



# Members Brief

An informational brief prepared by the LSC staff for members and staff of the Ohio General Assembly

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## Student Count for School Funding

The foundational piece of Ohio’s school funding formula is the student count. Most formula components rely on the count of students residing in a district to calculate the amount of aid the district will receive, most notably the opportunity grant. Ohio uses two measures for the student count: total average daily membership (ADM) and formula ADM. The former counts all students residing in the district who attend a public school or who use a state scholarship to attend a nonpublic school while the latter makes adjustments to the total ADM based on joint vocational school district (JVSD) enrollment and the number of students in a career-technical education compact. In FY 2020, the statewide total ADM was 1.69 million and the statewide formula ADM was 1.66 million.

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### Overview

The state foundation formula is a student-based formula. The count of students in a school district, therefore, undergirds the calculation of the state foundation aid it receives. The opportunity grant distributes a base amount (with variations between districts due to differences in capacity to raise local revenues) to districts for each student while categorical components, such as special education aid and economically disadvantaged funds, provide additional funding to districts based on the unique needs of their students. Since FY 2015, students are counted based on the proportion of the school year they are enrolled in public education and residing in the school district. Districts must report enrollment counts to the Ohio Department of Education (ODE) by the last day of October, March, and June, although they may provide the Department with updated data as changes occur.

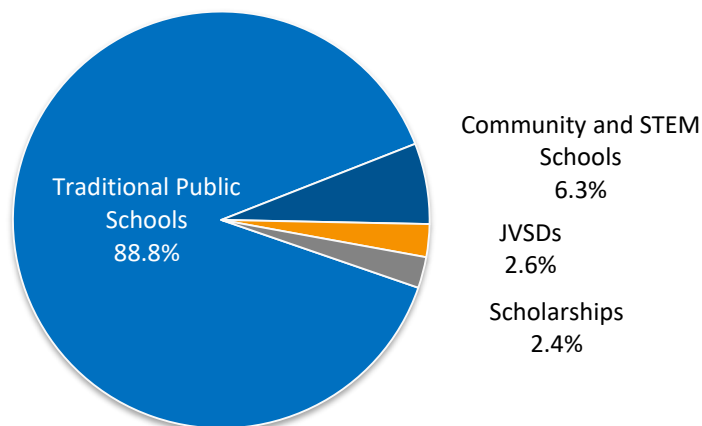
### Annualized enrollment

ODE calculates the number of students residing in each district through a measure called annualized full-time equivalent (FTE) enrollment. A student’s FTE is based on the proportion of

the school year the student was enrolled in a form of public education and residing in the district. For example, if a full-time student moved from one district to another halfway through the school year, the student would be counted as 0.50 FTE in the first district and 0.50 FTE in the second. The same applies if the student utilizes one of Ohio's school choice options. The funding formula refers to the student count as "average daily membership" or "ADM."

The formula uses two measures for each district's ADM: total ADM and formula ADM. Total ADM is the count of students who live in the school district and either attend the district, attend a different public school such as a joint vocational school district (JVSD), a community or STEM school, a different traditional district through open enrollment, or use a state scholarship to attend a chartered nonpublic school. Statewide, school district total ADM amounted to 1.69 million students in FY 2020. Nearly 89% of these students were educated in traditional public schools, as shown in Chart 1 below. Over 6% were educated in community or STEM schools. Relatively small percentages were educated by JVSDs or nonpublic schools using a state scholarship, at less than 3% each.

**Chart 1: Share of Total ADM by Student Type, FY 2020**



Since JVSDs are funded through a separate formula instead of a transfer from resident districts, ODE calculates districts' formula ADM by subtracting 80% of the JVSD student count from the total ADM. The remaining 20% are included to cover any expenses the resident district may incur for these students. Additionally, formula ADM includes 20% of the number of students residing in each district who are enrolled in another traditional district under a career-technical education (CTE) compact.<sup>1</sup> These students are counted in the total ADM of the educating district, not the resident district. The calculation of formula ADM is summarized below. Statewide, school district formula ADM totaled 1.66 million students in FY 2020.

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<sup>1</sup> For more information about JVSDs and career-technical education compacts, see the [Joint Vocational School District Funding Members Brief](#).

**Formula ADM**

$$\text{Formula ADM} = \text{Total ADM} - (\text{JVS ADM} \times 80\%) + (\text{CTE compact ADM} \times 20\%)$$

### Trends in ADM

Both total ADM and formula ADM have generally declined every year since the student count methodology changed in FY 2015. Total ADM fell by a total of over 25,000 students, from 1.72 million in FY 2015 to 1.69 million in FY 2020, a decrease of 1.5%. Over the same period, formula ADM decreased by about 30,000 students, from 1.69 million to 1.66 million, a decrease of 1.8%, slightly higher than that of total ADM. Formula ADM tends to decrease at a higher rate than total ADM because formula ADM removes a portion of students who attend a JVSD. Enrollment at JVSDs has increased over the period by 12.0%, helping to cause formula ADM’s higher rate of decline.

Enrollment changes since FY 2015 have affected districts differently. Districts in rural, small town, and urban areas generally experienced decreases in formula ADM, while suburban districts generally saw their enrollment increase over the period. The percentage change in formula ADM from FY 2015 to FY 2020 by district typology is shown in Chart 2 below. As the chart shows, enrollment in rural high poverty districts has declined the fastest, falling 8.3% (13,119 FTE students) since FY 2015. The very low poverty, suburban districts have been growing, increasing 3.8% (9,273 FTE students) as a whole.

**Chart 2: Percentage Change in Formula ADM by District Typology, FY 2015-FY 2020**

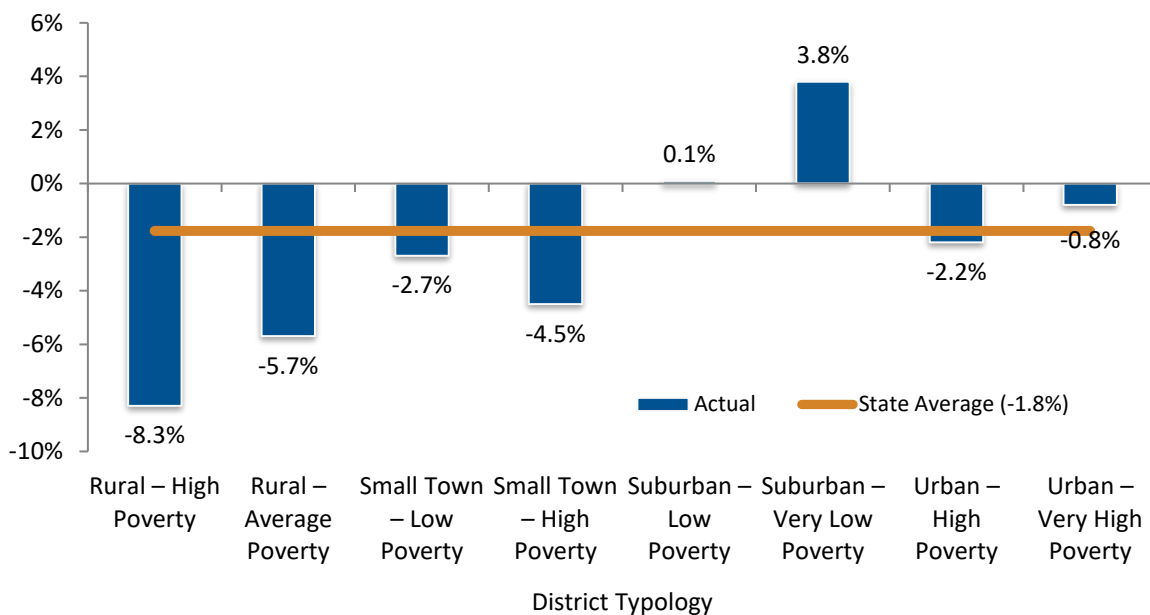
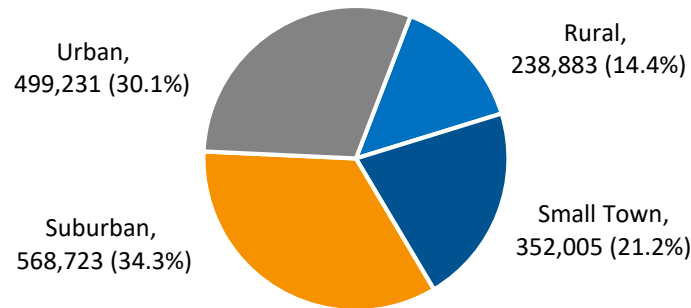
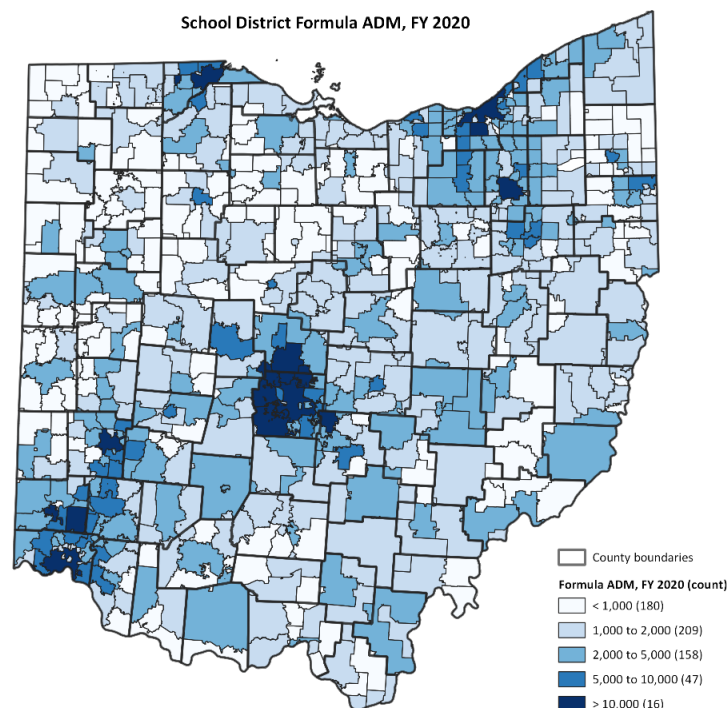


Chart 3 below illustrates the share of formula ADM by type of district in FY 2020. Roughly 570,000 (34.3%) out of the state’s 1.66 million FTE students in formula ADM reside in suburban school districts, the largest share among district types. Slightly less than 500,000 (30.1%) students reside in urban school districts. Together, small town and rural areas account for the remaining 590,000 (35.6%) students.

**Chart 3: Share of Formula ADM by Type of District, FY 2020**



The map of school districts below takes a more detailed look at the difference in the size of school districts across the state by grouping districts based on their formula ADM, from smallest to largest. Districts shaded in white have the least number of students (less than 1,000) while districts shaded in dark blue have the most (more than 10,000). Nearly two-thirds (389, 63.8%) of districts have less than 2,000 students. These districts are home to 25.7% of statewide formula ADM. On the other hand, 16 (2.6%) districts have more than 10,000 students, and account for 24.3% of statewide formula ADM.



## Counting students with additional needs

Students are counted once in formula ADM for the purpose of calculating the opportunity grant, which represents a base level of funding and makes up the largest portion of state foundation aid. If a student receives special education or career-technical services or is identified as economically disadvantaged or an English learner, the student is counted again for the purposes of calculating additional categorical funding that accounts for the higher cost of educating such students. For additional information about the foundation formula's categorical components, please refer to the [Categorical Add-On Aid to Ohio Schools Members Brief](#).

## Student population quick facts

The table below presents selected descriptive statistics regarding district student population and characteristics.

Selected District Student Population Quick Facts, FY 2020	
Average district formula ADM	2,720
Median district formula ADM	1,547
Largest district formula ADM (Columbus CSD, Franklin Co.)	73,027
Smallest district formula ADM (Bloomfield-Mespo LSD, Trumbull Co.)*	213
Number of districts above 20,000 formula ADM	8
Number of districts below 400 formula ADM	16
State average (range*) percentage economically disadvantaged	47.2% (1.1% to 98.5%)
State average (range*) percentage with disabilities	14.5% (6.8% to 23.7%)
State average (range) percentage English learners	3.7% (0.0% to 24.2%)

\*Excludes outlier district(s)