000	\$1,900,000	\$1,900,000
% change	7.6%	-0.5%	35.8%	52.0%	0.0%

- Source:** Dedicated Purpose Fund Group: Sponsorship fees of up to 3% of each sponsored school's operating revenue
- Legal Basis:** R.C. 3314.029; Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on November 14, 2011)
- Purpose:** This line item supports DEW's administrative duties for sponsoring certain community schools under the Ohio School Sponsorship Program. Like other community school sponsors, the Office of School Sponsorship reviews and makes decisions on sponsorship applications from schools desiring to be sponsored by the Office. It oversees sponsored schools with respect to academic, fiscal, and governance standards and provides technical assistance. In addition to sponsoring schools, the Office also temporarily assumes sponsorship of schools whose sponsors have had their sponsorship authority revoked.

5MMO 200677 Child Nutrition Refunds

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$41,707	\$0	\$0	\$550,000	\$550,000	\$550,000
% change	-100.0%	N/A	N/A	0.0%	0.0%

- Source:** Dedicated Purpose Fund Group: Unused funds returned by program sponsors and funds received due to audit findings
- Legal Basis:** Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on October 29, 2012)
- Purpose:** This line item repays the U.S. Department of Agriculture (USDA) for child nutrition grant funds returned by program sponsors after the federal fiscal year ends and for funds received due to audit findings.

Department of Education and Workforce

Dedicated Purpose Fund Group

5U20 200685 National Education Statistics

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$155,128	\$174,668	\$142,841	\$185,000	\$185,000	\$185,000
% change	12.6%	-18.2%	29.5%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Federal contract that supports participation in the National Center for Education Statistics (NCES) State Partnership Program

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on May 6, 2002)

Purpose: This line item funds the position of National Assessment of Educational Progress (NAEP) state coordinator as well as other specific data collection tasks associated with the NAEP. The state coordinator position provides technical assistance to state and local education agencies on the collection of education statistics. The federal Elementary and Secondary Education Act requires states to participate in the NAEP, which is a nationally and state representative student assessment overseen by NCES that is often referred to as the "Nation's Report Card."

5V50 200604 Foundation Funding - All Students

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$500,000,000	\$600,000,000	\$600,000,000	\$600,000,000	\$600,000,000	\$600,000,000
% change	20.0%	0.0%	0.0%	0.0%	0.0%

Source: Dedicated Purpose Fund Group: Cash transfers from the GRF

Legal Basis: R.C. 3317.022, 3317.16, 3317.25, and 3317.26; Sections 265.10 and 265.390 of H.B. 33 of the 135th G.A. (originally established by H.B. 166 of the 133rd G.A.)

Purpose: This line item is used in conjunction with GRF line item 200550, Foundation Funding - All Students and Fund 7017 line item 200612, Foundation Funding - All Students (Lottery), to fund the foundation formula's disadvantaged pupil impact aid (DPIA) component and the portion of the formula's state share of the base cost attributable to the student wellness and success (SWS) staffing component. School districts and community and STEM schools must use the funding from these components on certain initiatives.

Department of Education and Workforce

Dedicated Purpose Fund Group

5VU0 200663 School Bus Purchase

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$6,905,467	\$33,570,066	\$12,244,731	\$0	\$0	\$0
% change	386.1%	-63.5%	-100.0%	N/A	N/A

Source: Dedicated Purpose Fund Group: Cash transfers of (1) \$20 million from FY 2019 GRF surplus revenues and (2) \$50 million from the GRF in FY 2022

Legal Basis: Discontinued line item (originally established by H.B. 166 of the 133rd G.A.)

Purpose: This line item assisted school districts with the purchase of school buses. In FY 2022 and FY 2023, the funds were used to provide grants of up to \$45,000 to school districts to replace the oldest and highest mileage buses that are assigned to routes. H.B. 33 of the 135th G.A. permits school bus purchase funds awarded in FY 2022 or FY 2023 to be used through FY 2025. DEW may also extend the period of availability due to supply chain disruptions and delays. In FY 2021, the bus purchase program operated somewhat differently. It ranked school districts based on the percentage of regular service buses that were eight years old or older, with awards going to districts with the highest percentages first. Funds were awarded for one bus at a time, though if there were leftover funds, subsequent awards were made in the same rank order until funds were exhausted. A district's award for each bus equaled \$86,700 multiplied by the district's state share index for FY 2019. In order to receive funds, districts were required to remove at least one regular service bus eight years old or older from regular bus service for each bus acquired under the program.

5Y00 200491 Public and Nonpublic Education Support

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$193,800,000	\$196,200,000	\$171,200,000	\$171,200,000
% change	N/A	N/A	1.2%	-12.7%	0.0%

Source: Dedicated Purpose Fund Group: 98% of the sports gaming receipts tax and sports gaming proprietor license fees deposited in the Sports Gaming Revenue Fund after reimbursing the Department of Taxation for expenses incurred in administering the tax.

Legal Basis: R.C. 3317.022 and 5753.031; Sections 265.10 and 265.407 of H.B. 33 of the 135th G.A.

Purpose: This line item is used in conjunction with GRF line item 200550, Foundation Funding - All Students, Fund 5V50 line item 200604, Foundation Funding - All Students (DPF), and Fund 7017 line item 200612, Foundation Funding - All Students (Lottery), to distribute state foundation aid to schools.

Department of Education and Workforce

Dedicated Purpose Fund Group

6200 200615 Educational Improvement Grants

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$225,885	\$47,892	\$501,693	\$1,050,000	\$600,000	\$600,000
% change	-78.8%	947.6%	109.3%	-42.9%	0.0%

Source: Dedicated Purpose Fund Group: Miscellaneous education grants

Legal Basis: Sections 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 282 of the 123rd G.A.)

Purpose: This line item disburses funds from miscellaneous educational grants from private foundations for the purposes for which the grants were received.

Internal Service Activity Fund Group

1380 200606 Information Technology Development and Support

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$10,024,421	\$11,366,079	\$15,749,284	\$16,111,120	\$18,394,387	\$18,597,721
% change	13.4%	38.6%	2.3%	14.2%	1.1%

Source: Internal Service Activity Fund Group: Proceeds from charges assessed to DEW offices based on the usage of IT services and from program offices for specific projects

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 20, 1961)

Purpose: This line item funds information technology services and support for various DEW programs. This support includes development and maintenance of network infrastructure and software, purchase of computer hardware, project management, and programming services.

4R70 200695 Indirect Operational Support

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$7,893,404	\$8,012,335	\$9,285,390	\$11,227,038	\$9,944,311	\$10,166,435
% change	1.5%	15.9%	20.9%	-11.4%	2.2%

Source: Internal Service Activity Fund Group: Federally-approved indirect cost payments from all DEW GRF and federal line items that spend funds on personnel and maintenance

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board in December 1993)

Purpose: These funds are used for a variety of administrative purposes not directly tied to a specific funding source, including accounting, human resources, grants management, and internal auditing functions. The indirect cost rate is approved annually by the U.S. Department of Education.

Department of Education and Workforce

Internal Service Activity Fund Group

4V70 200633 Interagency Program Support

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$5,531,321	\$5,533,444	\$1,460,078	\$5,000,000	\$3,000,000	\$3,000,000
% change	0.0%	-73.6%	242.4%	-40.0%	0.0%

Source: Internal Service Activity Fund Group: Funds received from other agencies for specific purposes. From FY 2017 to FY 2023, these funds were primarily received from the Ohio Department of Job and Family Services (ODJFS) through an intrastate transfer voucher (ISTV) from Fund 5KT0 line item 600696, Early Childhood Education, supported by casino operator settlement fund moneys

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board in June 1995)

Purpose: This line item supports joint initiatives or collaborations for specific programs that require DEW's assistance. From FY 2017 to FY 2023, this line item primarily used funds transferred from ODJFS to support preschool slots for low-income children through the early childhood education grant program mainly funded in GRF line item 200408, Early Childhood Education. Beginning in FY 2024, the early childhood education grant program is primarily funded by GRF line item 830407, Early Childhood Education, in the Department of Children and Youth budget. In FY 2025, this line item primarily supports administration of the Summer EBT Program.

State Lottery Fund Group

7017 200413 School Bus Safety

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$0	\$0	\$30,000,000	\$0
% change	N/A	N/A	N/A	N/A	-100.0%

Source: State Lottery Fund Group: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos)

Legal Basis: Proposed by the Executive Budget

Purpose: This line item will support the school bus safety grant program, recommended by the Governor's School Bus Safety Working Group. School districts, community schools, STEM schools, county DD boards, and chartered nonpublic schools that provide transportation services are eligible to apply for funds to repair, replace, or add safety features to school buses.

Department of Education and Workforce

State Lottery Fund Group

7017 200602 School Climate Grants

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$99,639	\$0	\$0	\$0	\$0	\$0
% change	-100.0%	N/A	N/A	N/A	N/A

Source: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos)

Legal Basis: Discontinued line item (originally established by H.B. 318 of the 132nd G.A.)

Purpose: This line item supported competitive grants to traditional school districts and community schools for the implementation of positive behavioral interventions and support frameworks or research-based social and emotional learning initiatives in buildings serving any of grades K-3. Grants were awarded according to the following priority: (1) applicants whose proposal served school buildings with a larger than average percentage of economically disadvantaged students and (2) applicants whose proposal served buildings with high student suspension rates. Other applicants were awarded funding in the order in which the application was received. Grant awards were limited to no more than \$5,000 per school building served, up to a maximum of \$50,000 for each applicant.

7017 200611 Education Studies

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$384,663	\$935,373	\$0	\$132,365	\$0	\$0
% change	143.2%	-100.0%	N/A	-100.0%	N/A

Source: State Lottery Fund Group: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos)

Legal Basis: Sections 265.10 and 265.409 of H.B. 33 of the 135th G.A. (originally established by S.B. 310 of the 133rd G.A.)

Purpose: This line item funds various education studies. In the FY 2024-FY 2025 biennium, DEW must use this line item to conduct a study and issue a report on the needs of economically disadvantaged students, the most effective services for meeting those needs, and the cost of implementing those services.

Department of Education and Workforce

State Lottery Fund Group

7017 200612 Foundation Funding - All Students

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,264,200,000	\$1,242,500,000	\$1,274,945,000	\$1,323,945,000	\$1,338,945,000	\$1,338,945,000
% change	-1.7%	2.6%	3.8%	1.1%	0.0%

Source: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos)

Legal Basis: R.C. 3770.06; Sections 265.10 and 265.410 of H.B. 33 of the 135th G.A. (originally established by H.B. 650 of the 122nd G.A.)

Purpose: This line item is used in conjunction with GRF line item 200550, Foundation Funding - All Students, Fund 5V50 line item 200604, Foundation Funding - All Students (DPF), and Fund 5Y00 line item 200491, Public and Nonpublic Education Support, to fund state foundation payments to schools.

7017 200614 Accelerate Great Schools

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000
% change	0.0%	0.0%	0.0%	0.0%	0.0%

Source: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos)

Legal Basis: Sections 265.10 and 265.420 of H.B. 33 of the 135th G.A. (originally established by H.B. 166 of the 133rd G.A.)

Purpose: This line item supports the Accelerate Great Schools public-private partnership, which works to provide high quality education to new and existing schools in Cincinnati.

Department of Education and Workforce

State Lottery Fund Group

7017 200631 Quality Community and Independent STEM Schools Support

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$63,907,752	\$54,000,000	\$87,586,345	\$136,500,000	\$136,500,000	\$136,500,000
% change	-15.5%	62.2%	55.8%	0.0%	0.0%

Source: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos)

Legal Basis: Sections 265.10, 265.430, 265.431, and 265.432 of H.B. 33 of the 135th G.A. (originally established by H.B. 166 of the 133rd G.A.)

Purpose: This line item provides funds to community schools and, beginning in FY 2024, independent STEM schools that are designated as a Community School or Independent STEM School of Quality. The designation for community schools is based on certain criteria, which include report card grades, sponsor ratings, and other factors. H.B. 33 designates a STEM school if it operates autonomously, satisfies the requirements in the Quality Model for STEM and STEAM Schools established by DEW, and meets other requirements. In FY 2024 and FY 2025, a designated school receives up to \$3,000 per pupil for students who are identified as economically disadvantaged and up to \$2,250 per pupil for all other students, increased from the respective per-pupil amounts of \$1,750 and \$1,000 used prior to FY 2024. If the amount appropriated in FY 2024 or FY 2025 is not sufficient, DEW may request the Controlling Board to approve additional expenditures. Formerly, the Department prorated payments in this situation.

7017 200684 Community School Facilities

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$41,999,999	\$41,999,999	\$87,054,890	\$88,555,000	\$133,155,000	\$133,155,000
% change	0.0%	107.3%	1.7%	50.4%	0.0%

Source: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos)

Legal Basis: R.C. 3770.06; Sections 265.10 and 265.440 of H.B. 33 of the 135th G.A. (originally established by H.B. 59 of the 130th G.A.)

Purpose: This line item provides funds to community and STEM schools to assist with the costs of facilities. Beginning in FY 2024, each site-based school receives per-pupil funding of \$1,000, increased from \$500 in the FY 2022-FY 2023 biennium. E-schools receive \$25 per pupil. If the amount appropriated is not sufficient, DEW must prorate the payments to fit within the appropriation. The executive proposal increases the per-pupil amount for site-based schools to \$1,500.

Department of Education and Workforce

State Lottery Fund Group

7017 2006A7 Literacy Coaches

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$0	\$0	\$0	\$0	\$12,000,000	\$12,000,000
% change	N/A	N/A	N/A	N/A	0.0%

Source: State Lottery Fund Group: State Lottery Fund Group: Net profits from lottery ticket sales and revenue from video lottery terminals (VLTs) at Ohio horse racetracks (racinos).

Legal Basis: Proposed by the Executive Budget

Purpose: This line item will fund coaches to provide literacy supports to school districts, community schools, and STEM schools with the lowest rates of proficiency in literacy based on their performance on the English language arts assessments. The coaches must have training in the science of reading and evidence-based strategies for effective literacy instruction and intervention and implement Ohio’s Coaching Model, as described in Ohio’s Plan to Raise Literacy Achievement. Funding for the literacy coaches is currently supported by Fund 5AQ1 line item 2006A4, Literacy Improvement.

Federal Fund Group

3670 200607 School Food Services

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$8,072,739	\$8,001,280	\$10,002,729	\$13,379,350	\$13,379,350	\$13,379,350
% change	-0.9%	25.0%	33.8%	0.0%	0.0%

Source: Federal Fund Group: FAL 10.560, State Administrative Expenses (SAE) for Child Nutrition; FAL 10.579, Child Nutrition Discretionary Grants; FAL 10.541, Child Nutrition Technology Innovation Grant; FAL 10.645, Farm to School State Formula Grants

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on October 27, 1967)

Purpose: This line item primarily supports the state administration and monitoring of child nutrition programs. State funds needed to comply with federal maintenance of effort requirements associated with the SAE for Child Nutrition grant are expended from GRF line item 200321, Operating Expenses. DEW receives separate federal grants to (1) improve child nutrition program accountability, performance measurement, and data accuracy through innovative technology and (2) improve food and supply chain resiliency by coordinating and providing technical assistance to build and increase the capacity of schools to buy and use local foods in school meals and provide agricultural education opportunities to children. This line item also distributes federal funding under discretionary nutrition grant programs, such as the Equipment Assistance Grant Program to improve school food services.

Department of Education and Workforce

Federal Fund Group

3700 200624 Education of Exceptional Children

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,084,280	\$767,121	\$1,681,518	\$1,750,000	\$1,750,000	\$1,750,000
% change	-29.3%	119.2%	4.1%	0.0%	0.0%

Source: Federal Fund Group: FAL 84.323, Special Education-State Personnel Development

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on May 9, 1968)

Purpose: This line item funds professional development, consultation, and technical assistance for school districts to improve instruction for and performance of students with disabilities. In 2022, Ohio was awarded a new five-year State Personnel Development grant.

3AF0 657601 Schools Medicaid Administrative Claims

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$125,940	\$126,872	\$80,686	\$250,000	\$150,000	\$150,000
% change	0.7%	-36.4%	209.8%	-40.0%	0.0%

Source: Federal Fund Group: FAL 93.778, Medical Assistance Program

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 49 of the 132nd G.A.)

Purpose: This line item supports DEW's administrative costs associated with the Medicaid Schools Program. This program provides districts and schools with reimbursement for providing services to Medicaid-eligible students, including the costs of enrolling eligible children in the Medicaid Program and assisting children who are already enrolled to access the benefits available to them. DEW receives claims and financial reports from local education agencies and then submits the claims to the Ohio Department of Medicaid for reimbursement. DEW also provides technical assistance and program monitoring to verify federal program mandates and assure compliance and accountability. DEW receives federal reimbursement for these activities. The GRF provides additional funding to administer the program in line item 657401, Medicaid in Schools.

Department of Education and Workforce

Federal Fund Group

3AN0 200671 School Improvement Grants

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$6,761,034	\$1,411,268	\$0	\$0	\$0	\$0
% change	-79.1%	-100.0%	N/A	N/A	N/A

Source: Federal Fund Group: FAL: 84.377, School Improvement Grants

Legal Basis: Discontinued line item (originally established by Controlling Board on April 7, 2008)

Purpose: This line item supported grants to the lowest performing schools in the state to implement evidence based strategies in one of several priority areas designated by the Department. The federal Every Student Succeeds Act of 2015 (ESSA) eliminated the School Improvement Grants (SIG) program. The last SIG awards were made in December 2016, providing funding for up to three or four years (depending on the cohort) and ending in FY 2022.

3C50 200661 Early Childhood Education

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$13,243,537	\$12,672,680	\$14,085,075	\$7,500,000	\$0	\$0
% change	-4.3%	11.1%	-46.8%	-100.0%	N/A

Source: Federal Fund Group: FAL 84.173, Special Education Preschool Grants

Legal Basis: Section 423.140 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on November 11, 1986)

Purpose: This line item provides federal formula funding for special education and related services to districts and other providers that serve preschool-aged children with disabilities. A portion of the funding is used for state-level activities and administration. Beginning in FY 2024, federal funds for preschool special education are housed under the Department of Children and Youth in Fund 3C50 line item 830610, Preschool Special Education. However, DEW may continue to administer certain funds and programs as necessary during the transition to the Department of Children and Youth. H.B. 33 authorizes the transfer of appropriations between the two departments if necessary for the continued efficient administration of children's services programs.

Department of Education and Workforce

Federal Fund Group

3EH0 200620 Migrant Education

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,695,893	\$1,759,948	\$1,486,528	\$2,700,000	\$1,700,000	\$1,700,000
% change	3.8%	-15.5%	81.6%	-37.0%	0.0%

Source: Federal Fund Group: FAL 84.011, Migrant Education State Grants

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 19, 2010)

Purpose: This line item provides federal funding to help ensure that migrant children are provided with appropriate educational services. DEW distributes sub-grants to local operating entities, such as school districts and ESCs, based on the numbers and needs of migrant children, those students at risk of failing, and the availability of other funds to serve migrant children. According to DEW, the greatest densities of migrant students are in the rural communities of northwest Ohio, with other concentrated pockets of migrant students located in northeastern and central Ohio. DEW awards funds from this line item to four school districts and one ESC that currently provide direct educational services to migrant students and have designated territories to cover migrant students in the other districts. A sixth grantee, the Northwest Ohio Educational Service Center, receives funds to operate the Ohio Migrant Education Center, which is responsible for identification of migrant students, data collection, and coordination activities, among others.

3EJ0 200622 Homeless Children Education

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$2,499,031	\$2,751,245	\$3,596,332	\$3,600,000	\$4,823,000	\$5,112,380
% change	10.1%	30.7%	0.1%	34.0%	6.0%

Source: Federal Fund Group: FAL 84.196, Education for Homeless Children and Youth

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 19, 2010)

Purpose: The bulk of this line item provides competitive grants to school districts to help ensure access to a free and appropriate education for homeless children and youth through such services as enriched supplemental instruction, transportation, health care referral services, and professional development for teachers. DEW may use up to 25% of the state's federal formula allocation for administration of the state plan for educating homeless children and youth and other state-level activities (though it typically reserves less than the full amount). From FY 2022 to FY 2025, Fund 3HZ0 line item 200641, ARP - Homeless Children and Youth, provided supplemental federal funding for homeless children and youth.

Department of Education and Workforce

Federal Fund Group

3FE0 200669 Striving Readers

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,581,128	\$264,099	\$0	\$0	\$0	\$0
% change	-83.3%	-100.0%	N/A	N/A	N/A

Source: Federal Fund Group: FAL 84.371B, Striving Readers

Legal Basis: Discontinued line item (originally established by Controlling Board on December 13, 2010)

Purpose: This line item supported competitive grants to local education providers to advance literacy skills for children from birth to grade 12. The grants supported services and activities shown to be effective in improving literacy instruction, including screening and assessment, targeted interventions for students reading below grade level, and other research-based methods of improving classroom instruction and practice. Priority was given to providers serving large numbers of students in poverty, students with disabilities, and English learners. In accordance with federal requirements, ODE distributed at least 95% of the federal grant to local education providers and was permitted to use up to 5% for administrative costs. The grant funds expired on September 30, 2022.

3GE0 200674 Summer Food Service Program

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$37,122,119	\$12,169,517	\$16,553,719	\$30,000,000	\$23,000,000	\$23,000,000
% change	-67.2%	36.0%	81.2%	-23.3%	0.0%

Source: Federal Fund Group: FAL: 10.559, Summer Food Service Program for Children

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on October 29, 2012)

Purpose: This line item reimburses eligible service institutions that serve free meals to children up to the age of 18 during the summer months and other approved times when school is not in session, including school closure because of an emergency. 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. Spending in this item was elevated from FY 2020 to FY 2022, and particularly in FY 2021, due to the item being used for meals for students who were not receiving meals at school due to school closures and remote learning resulting from the COVID-19 pandemic. During the pandemic, schools were able to claim reimbursement under the Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) instead of the National School Lunch Program or School Breakfast Program for meals served to students not receiving in-person instruction. Reimbursements claimed under SFSP are paid from this item while SSO reimbursements are paid from Fund 3L60 line item 200617, Federal School Lunch, or Fund 3L70 line item 200618, Federal School Breakfast.

Department of Education and Workforce

Federal Fund Group

3GG0 200676 Fresh Fruit and Vegetable Program

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$3,703,160	\$4,264,922	\$4,629,886	\$5,145,074	\$5,500,000	\$6,000,000
% change	15.2%	8.6%	11.1%	6.9%	9.1%

Source: Federal Fund Group: FAL 10.582, Fresh Fruit and Vegetable Program

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on October 29, 2012)

Purpose: This line item distributes federal funding under the USDA's Fresh Fruit and Vegetable Program, which reimburses participating public and nonprofit private elementary schools for costs incurred in providing students with free, fresh produce outside of National School Lunch Program and School Breakfast Program food service times. The program is offered on a competitive basis to elementary schools where at least 50% of the students qualify for free or reduced-price school meals. Federal guidelines require priority to be given to elementary schools with the highest percentages of such students.

3HF0 200649 Federal Education Grants

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$4,987,613	\$4,497,795	\$4,178,560	\$6,831,327	\$5,000,000	\$5,000,000
% change	-9.8%	-7.1%	63.5%	-26.8%	0.0%

Source: Federal Fund Group: Various federal grants

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 49 of the 132nd G.A.)

Purpose: This line item provides consolidated funding for the activities of various federal grants, including those supporting (1) DEW's administrative expenses for the Pandemic Electronic Benefits Transfer (P-EBT) program, which provided eligible students with temporary emergency Supplemental Nutrition Assistance Program benefits on EBT cards to buy food, (2) neglected and delinquent children; (3) implementation of frameworks to improve school climate; (4) statewide longitudinal data systems; (5) school-based mental health services; (6) a model demonstration project to identify students with dyslexia and provide professional development for their teachers; (7) implementation of a two-year fellowship to enhance the skills of early childhood education leaders to improve the education of young children with disabilities; (8) school violence prevention; (9) DEW's administrative expenses for the federal Troops to Teachers Program; (10) improvement of coordination for education programs that address the needs of migrant children whose education is interrupted; and (11) reimbursement of school districts for expenses incurred to provide educational services for students displaced by natural disasters and of public and nonpublic schools for expenses associated with restarting operations after a covered disaster or emergency. Beginning in FY 2024, federal funding for Head Start program collaboration shifted from this line item to Fund 3HF0 line item 830611, Head Start Collaboration, in the Department of Children and Youth budget.

Department of Education and Workforce

Federal Fund Group

3H10 200634 Student Support and Academic Enrichment

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$38,489,271	\$40,262,025	\$62,799,045	\$68,000,000	\$54,131,000	\$50,604,930
% change	4.6%	56.0%	8.3%	-20.4%	-6.5%

Source: Federal Fund Group: FAL 84.424A, Student Support and Academic Enrichment Program

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on August 21, 2017)

Purpose: This line item provides federal block grant dollars to school districts to improve academic achievement. These funds, distributed by federal formula, may be used by school districts for a wide range of activities in three broad categories: (1) well-rounded educational opportunities, (2) safe and healthy students, and (3) effective use of technology. DEW must distribute at least 95% of the state's award for subgrants to local education agencies (LEAs) according to each LEA's share of the state's prior year Title I, Part A allocation, provided that no LEA receives less than \$10,000. LEAs receiving \$30,000 or more must perform a comprehensive needs assessment focusing on the three broad areas in which the grant funds may be used. DEW may set aside up to 5% of the grant award for state activities aligned with its federal Every Student Succeeds Act of 2015 plan. Activities may include piloting of school climate surveys, identifying evidence-based strategies on the effective use of technology, supporting schools with activities and resources related to curriculum alignment, and reimbursement of AP and IB test fees for economically disadvantaged students. Beginning in FY 2024, this line item is also used to distribute federal Stronger Connections grants that supplement the federal block grant. DEW competitively awarded the grants to LEAs identified as "high-needs" in school health and safety. LEAs must use the funds to provide safer and healthier learning environments. The executive proposal reflects the wind down of these one-time grants, which expire in September 2026.

3H10 200678 Comprehensive Literacy State Development Program

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$8,859,329	\$10,430,828	\$12,693,512	\$14,630,000	\$14,630,000	\$14,630,000
% change	17.7%	21.7%	15.3%	0.0%	0.0%

Source: Federal Fund Group: FAL 84.371C, Comprehensive Literacy State Development Grant

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on June 15, 2020)

Purpose: This line item is used to distribute funds directly to school districts, ESCs, and early childhood education programs to improve literacy outcomes for children from birth through grade 12. The funds support the development of model comprehensive literacy sites in early childhood education programs, district preschools, and elementary, middle, and high schools statewide. Approximately 95% of the award is distributed to these entities. Additionally, this line item is also used to support professional learning and coaching. Up to 5% of the award may be used for state leadership activities.

Department of Education and Workforce

Federal Fund Group

3HQ0 200500 Governor's Emergency Education Relief - K-12 Mental Health

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$3,506,581	\$2,428,975	\$0	\$0	\$0	\$0
% change	-30.7%	-100.0%	N/A	N/A	N/A

Source: Federal Fund Group: FAL 84.425C, Education Stabilization Fund - Governor's Emergency Education Relief Fund

Legal Basis: Discontinued line item (originally established by Controlling Board on September 28, 2020)

Purpose: This line item supported capacity development, connection to community resources, and implementation of mental health counseling and support services for students enrolled in elementary and secondary schools to meet rising demand for such services in the wake of the COVID-19 pandemic. Funds supported the development of at least five ESCs as best practice hubs to support students, educators, and families through a Student Assistance Program Framework that ensures students have safe and supportive learning environments, including access to evidence-based prevention and early intervention and treatment services. The appropriation for this purpose was fully spent by the end of FY 2023.

3HQ0 200627 Governor Emergency Education Relief - EDU

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$24,848,541	\$37,684,428	\$9,732,670	\$45,463	\$0	\$0
% change	51.7%	-74.2%	-99.5%	-100.0%	N/A

Source: Federal Fund Group: FAL 84.425C, Education Stabilization Fund - Governor's Emergency Education Relief Fund

Legal Basis: Section 287.10 of H.B. 45 of the 134th G.A. and Sections 265.460 and 505.80 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on August 24, 2020)

Purpose: This line item is used to provide emergency support grants to local educational agencies that did not receive subsidies through the federal Elementary and Secondary School Emergency Relief (ESSER) Fund (appropriated in Fund 3HS0 line item 200640, Federal Coronavirus School Relief). This includes ESCs, JVSs, county DD boards, the Ohio State School for the Blind, and the Ohio School for the Deaf. Funds are also provided to a number of non-profit entities. The funds assist recipients with responding to the COVID-19 pandemic and maintaining educational services. The executive proposal reappropriates the unused balance of Fund 3HQ0 line items at the end of FY 2025 and FY 2026 to FY 2026 and FY 2027, respectively.

Department of Education and Workforce

Federal Fund Group

3HQ0 200651 Emergency Assistance to Non-Public Schools

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$55,331,436	\$95,051,480	\$86,446,473	\$71,508,766	\$0	\$0
% change	71.8%	-9.1%	-17.3%	-100.0%	N/A

Source: Federal Fund Group: FAL 84.425C, Education Stabilization Fund - Governor's Emergency Education Relief Fund

Legal Basis: Section 287.10 of H.B. 45 of the 134th G.A. and Sections 265.460, 265.465, 265.550, and 505.80 of H.B. 33 of the 135th G.A. (originally established by H.B. 170 of the 134th G.A.)

Purpose: This line item is primarily used to distribute federal Emergency Assistance to Non-Public Schools (EANS) funds to assist nonpublic schools with the costs of responding to the COVID-19 pandemic. Nonpublic schools were required to apply to receive services or assistance. Nonpublic schools that enroll a significant percentage of low-income students and are most impacted by the pandemic receive priority for services or assistance. To determine the amount available for each nonpublic school, DEW used a weighted per-pupil approach based on enrollment, low-income data, and information collected on the application for services or support. The Department has contracted with ESCs to administer these funds on its behalf. In May 2023, the Controlling Board approved the reallocation of \$52.4 million in unused EANS funds for other purposes in accordance with federal law. The Department allotted half of these funds to continue support for nonpublic schools through a program similar to EANS and the other half to support public and nonpublic school access to high-quality tutoring programs. The executive proposal reappropriates the unused balance of Fund 3HQ0 line items at the end of FY 2025 and FY 2026 to FY 2026 and FY 2027, respectively.

3HS0 200640 Federal Coronavirus School Relief

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$1,689,636,603	\$2,120,146,035	\$1,933,522,641	\$692,611,108	\$0	\$0
% change	25.5%	-8.8%	-64.2%	-100.0%	N/A

Source: Federal Fund Group: FAL 84.425D, Education Stabilization Fund - Elementary and Secondary School Emergency Relief Fund

Legal Basis: Section 287.10 of H.B. 45 of the 134th G.A. and Sections 265.10, 265.460, and 505.80 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on June 1, 2020)

Purpose: This line item provides federal emergency relief funds via the Elementary and Secondary School Emergency Relief (ESSER) Fund to school districts and community and STEM schools in response to the COVID-19 pandemic. DEW must distribute at least 90% of Ohio's allocation to local education agencies (LEAs) in proportion to each LEA's share of Title I, Part A funds. The funds may be used for a wide variety of activities, including responding to the pandemic, maintaining continuity of services, and any allowable activity under existing federal education funds. Up to 10% of Ohio's award may be used for state-level activities. The executive proposal reappropriates the unused balance of Fund 3HQ0 line items at the end of FY 2025 and FY 2026 to FY 2026 and FY 2027, respectively.

Department of Education and Workforce

Federal Fund Group

3HZ0 200641 ARP - Homeless Children and Youth

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$2,902,005	\$7,575,971	\$10,561,606	\$7,501,660	\$0	\$0
% change	161.1%	39.4%	-29.0%	-100.0%	N/A

Source: Federal Fund Group: FAL 84.425W, American Rescue Plan - Elementary and Secondary School Emergency Relief - Homeless Children and Youth

Legal Basis: Section 265.460 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on August 30, 2021)

Purpose: This line item provides coronavirus relief funds to districts and schools to support the needs of homeless children and youth, including identification, facilitating student participation in school activities, and providing wraparound services. These funds provide supplemental allocations for existing recipients of competitively-awarded federal McKinney-Vento homeless education grants, distributed in equal shares, and funding to districts and schools that do not typically receive McKinney-Vento grants, allocated based on the Title I formula and the number of enrolled homeless students in each district or school. Up to 25% of the state's award may be used by DEW for state-level activities. Ongoing federal funding for McKinney-Vento grants is appropriated in Fund 3EJ0 line item 200622, Homeless Children and Youth. The executive proposal discontinues this line item.

3IA0 200657 ARP - Students with Disabilities

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$25,541,662	\$40,128,033	\$26,732,139	\$0	\$0	\$0
% change	57.1%	-33.4%	-100.0%	N/A	N/A

Source: Federal Fund Group: FAL 84.027X, American Rescue Plan - Elementary and Secondary Schools Emergency Relief - Individuals with Disabilities Education Act, Part B, Special Education; FAL 84.173X, American Rescue Plan - Elementary and Secondary Schools Emergency Relief - Individuals with Disabilities Education Act, Special Education Preschool

Legal Basis: Section 265.460 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on August 30, 2021)

Purpose: This line item provides supplemental federal coronavirus relief funds to support the provision of special education and related services to school-age and preschool students with disabilities enrolled in traditional public schools, community schools, and county DD boards. The funds are distributed in proportion to the amount of federal Individuals with Disabilities Education Act funds each recipient receives. None of this supplemental funding may be reserved for state activities. Ongoing federal funding for special education and related services is appropriated in Fund 3M20 line item 200680, Individuals with Disabilities Education Act, Fund 3C50 line item 200661, Early Childhood Education (in the DEW budget), and Fund 3C50 line item 830610, Preschool Special Education (in the Department of Children and Youth budget). The executive proposal discontinues this line item.

Department of Education and Workforce

Federal Fund Group

3L60 200617 Federal School Lunch

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$851,888,218	\$485,357,995	\$494,956,258	\$457,074,973	\$565,999,000	\$595,000,000
% change	-43.0%	2.0%	-7.7%	23.8%	5.1%

Source: Federal Fund Group: FAL 10.555, National School Lunch Program; FAL 10.556 Special Milk Program for Children

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 152 of the 120th G.A.)

Purpose: This item provides federal reimbursements to assist in operating school lunch programs. State matching funds are provided by GRF line item 200505, School Meal Programs. The item also supports special milk programs, which provide free milk to qualifying children when school lunch and breakfast programs are not available. FY 2020 and FY 2021 spending was lower than normal due to school closures and remote learning resulting from the COVID-19 pandemic. During the pandemic, schools claimed reimbursement under the Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) instead of the National School Lunch Program (NSLP) or School Breakfast Program for students not receiving in-person instruction. Reimbursements claimed under SFSP are paid from Fund 3GE0 line item 200674, Summer Food Service Program, while SSO reimbursements are paid from this item, or 200618, Federal School Breakfast. FY 2022 spending was elevated due to USDA extension to the 2021-2022 school year of nutrition program waivers permitting all students to receive free lunch, an increased federal reimbursement rate, and growth in NSLP participation.

3L70 200618 Federal School Breakfast

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$238,343,100	\$147,046,450	\$161,079,077	\$173,298,101	\$195,000,000	\$205,000,000
% change	-38.3%	9.5%	7.6%	12.5%	5.1%

Source: Federal Fund Group: FAL 10.553, School Breakfast Program

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 152 of the 120th G.A.)

Purpose: This item provides federal reimbursements to assist in operating school breakfast programs. FY 2020 and FY 2021 spending was lower than normal due to school closures and remote learning resulting from the COVID-19 pandemic. During the pandemic, schools claimed reimbursement under the Seamless Summer Option (SSO) or the Summer Food Service Program (SFSP) instead of the National School Lunch Program or School Breakfast Program (SBP) for students not receiving in-person instruction. Reimbursements claimed under SFSP are paid from Fund 3GE0 line item 200674, Summer Food Service Program, while SSO reimbursements are paid from this item, or 200617, Federal School Lunch. FY 2022 spending was elevated due to USDA extension to the 2021-2022 school year of nutrition program waivers permitting all students to receive free breakfast, an increased federal reimbursement rate, and growth in SBP participation.

Department of Education and Workforce

Federal Fund Group

3L80 200619 Child/Adult Food Programs

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$94,379,225	\$96,075,732	\$101,414,122	\$115,606,485	\$116,000,000	\$118,000,000
% change	1.8%	5.6%	14.0%	0.3%	1.7%

Source: Federal Fund Group: FAL 10.558, Child and Adult Care Food Program

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 152 of the 120th G.A.)

Purpose: This line item 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.

3L90 200621 Career-Technical Education Basic Grant

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$45,810,520	\$53,678,711	\$51,704,716	\$54,500,000	\$56,680,000	\$58,947,200
% change	17.2%	-3.7%	5.4%	4.0%	4.0%

Source: Federal Fund Group: FAL 84.048, Career and Technical Education - Basic Grants to States

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 152 of the 120th G.A.)

Purpose: Most of this line item provides formula grants to districts and postsecondary institutions administering career-technical education (CTE) programs. At least 85% of the state's grant allocation must be distributed to secondary schools and postsecondary institutions. Of this amount, DEW may reserve up to 15% for grants to address specific state needs. DEW has chosen to reserve roughly 4% for this purpose, which it currently uses to provide competitive grants for improving equity in CTE program enrollment, engagement, and performance for students in special population groups. The remainder of the 85% is allocated between secondary (78%) and postsecondary (22%) programs through an agreement between DEW and the Department of Higher Education. DEW may use up to 10% of the state's grant allocation for state leadership activities in CTE and up to 5% for administration of the federally-required state plan for CTE. Of the 10% leadership activity requirements, up to 2% may support individuals in correctional institutions, juvenile justice facilities, and institutions that serve individuals with disabilities. Smaller portions of the state leadership allocation are required for individuals in nontraditional fields and recruitment of special populations for CTE programs. State matching funds for the administrative portion of the federal grant are provided by GRF line item 200321, Operating Expenses. The executive proposal shifts the state match for administrative expenses for federal career-technical education funds into its own line item, GRF 200416, Career Technical Education.

Department of Education and Workforce

Federal Fund Group

3M00 200623 ESEA Title 1A

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$599,829,209	\$597,514,822	\$651,599,268	\$600,000,000	\$677,740,000	\$698,072,200
% change	-0.4%	9.1%	-7.9%	13.0%	3.0%

Source: Federal Fund Group: FAL 84.010, Title I Grants to Local Educational Agencies

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 152 of the 120th G.A.)

Purpose: This line item provides federal formula dollars to school districts and other public schools (LEAs) for additional academic support and learning opportunities to help disadvantaged children meet state standards in core academic subjects. Nearly all districts receive basic grants, but three other types of grants are targeted to schools with high concentrations of students from low-income families. DEW may use up to 1% of the state's federal allocation for administration. The federal Every Student Succeeds Act of 2015 (ESSA) requires a state to set aside 7% or more of its Title I, Part A allocation for school improvement activities. In addition, ESSA permits, but does not require, a state to reserve up to 3% of its federal allocation to provide subgrants to certain local education agencies for various direct student services. DEW has opted to do so and currently uses the funds to provide Expanding Opportunities for Each Child formula grants to LEAs with schools identified as the lowest performing or with the highest achievement gaps. The grants enable the schools to expand access to programming in advanced coursework, career pathways, personalized learning, credit recovery and academic acceleration, and graduation pathways.

Department of Education and Workforce

Federal Fund Group

3M20 200680 Individuals with Disabilities Education Act

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$469,724,756	\$479,614,310	\$513,691,047	\$520,000,000	\$530,400,000	\$541,008,000
% change	2.1%	7.1%	1.2%	2.0%	2.0%

Source: Federal Fund Group: FAL 84.027, Special Education Grants to States

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by H.B. 152 of the 120th G.A.)

Purpose: This line item supports the provision of special education and related services to students with disabilities. Most of these funds are distributed to school districts, community and STEM schools, county DD boards, Ohio Deaf and Blind Education Services, the Department of Youth Services, and chartered and non-chartered nonpublic schools based on a formula prescribed by the U.S. Department of Education, including a base amount for each local education agency and additional population and poverty allocations. Districts use the funds to provide a free and appropriate public education to children with disabilities, as required by the federal Individuals with Disabilities Education Act. A portion of these funds may be used by DEW for administration and other state-level activities. From FY 2022 to FY 2024, funding for special education and related services was supplemented by Fund 3IA0 line item 200657, ARP - Students with Disabilities.

3T40 200613 Public Charter Schools

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$3,198,552	\$2,164,190	\$947,845	\$1,352,155	\$0	\$0
% change	-32.3%	-56.2%	42.7%	-100.0%	N/A

Source: Federal Fund Group: FAL 84.282, Charter Schools

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on December 7, 1998)

Purpose: This line item provides federal funds to assist in the planning, initial implementation, or expansion of high-quality charter schools, known in Ohio as community schools. Only site-based community schools whose sponsor meets certain conditions with respect to sponsor evaluations and certain other criteria qualify. The grant provides up to \$100,000 for planning, up to \$350,000 for the first year of implementation or expansion, and up to \$250,000 for the second year of implementation or expansion. ODE must use at least 7% of the grant award to provide technical assistance and may use up to 3% for administrative costs. The federal grant ended after FY 2024. However, the U.S. Department of Education granted an extension through January 2025, allowing grant recipients to draw down remaining funds.

Department of Education and Workforce

Federal Fund Group

3Y20 200688 21st Century Community Learning Centers

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$42,671,033	\$40,453,952	\$45,837,209	\$47,000,000	\$47,940,000	\$48,898,800
% change	-5.2%	13.3%	2.5%	2.0%	2.0%

Source: Federal Fund Group: FAL 84.287, 21st-Century Community Learning Centers

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 29, 2002)

Purpose: This line item provides grants to school districts and community and faith-based organizations to create community learning centers that provide before- and after-school academic enrichment opportunities and a broad array of additional services for children, particularly students who attend high-poverty and low-performing schools. The grants may be used for activities that include remedial education; education programs in mathematics, science, arts, music, entrepreneurship, and technology; tutoring and mentoring services; after-school activities for English learners that emphasize language skills and academic achievement; recreational activities; expanded library service hours; and programs that promote parental involvement and family literacy, or help students who have been truant, suspended or expelled. Funds are distributed competitively to 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. DEW may use up to 2% of the funds for administrative expenses and up to 5% of the funds for state-level activities.

3Y60 200635 Improving Teacher Quality

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$69,409,136	\$72,735,501	\$75,520,780	\$75,645,000	\$77,157,900	\$78,701,058
% change	4.8%	3.8%	0.2%	2.0%	2.0%

Source: Federal Fund Group: FAL 84.367, Supporting Effective Instruction State Grants

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on August 12, 2002)

Purpose: This line item supports teacher and school leader quality. The bulk of the funds are distributed to school districts for a wide variety of activities related to recruitment and retention of effective teachers and school leaders and professional development. District allocations are based on a federal formula that takes into account a district's enrollment and poverty rate. Up to 1% of the state's grant allocation may be used for state administration. Additional portions may be reserved for various other state activities.

Department of Education and Workforce

Federal Fund Group

3Y70 200689 English Language Acquisition

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$10,290,426	\$11,511,198	\$12,885,282	\$12,000,000	\$13,728,000	\$14,277,120
% change	11.9%	11.9%	-6.9%	14.4%	4.0%

Source: Federal Fund Group: FAL 84.365, English Language Acquisition State Grants

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 29, 2002)

Purpose: This line item provides funds to school districts to assist children designated as English learners in learning English and in meeting the state's academic content and student achievement standards. The funds may be used for supplemental services that improve English proficiency and academic achievement of English learners, including through language instruction educational programs and professional development for teachers who educate English learners. DEW may use up to 5% of the funds for planning, evaluation, administration, professional development activities, technical assistance to school districts, and establishing and implementing standardized statewide entrance and exit procedures for English learner status.

3Y80 200639 Rural and Low Income Technical Assistance

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$2,373,297	\$2,520,712	\$2,221,616	\$3,600,000	\$3,300,000	\$3,300,000
% change	6.2%	-11.9%	62.0%	-8.3%	0.0%

Source: Federal Fund Group: FAL 84.358B, Rural and Low-Income School Program

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 21, 2003)

Purpose: This line item provides supplemental funds to address the needs of rural and low income school districts that may lack the personnel and resources needed to compete for federal competitive grants or receive federal formula allocations that are too small to be effective in meeting their intended purpose. The funds must be used to increase academic performance by supplementing activities authorized under the federal Elementary and Secondary Education Act's Title I, Part A (additional support for disadvantaged students); Title II, Part A (supporting effective instruction); Title III (language instruction for English learners and migrant students); and Title IV, Part A (student support and academic enrichment block grant), as well as parental involvement activities. DEW may use up to 5% of the grant to administer the program and provide technical assistance to eligible districts.

Department of Education and Workforce

Federal Fund Group

3Z20 200690 State Assessments

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$6,095,552	\$9,631,177	\$16,296,641	\$11,500,000	\$11,500,000	\$11,500,000
% change	58.0%	69.2%	-29.4%	0.0%	0.0%

Source: Federal Fund Group: FAL 84.369, Grants for State Assessments and Related Activities

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 29, 2002)

Purpose: This line item supports the development, production, scoring, and reporting of state- and federally-mandated reading, mathematics, and science achievement assessments in grades 3-8 and high school. The funds in this line item are used in conjunction with funds from GRF line item 200437, Student Assessments.

3Z30 200645 Consolidated Federal Grant Administration

FY 2022 Actual	FY 2023 Actual	FY 2024 Actual	FY 2025 Estimate	FY 2026 Introduced	FY 2027 Introduced
\$12,950,972	\$18,013,964	\$24,826,624	\$19,900,000	\$15,000,000	\$15,000,000
% change	39.1%	37.8%	-19.8%	-24.6%	0.0%

Source: Federal Fund Group: Various federal grant programs

Legal Basis: Section 265.10 of H.B. 33 of the 135th G.A. (originally established by Controlling Board on July 7, 2003)

Purpose: This line item functions as an administrative pool for various federal funds and is used to administer programs, coordinate with other federal programs, establish and operate peer review mechanisms under the federal Elementary and Secondary Education Act, disseminate information regarding model programs and practices, provide technical assistance, engage in state level activities, and train monitoring personnel. Spending from this item has been elevated since FY 2022 due to the influx of administrative funds from federal coronavirus relief grants. Spending from this line item is expected to decrease as the federal coronavirus relief grants expire.

**FY 2026 - FY 2027 Appropriations - As Introduced
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	Estimate FY 2025	Introduced FY 2026	Introduced FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
EDU Department of Education and Workforce								
GRF	200321	Operating Expenses	\$15,378,176	\$15,661,000	\$14,474,898	\$15,054,312	-7.57%	4.00%
GRF	200408	Early Childhood Education	\$112,723,609	\$21,359,202	\$0	\$0	-100.00%	N/A
GRF	200416	Career Technical Education	\$0	\$0	\$2,758,006	\$2,893,106	N/A	4.90%
GRF	200420	Information Technology Development and Support	\$3,917,570	\$4,100,000	\$4,231,479	\$4,316,527	3.21%	2.01%
GRF	200422	School Management Assistance	\$2,870,058	\$2,598,000	\$3,332,220	\$3,474,596	28.26%	4.27%
GRF	200424	Policy Analysis	\$467,332	\$500,000	\$500,000	\$516,419	0.00%	3.28%
GRF	200426	Ohio Educational Computer Network	\$17,566,442	\$19,994,000	\$19,994,000	\$19,994,000	0.00%	0.00%
GRF	200427	Academic Standards	\$4,406,048	\$4,598,000	\$6,035,410	\$5,929,033	31.26%	-1.76%
GRF	200437	Student Assessment	\$54,491,057	\$54,151,000	\$53,409,125	\$53,682,346	-1.37%	0.51%
GRF	200439	Accountability/Report Cards	\$6,638,062	\$7,266,000	\$7,619,440	\$7,687,742	4.86%	0.90%
GRF	200442	Child Care Licensing	\$2,906,434	\$0	\$0	\$0	N/A	N/A
GRF	200446	Education Management Information System	\$9,307,230	\$9,437,000	\$10,058,226	\$10,525,278	6.58%	4.64%
GRF	200448	Educator and Principal Preparation	\$3,504,563	\$12,783,000	\$9,163,493	\$9,176,754	-28.32%	0.14%
GRF	200455	Community Schools and Choice Programs	\$3,910,360	\$4,232,000	\$4,370,165	\$4,446,705	3.26%	1.75%
GRF	200457	STEM Initiatives	\$500,000	\$0	\$0	\$0	N/A	N/A
GRF	200465	Education Technology Resources	\$5,170,325	\$5,083,000	\$4,672,828	\$4,685,225	-8.07%	0.27%
GRF	200478	Industry-Recognized Credentials High School Students	\$16,000,000	\$16,000,000	\$16,000,000	\$16,000,000	0.00%	0.00%
GRF	200492	College Credit Plus - Auxiliary Funding	\$0	\$5,000,000	\$0	\$0	-100.00%	N/A
GRF	200502	Pupil Transportation	\$747,152,516	\$819,787,000	\$877,335,414	\$955,629,701	7.02%	8.92%
GRF	200505	School Meal Programs	\$11,368,379	\$13,163,000	\$13,163,000	\$13,163,000	0.00%	0.00%
GRF	200511	Auxiliary Services	\$162,864,614	\$166,853,000	\$170,292,963	\$172,262,613	2.06%	1.16%
GRF	200532	Nonpublic Administrative Cost Reimbursement	\$73,440,062	\$75,381,000	\$76,935,110	\$77,824,960	2.06%	1.16%
GRF	200540	Special Education Enhancements	\$194,941,895	\$198,850,000	\$193,272,426	\$193,272,426	-2.80%	0.00%
GRF	200545	Career-Technical Education Enhancements	\$18,616,591	\$23,835,391	\$29,988,000	\$29,988,000	25.81%	0.00%
GRF	200550	Foundation Funding - All Students	\$7,975,003,597	\$8,269,497,000	\$8,424,986,974	\$8,517,447,875	1.88%	1.10%
GRF	200566	Literacy Improvement	\$1,818,111	\$1,500,000	\$4,472,674	\$4,617,596	198.18%	3.24%

**FY 2026 - FY 2027 Appropriations - As Introduced
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	Estimate FY 2025	Introduced FY 2026	Introduced FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
EDU Department of Education and Workforce								
GRF	200572	Adult Education Programs	\$11,176,818	\$12,174,226	\$9,848,399	\$9,866,137	-19.10%	0.18%
GRF	200574	Half-Mill Maintenance Equalization	\$13,657,997	\$10,358,000	\$8,559,640	\$8,203,450	-17.36%	-4.16%
GRF	200576	Adaptive Sports Program	\$250,000	\$250,000	\$500,000	\$500,000	100.00%	0.00%
GRF	200597	Program and Project Support	\$9,305,189	\$8,560,500	\$0	\$0	-100.00%	N/A
GRF	657401	Medicaid in Schools	\$319,713	\$327,000	\$349,925	\$358,362	7.01%	2.41%
General Revenue Fund Subtotal			\$9,479,672,747	\$9,783,298,319	\$9,966,323,815	\$10,141,516,163	1.87%	1.76%
4520	200638	Charges and Reimbursements	\$834,101	\$1,500,000	\$1,500,000	\$1,500,000	0.00%	0.00%
4L20	200681	Teacher Certification and Licensure	\$6,652,988	\$0	\$0	\$0	N/A	N/A
5980	200659	Auxiliary Services Reimbursement	\$573,700	\$650,000	\$650,000	\$650,000	0.00%	0.00%
5AD1	2006A2	Career-Technical Education Equipment	\$2,249,244	\$97,750,756	\$0	\$0	-100.00%	N/A
5AQ1	2006A4	Literacy Improvement	\$68,303,264	\$56,824,000	\$0	\$0	-100.00%	N/A
5AR1	2006A5	Feminine Hygiene Products	\$2,803,629	\$0	\$0	\$0	N/A	N/A
5H30	200687	School District Solvency Assistance	\$10,758,000	\$2,000,000	\$2,000,000	\$2,000,000	0.00%	0.00%
5KX0	200691	Ohio School Sponsorship Program	\$920,447	\$1,250,000	\$1,900,000	\$1,900,000	52.00%	0.00%
5MM0	200677	Child Nutrition Refunds	\$0	\$550,000	\$550,000	\$550,000	0.00%	0.00%
5U20	200685	National Education Statistics	\$142,841	\$185,000	\$185,000	\$185,000	0.00%	0.00%
5VSO	200604	Foundation Funding - All Students	\$600,000,000	\$600,000,000	\$600,000,000	\$600,000,000	0.00%	0.00%
5VU0	200663	School Bus Purchase	\$12,244,731	\$0	\$0	\$0	N/A	N/A
5Y00	200491	Public and Nonpublic Education Support	\$193,800,000	\$196,200,000	\$171,200,000	\$171,200,000	-12.74%	0.00%
6200	200615	Educational Improvement Grants	\$501,693	\$1,050,000	\$600,000	\$600,000	-42.86%	0.00%
Dedicated Purpose Fund Group Subtotal			\$899,784,639	\$957,959,756	\$778,585,000	\$778,585,000	-18.72%	0.00%
1380	200606	Information Technology Development and Support	\$15,749,284	\$16,111,120	\$18,394,387	\$18,597,721	14.17%	1.11%
4R70	200695	Indirect Operational Support	\$9,285,390	\$11,227,038	\$9,944,311	\$10,166,435	-11.43%	2.23%

**FY 2026 - FY 2027 Appropriations - As Introduced
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency	FY 2024	Estimate FY 2025	Introduced FY 2026	Introduced FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
EDU Department of Education and Workforce						
4V70 200633 Interagency Program Support	\$1,460,078	\$5,000,000	\$3,000,000	\$3,000,000	-40.00%	0.00%
Internal Service Activity Fund Group Subtotal	\$26,494,752	\$32,338,158	\$31,338,698	\$31,764,156	-3.09%	1.36%
7017 200413 School Bus Safety	\$0	\$0	\$30,000,000	\$0	N/A	-100.00%
7017 200611 Education Studies	\$0	\$132,365	\$0	\$0	-100.00%	N/A
7017 200612 Foundation Funding - All Students	\$1,274,945,000	\$1,323,945,000	\$1,338,945,000	\$1,338,945,000	1.13%	0.00%
7017 200614 Accelerate Great Schools	\$1,500,000	\$1,500,000	\$1,500,000	\$1,500,000	0.00%	0.00%
7017 200631 Quality Community and Independent STEM Schools Support	\$87,586,345	\$136,500,000	\$136,500,000	\$136,500,000	0.00%	0.00%
7017 200684 Community School Facilities	\$87,054,890	\$88,555,000	\$133,155,000	\$133,155,000	50.36%	0.00%
7017 2006A7 Literacy Coaches	\$0	\$0	\$12,000,000	\$12,000,000	N/A	0.00%
State Lottery Fund Group Subtotal	\$1,451,086,236	\$1,550,632,365	\$1,652,100,000	\$1,622,100,000	6.54%	-1.82%
3670 200607 School Food Services	\$10,002,729	\$13,379,350	\$13,379,350	\$13,379,350	0.00%	0.00%
3700 200624 Education of Exceptional Children	\$1,681,518	\$1,750,000	\$1,750,000	\$1,750,000	0.00%	0.00%
3AF0 657601 Schools Medicaid Administrative Claims	\$80,686	\$250,000	\$150,000	\$150,000	-40.00%	0.00%
3C50 200661 Early Childhood Education	\$14,085,075	\$7,500,000	\$0	\$0	-100.00%	N/A
3EH0 200620 Migrant Education	\$1,486,528	\$2,700,000	\$1,700,000	\$1,700,000	-37.04%	0.00%
3EJ0 200622 Homeless Children Education	\$3,596,332	\$3,600,000	\$4,823,000	\$5,112,380	33.97%	6.00%
3GE0 200674 Summer Food Service Program	\$16,553,719	\$30,000,000	\$23,000,000	\$23,000,000	-23.33%	0.00%
3GG0 200676 Fresh Fruit and Vegetable Program	\$4,629,886	\$5,145,074	\$5,500,000	\$6,000,000	6.90%	9.09%
3HF0 200649 Federal Education Grants	\$4,178,560	\$6,831,327	\$5,000,000	\$5,000,000	-26.81%	0.00%
3HI0 200634 Student Support and Academic Enrichment	\$62,799,045	\$68,000,000	\$54,131,000	\$50,604,930	-20.40%	-6.51%
3HL0 200678 Comprehensive Literacy State Development Program	\$12,693,512	\$14,630,000	\$14,630,000	\$14,630,000	0.00%	0.00%
3HQ0 200627 Governor Emergency Education Relief - EDU	\$9,732,670	\$45,463	\$0	\$0	-100.00%	N/A
3HQ0 200651 Emergency Assistance to Non-Public Schools	\$86,446,473	\$71,508,766	\$0	\$0	-100.00%	N/A

**FY 2026 - FY 2027 Appropriations - As Introduced
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	Estimate FY 2025	Introduced FY 2026	Introduced FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
EDU Department of Education and Workforce								
3HS0	200640	Federal Coronavirus School Relief	\$1,933,522,641	\$692,611,108	\$0	\$0	-100.00%	N/A
3HZ0	200641	ARP - Homeless Children and Youth	\$10,561,606	\$7,501,660	\$0	\$0	-100.00%	N/A
3IA0	200657	ARP - Students with Disabilities	\$26,732,139	\$0	\$0	\$0	N/A	N/A
3L60	200617	Federal School Lunch	\$494,956,258	\$457,074,973	\$565,999,000	\$595,000,000	23.83%	5.12%
3L70	200618	Federal School Breakfast	\$161,079,077	\$173,298,101	\$195,000,000	\$205,000,000	12.52%	5.13%
3L80	200619	Child/Adult Food Programs	\$101,414,122	\$115,606,485	\$116,000,000	\$118,000,000	0.34%	1.72%
3L90	200621	Career-Technical Education Basic Grant	\$51,704,716	\$54,500,000	\$56,680,000	\$58,947,200	4.00%	4.00%
3M00	200623	ESEA Title 1A	\$651,599,268	\$600,000,000	\$677,740,000	\$698,072,200	12.96%	3.00%
3M20	200680	Individuals with Disabilities Education Act	\$513,691,047	\$520,000,000	\$530,400,000	\$541,008,000	2.00%	2.00%
3T40	200613	Public Charter Schools	\$947,845	\$1,352,155	\$0	\$0	-100.00%	N/A
3Y20	200688	21st Century Community Learning Centers	\$45,837,209	\$47,000,000	\$47,940,000	\$48,898,800	2.00%	2.00%
3Y60	200635	Improving Teacher Quality	\$75,520,780	\$75,645,000	\$77,157,900	\$78,701,058	2.00%	2.00%
3Y70	200689	English Language Acquisition	\$12,885,282	\$12,000,000	\$13,728,000	\$14,277,120	14.40%	4.00%
3Y80	200639	Rural and Low Income Technical Assistance	\$2,221,616	\$3,600,000	\$3,300,000	\$3,300,000	-8.33%	0.00%
3Z20	200690	State Assessments	\$16,296,641	\$11,500,000	\$11,500,000	\$11,500,000	0.00%	0.00%
3Z30	200645	Consolidated Federal Grant Administration	\$24,826,624	\$19,900,000	\$15,000,000	\$15,000,000	-24.62%	0.00%
Federal Fund Group Subtotal			\$4,351,763,600	\$3,016,929,462	\$2,434,508,250	\$2,509,031,038	-19.31%	3.06%
Department of Education and Workforce Total			\$16,208,801,973	\$15,341,158,060	\$14,862,855,763	\$15,082,996,357	-3.12%	1.48%
Main Operating Appropriations Bill Total			\$16,208,801,973	\$15,341,158,060	\$14,862,855,763	\$15,082,996,357	-3.12%	1.48%