

LSC Greenbook

Analysis of the Enacted Budget

Department of Education

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TABLE OF CONTENTS

OVERVIEW	1
Agency Overview	1
Appropriation Overview	2
Primary and Secondary Education's Share of the State GRF Budget	3
Lottery Profits and State Spending on Education	3
School Funding Formula Changes	4
Adequacy Amount	4
Average Daily Membership	5
All-Day Kindergarten Funding.....	6
Educational Challenge Factor	6
Organizational Units	6
Instructional Services Support	7
Additional Services Support	11
Administrative Services Support.....	13
Operations and Maintenance Support.....	16
Gifted Education and Enrichment Support	16
Technology Resources Support	18
Additional Funding Components	18
Adequacy Amount Summary	19
Local Share of the Adequacy Amount.....	20
Transportation.....	21
Career-Technical Education Aid.....	25
Transitional Aid	25
Additional Transitional Aid	26
Total School District State Aid – Growth Cap	26
Community Schools	27
Future Model Adjustments	29
Joint Vocational School District Funding	29
Conversion Levies	30
Other Major Budget Issues	30
Extended School Year.....	30
All-Day Kindergarten.....	31
Family and Civic Engagement.....	31
Educator Quality	31
Standards and Accountability.....	34
Early Childhood Education.....	35

Vetoed Provisions	36
Educational Service Center Annexation and Severances.....	36
Business Education Standards	36
Educational Choice Scholarships.....	36
School Employees Health Care Board	36
Early Learning Initiative	36
Community School Calamity Days.....	37
Tangible Personal Property Tax Reimbursements Phase-Out	37
School Management Assistance.....	37
ANALYSIS OF ENACTED BUDGET	38
Introduction	38
Basic Public School Support.....	42
Foundation Funding (200550, 200551, and 200612)	42
Pupil Transportation (200502).....	46
Career-Technical Education Grants (200416 and 200621)	47
Community Schools (200455).....	48
Individuals with Disabilities Education Act (200680 and 200699).....	48
ESEA Title I (200623 and 200642).....	48
Half-Mill Maintenance Equalization (200626)	48
Property Tax Reimbursements	50
Property Tax Allocation – Education (200901)	50
School District Property Tax Replacement – Business (200909).....	50
School District Property Tax Replacement – Utility (200900).....	51
Educational Enhancements	52
Special Education Enhancements (200540)	52
Career-Technical Education Enhancements (200545).....	54
Ohio Career Information System (200656)	55
Tech Prep Consortia Support (200425)	55
Education of Exceptional Children (200624).....	55
Career-Technical Education Federal Enhancement (200616)	56
School Medicaid Administrative Claims (200603)	56
Innovative Education (200678).....	56
Education Technology (200641 and 200651)	56
Rural and Low Income Technical Assistance (200639).....	56
Educationally Disadvantaged Programs (200601)	57
Nonpublic School Support	58
Auxiliary Services (200511).....	58
Nonpublic Administrative Cost Reimbursement (200532).....	59
Auxiliary Services Reimbursement (200659)	59

School Operations Support	60
School Management Assistance (200422)	60
Ohio Educational Computer Network (200426).....	60
School Lunches (200505 and 200617)	61
School District Solvency Assistance (200687)	62
Federal School Breakfast (200618)	62
Child/Adult Food Programs (200619).....	62
Public Charter Schools (200613).....	62
School Food Services (200607).....	62
Commodity Foods (200608).....	63
Academic Achievement	64
Alternative Education Programs (200421).....	64
School Improvement Initiatives (200431)	65
STEM Initiatives (200457)	65
Violence Prevention and School Safety (200578).....	65
Learn and Serve (200660)	66
School Improvement Grants (200671).....	66
Improving Health & Education Outcomes of Young People (200698).....	66
Character Education (200636)	66
Foreign Language Assistance (200644)	66
Drug Free Schools (200664)	66
Title I School Improvement – Federal Stimulus (200652).....	67
21st Century Community Learning Centers (200688)	67
Reading First (200632)	67
English Language Acquisition (200689)	67
NGA STEM (200911).....	67
Early Childhood Education	68
Early Childhood Education (200408)	68
Child Care Licensing (200442).....	69
Early Childhood Education (200661)	69
IDEA Preschool – Federal Stimulus (200650).....	70
Head Start Collaboration Project (200605)	70
Early Learning Initiative (200663)	70
Adult Education	71
GED Testing (200447)	71
Veterans' Training (200614).....	71
Guidance and Testing (200610).....	71

Educator Quality	72
Educator Preparation (200448).....	72
Teacher Certification and Licensure (200681).....	72
Troops to Teachers (200647)	73
Teacher Incentive Fund (200646)	73
Honors Scholarship Program (200667)	73
Improving Teacher Quality (200635)	73
State Action for Education Leadership (200696)	73
Curriculum, Assessment, and Accountability.....	74
Policy Analysis (200424)	74
Academic Standards (200427)	74
Student Assessment (200437 and 200690)	74
Accountability/Report Cards (200439).....	75
Education Management Information System (200446).....	76
Longitudinal Data Systems (200628).....	77
National Education Statistics (200685).....	77
State Administration	78
Personal Services (200100).....	78
Maintenance and Equipment (200320).....	79
Computer/Application/Network Development (200420)	79
Computer Services Operational Support (200606).....	79
Miscellaneous Educational Services (200638)	79
Consolidated Federal Grant Administration (200645).....	80
General Supervisory Enhancement Grant (200697)	80
Educational Improvement Grants (200615)	80
Indirect Operational Support (200695)	80
Interagency Operational Support (200633)	80

ATTACHMENT:

Budget Spreadsheet By Line Item

Department of Education

- Adopts new school funding model
- Recommends adoption of new standards and assessments
- Revises teacher licensure
- Provides decreases of 1.1% in FY 2010 and 0.5% in FY 2011 in GRF and lottery spending

OVERVIEW

Agency Overview

The Department of Education (ODE) oversees a public education system consisting of 613 public school districts, 49 joint vocational school districts, and approximately 328 public community schools. This system enrolls approximately 1.8 million students in grades kindergarten through twelve and graduates about 125,000 students each year. ODE monitors 58 educational service centers, other regional education providers, several early learning programs, and over 800 state-chartered nonpublic schools. ODE also administers the school funding system, collects school fiscal and performance data, develops academic standards and model curricula, administers the state achievement tests, issues district and school report cards, administers Ohio's voucher programs, provides professional development, and licenses teachers and other education personnel.

ODE is governed by a 19-member State Board of Education. Eleven of those 19 members are elected by the citizens of Ohio and the other eight members are appointed by the Governor. The Superintendent of Public Instruction, who is hired by the State Board of Education, is responsible for ODE's day-to-day operation. As of June 15, 2009, ODE has 775 employees.

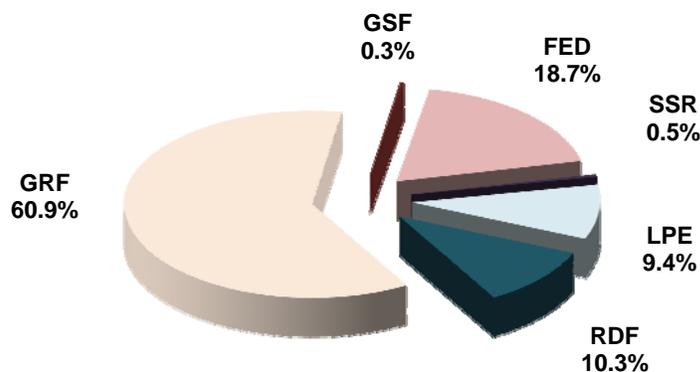
Appropriation Overview

Table 1. Appropriations by Fund Group, FY 2010-FY 2011					
Fund Group	FY 2009*	FY 2010	% change, FY 2009-FY 2010	FY 2011	% change, FY 2010-FY 2011
General Revenue	\$7,884,320,462	\$7,504,569,256	(4.8)%	\$7,175,533,593	(4.4)%
General Services	\$15,671,290	\$34,418,058	119.6%	\$34,552,608	0.4%
State Special Revenue	\$47,041,701	\$55,890,748	18.8%	\$55,846,635	(0.1)%
Federal Special Revenue	\$1,697,797,434	\$2,238,516,279	31.8%	\$2,262,899,123	1.1%
Lottery Profits	\$707,900,000	\$990,236,905	39.9%	\$1,277,271,428	29.0%
Revenue Distribution	\$881,780,537	\$1,241,330,889	40.8%	\$1,241,330,889	0.0%
TOTAL	\$11,234,511,425	\$12,064,962,135	7.4%	\$12,047,434,276	(0.1)%
GRF and Lottery	\$8,592,220,462	\$8,494,806,161	(1.1)%	\$8,452,805,021	(0.5)%

* FY 2009 figures represent actual expenditures.

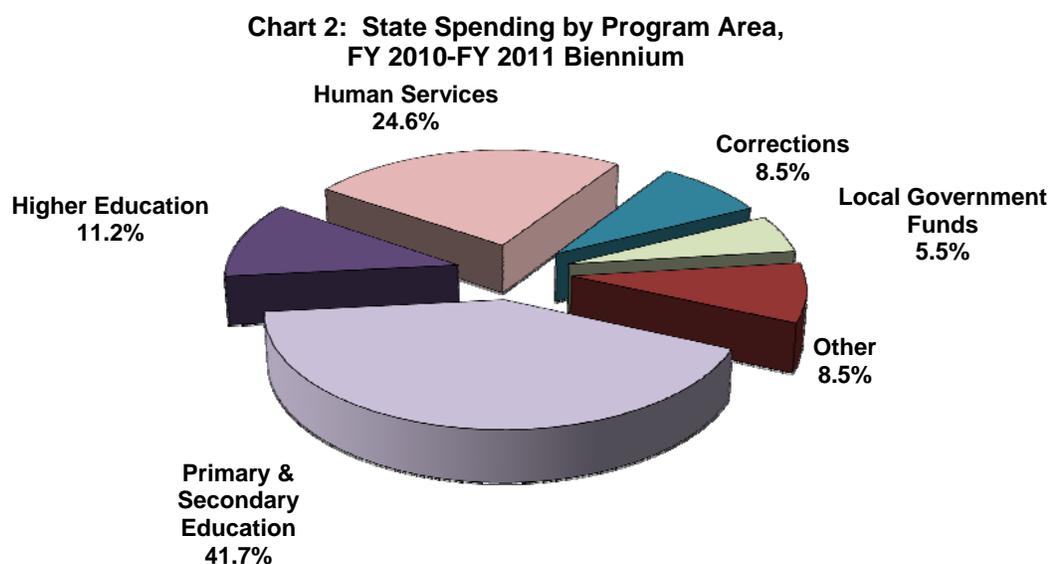
The budget provides a total appropriation of \$12.06 billion in FY 2010 and \$12.05 billion in FY 2011 for ODE. Chart 1 and Table 1 present the appropriations by fund group. As the chart shows, appropriations from the GRF and Lottery Profits Education Fund (LPE) make up a majority of ODE's funding for the biennium at 70.3%. Federal funds account for the next largest portion at 18.7%. Appropriations from the Revenue Distribution Fund (RDF) group, which provide direct reimbursements to school districts and joint vocational school districts for property tax losses due to utility deregulation and the phase-out of the business tangible personal property tax, accounts for 10.3% of ODE's funding for the biennium. The State Special Revenue Fund group and the General Services Fund group account for the remaining 0.7%.

Chart 1: Biennial Appropriations by Fund Group, FY 2010-FY 2011



Primary and Secondary Education's Share of the State GRF Budget¹

The four major spending areas of the state budget are: primary and secondary education,² human services, higher education, and corrections. The GRF budget totals \$39.5 billion for the FY 2010-FY 2011 biennium. Chart 2 shows this broken down by the four major spending areas as well as spending allocated to local government funds and all other areas. Under the budget, spending on primary and secondary education continues to be the largest spending area at approximately 41.7% of the budget. The proportions for the other areas of spending are: 24.6% for human services, 11.2% for higher education, 8.5% for corrections, 5.5% for local government funds, and 8.5% for all other areas.



Lottery Profits and State Spending on Education

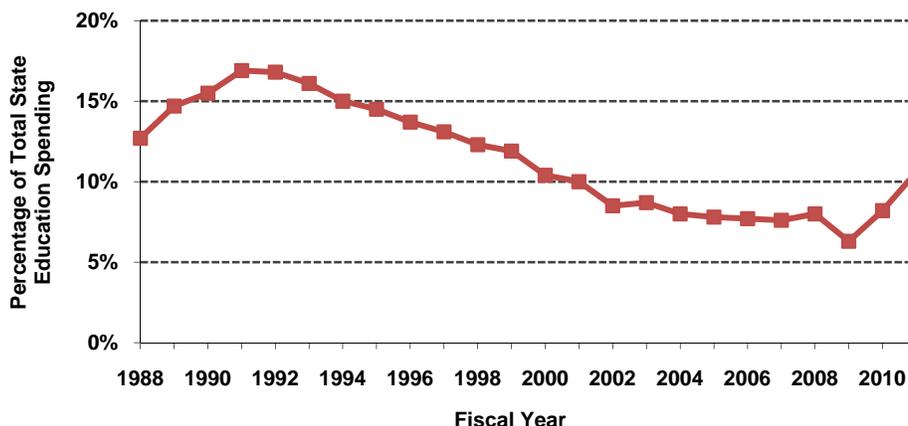
In 1973, voters amended the Ohio Constitution to allow the creation of the Ohio lottery. In 1987, voters approved an additional constitutional amendment that permanently earmarked lottery profits for education. Generally, lottery profits are combined with the GRF to provide foundation funding to schools. Chart 3 shows the

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

² For this section, primary and secondary education spending includes all GRF and LPE spending by ODE, the eTech Ohio Commission, the School Facilities Commission, the Ohio State School for the Blind, and the Ohio School for the Deaf.

percentage of state GRF and LPE spending on primary and secondary education that comes from lottery profits. As can be seen from Chart 3, lottery profits have always been a relatively small percentage of this spending. After reaching a peak of 16.9% in FY 1991, this percentage has decreased to 6.3% in FY 2009, but is expected to increase to 10.6% by FY 2011. Much of the anticipated increase in anticipated revenue is due to the introduction of video lottery terminals (VLTs) through a combination of executive order and statutory provisions contained in the budget. More information on VLTs can be found in the Greenbook for the Ohio Lottery Commission. Since the 1990s, the annual dollar amount of lottery profits has fallen from a high of \$718.7 million in FY 1999 to \$707.9 million in FY 2009, a decrease of 1.5%. From FY 1988 to FY 2009, total state GRF and lottery spending on primary and secondary education increased by \$4,884.1 million (162.8%). Of this growth, \$272.3 million (5.6%) was provided by the lottery. The budget reflects estimated increases in lottery profits of \$282.3 million in FY 2010 and \$287.0 million in FY 2011.

Chart 3: Lottery Profits as a Percentage of Total State GRF and Lottery Spending for K-12 Education, FY 1988-FY 2011



School Funding Formula Changes

The budget replaces the school funding formula used to determine the amount and distribution of state operating funding to school districts with a new formula. The new formula contained in the budget is described below.

Adequacy Amount

The budget adapts the "evidence-based model" (EBM) to Ohio. A form of EBM has been adopted in Wyoming and Arkansas. The premise behind the model is to identify school-based programs and educational strategies shown by research evidence to improve student learning and build a funding model that supports them. The budget calls the total amount of funding calculated by the model for each district the

adequacy amount for that district. Similar to the base cost amount in the previous formula, districts are expected to contribute a certain percentage (expressed as millage) of their taxable property value to fund the adequacy amount – this is the local share. The state then makes up the difference between the total adequacy amount and the local share. The adequacy amount does not include funding for pupil transportation and career-technical education, which are funded separately. The budget adopts the State Board of Education's recommended formula for funding transportation and uses the state share of the adequacy amount to distribute this funding to school districts. Additionally, a transportation supplement is provided to districts with per pupil wealth and bus ridership density at or below the state median. Each district is provided funding for career-technical education equal to 100.75% of the amount received for career-technical education in the prior year.

Under the previous school funding formula, the model of the state-defined basic education amount was largely a student-based calculation. In other words, funding for the components of the model were largely calculated by applying a per student formula amount to the number of students in the district. The overall cost of the model was driven by the base cost formula amount per pupil. The new model is also largely based on the number of students in a district, but there is no specific formula amount per pupil. Instead the overall cost of the proposed model is largely driven by the teacher compensation amount, which varies by district. This is the amount of funding allocated to each teacher funded in the model. The components of the adequacy amount include instructional services support, additional services support, administrative services support, operations and maintenance support, gifted education and enrichment support, technology resources support, a professional development factor, and an instructional materials factor.

Average Daily Membership

Average daily membership (ADM) is the measure of the number of students in each district. Under prior law and continuing in the current budget, all students are counted in the ADM of the district in which they reside. Two changes made to the calculation of ADM for districts in the formula concern the timing of the ADM counts. Previously, there were two ADM counts each fiscal year, the first in October and the second in February. The ADM for the fiscal year was equal to 75% of the October count plus 25% of the February count. The second count in February was added to the calculation in FY 2007. The budget goes back to using only one count per fiscal year – the October count. Also, it bases the ADM for a fiscal year on the October count of the previous fiscal year. As this count is generally finalized by the time the next fiscal year begins, this provision may give districts greater stability in their state aid as that amount may not change significantly during a given fiscal year. An exception to this provision is given to districts for which the October count in the current fiscal year is

more than 2% greater than the October count in the previous fiscal year. For these districts, ADM is based on the October count of the current fiscal year.

All-Day Kindergarten Funding

Another change in ADM made in the budget has to do with the funding of kindergarten students. Previously, the school funding formula counted each kindergarten student as 0.5 in ADM in recognition of the traditional half-day kindergarten program. The formula provided funding for all-day kindergarten through poverty-based assistance to districts whose poverty rates were greater than the state average. The new formula contained in the budget counts all kindergarten students as one in ADM regardless of whether they receive full-day or half-day services. All districts are required to provide all-day kindergarten by FY 2011, unless a district is granted a waiver by the Superintendent of Public Instruction.

Educational Challenge Factor

As stated previously, the cost of the funding model is largely driven by teacher compensation. Under the model teacher compensation is different for each district and depends on the Educational Challenge Factor (ECF). Although primarily employed in relation to teacher compensation, the ECF is also applied to several other items funded by the model. The ECF uses a combination of three measures – college attainment rate, poverty rate, and wealth per pupil – to provide more funding in the formula to districts with higher needs. Each district's college attainment rate is measured as the percentage of the population that is age 25 or over who has at least a bachelor's degree. Each district's poverty rate is measured as the percentage of the economically disadvantaged students in the district as reported on the district's local report card, referred to as the targeted poverty indicator in the proposed formula. Each district's wealth per pupil is measured as 75% of its recognized taxable property valuation plus 25% of the sum of the incomes of its residents, divided by its ADM. This is the same wealth measure that was used in the parity aid component of the previous school funding formula.

Organizational Units

Some components of the school funding model, such as funding for principals, are allocated based on the number of "schools" in each district. Districts may have schools of very different sizes, so instead of using the number of actual schools, the model calculates the number of organizational units. This is a new factor created by the model that measures the number of "schools" in the district of a standard size. There are three types of organizational units:

1. **elementary school** – grades kindergarten through five, with a standard size of 418;
2. **middle school** – grades six through eight, with a standard size of 557; and

3. **high school** – grades nine through twelve, with a standard size of 733.

A district with less than 418 students total is termed a "small district" and is considered to have one organizational unit regardless of the grade level breakdown of its students. Every district is guaranteed to have at least one organizational unit. The calculation of organizational units is summarized below.

Calculation of School District Organizational Units
If ADM < 418 students, then Total Organizational Units = 1
If ADM > = 418 students, then
Elementary School Organizational Units = (ADM in grades K through 5) / 418
Middle School Organizational Units = (ADM in grades 6 through 8) / 557
High School Organizational Units = (ADM in grades 9 through 12) / 733
Total Organizational Units = Elementary School + Middle School + High School Units

Instructional Services Support

The bulk of the cost of the model lies in the instructional services support component. This component is made up of funding for seven types of teachers: core teachers, specialist teachers, lead teachers, special education teachers, special education teacher aides, teachers for limited-English proficient students, and supplemental teachers. The number of each type of teacher funded in each district is calculated as described below. Once the total number of teachers of all types is determined for a district, this number is multiplied by the model's assumed teacher compensation for the fiscal year to arrive at the total amount of the instructional services support for the district.

Core Teachers

Core teachers are teachers of English-language arts, mathematics, science, social studies, or foreign languages. The number of core teachers is driven by a student-to-teacher ratio of 19:1 for grades kindergarten through three and 25:1 for grades four through twelve. The ratio for grades kindergarten through three is scheduled to phase down to 17:1 for FY 2012-FY 2013, and 15:1 for FY 2014 and thereafter. The calculation of the number of core teachers for each school district is summarized below.

Calculation of the Number of Core Teachers per School District
For grades K through 3:
Number of core teachers in each grade level = (ADM in the grade level) / 19
For grades 4 through 12:
Number of core teachers in each grade level = (ADM in the grade level) / 25
Total number of core teachers = Sum of the number of core teachers in each grade level K through 12

Specialist Teachers

Specialist teachers provide instruction in art, music, physical education, dance, drama and theater, and visual arts. They are funded at 20% of core teachers in grades kindergarten through eight plus 25% of core teachers in grades nine through twelve. The calculation of the number of specialist teachers for each school district is summarized below.

Calculation of the Number of Specialist Teachers per School District
Total number of specialist teachers =
0.2 x (Number of core teachers in grade levels K through 8) +
0.25 x (Number of core teachers in grade levels 9 through 12)

Lead Teachers

Lead teachers provide mentoring and coaching for new teachers. They are funded at one teacher per organizational unit. The calculation of the number of lead teachers for each school district is summarized below.

Calculation of the Number of Lead Teachers per School District
Total number of lead teachers = Total number of organizational units

Special Education Teachers

Special education teachers provide the extra time and attention needed to assist in the achievement of special education students. Special education teachers are funded using a 20:1 special education weighted student ADM-to-teacher ratio. To calculate the special education weighted student ADM, the model divides special education ADM into six categories based on the disability of the student. The ADM in each category is given a weight. Although very similar to the previous school funding formula, the special education categories are changed slightly in that vision impaired and orthopedically disabled students are assigned to categories with a higher weight. The model also modifies the weights applied to each category. The weights had been subject to a phase-in percentage of 90% since FY 2005. Under the budget, the new weights are also funded at 90% in FY 2010 and FY 2011. The changes to the weights are summarized in the following table.

Special Education Weights under Prior Law and Current Law		
Category	Prior Law Weights	Current Law Weights
One – Speech only	0.2892	0.2906
Two – Specific learning disabled, developmentally disabled, other health – minor	0.3691	0.7374
Three – Hearing impaired, severe behavior disabled	1.7695	1.7716
Four – Vision impaired, other health – major	2.3646	2.3643
Five – Orthopedically disabled, multi-disabled	3.1129	3.2022
Six – Autism, traumatic brain injury, both visually and hearing impaired	4.7342	4.7205

The calculation of the special education weighted student ADM and the number of special education teachers for each school district is summarized below.

Calculation of the Special Education Weighted Student ADM per School District
Category 1 weighted ADM = (category 1 ADM) x 0.2906
Category 2 weighted ADM = (category 2 ADM) x 0.7374
Category 3 weighted ADM = (category 3 ADM) x 1.7716
Category 4 weighted ADM = (category 4 ADM) x 2.3643
Category 5 weighted ADM = (category 5 ADM) x 3.2022
Category 6 weighted ADM = (category 6 ADM) x 4.7205
Total special education weighted ADM = (Sum of special education weighted ADM for categories 1 through 6) x 0.9

Calculation of the Number of Special Education Teachers per School District
Total number of special education teachers = (Total special education weighted ADM) / 20

Special Education Teacher Aides

In addition to special education teachers, one special education teacher aide is provided for every two special education teachers, with funding phased in at 50% for FY 2010 and FY 2011. The calculation of the number of special education teacher aides for each school district is summarized below.

Calculation of the Number of Special Education Teacher Aides per School District
Total number of special education teacher aides = (Total number of special education teachers / 2) x 0.5

Limited English Proficient (LEP) Teachers

LEP teachers provide for the additional needs of LEP students. They are funded at one teacher per 100 LEP students. The number of LEP students used in the model is equal to the percent of LEP students as defined in federal law multiplied by the

district's ADM. The calculation of the number of LEP teachers for each school district is summarized below.

Calculation of the Number of LEP Teachers per School District
Total number of LEP teachers = (LEP percentage x ADM) / 100

Supplemental Teachers

Supplemental teachers are funded for students who need additional instructional assistance and to provide assistance with extended-day instruction. They are funded at one tutor per 100 economically disadvantaged students. The number of economically disadvantaged students used in the model is equal to the percentage of economically disadvantaged students in the district as reported on the district's local report card (the targeted poverty indicator) multiplied by the district's ADM. The calculation of the number of supplemental teachers for each school district is summarized below.

Calculation of the Number of Supplemental Teachers per School District
Total number of supplemental teachers = (Economically disadvantaged percentage x ADM) / 100

Teacher Compensation

Teacher compensation refers to the amount allocated in a given fiscal year by the model to a specific district for each teacher (including teachers of all seven types described above) calculated by the model. This number is different for each district. It is calculated by multiplying the "statewide base teacher salary" by the ECF. The ECF is a centerpiece of the model and is described in more detail above. The statewide base teacher salary is equal to \$56,902 in FY 2010 and \$57,812 in FY 2011. The ECF ranges from 0.76 to 1.65, so in FY 2010, teacher compensation ranges from \$43,442 (\$56,902 x 0.76) to \$93,784 (\$56,902 x 1.65); in FY 2011, teacher compensation ranges from \$44,136 (\$57,812 x 0.76) to \$95,284 (\$57,812 x 1.65). The calculation of teacher compensation for each school district is summarized below.

Calculation of Teacher Compensation per School District
FY 2010 Teacher compensation = \$56,902 x district's ECF
FY 2011 Teacher compensation = \$57,812 x district's ECF

Summary

Finally, the total instructional services support component of the model is calculated by adding up the total number of teachers and multiplying this number by the teacher compensation for the district. This calculation is summarized below.

Calculation of Instructional Services Support per School District
Core teacher factor = Number of core teachers x Teacher compensation
Specialist teacher factor = Number of specialist teachers x Teacher compensation
Lead teacher factor = Number of lead teachers x Teacher compensation
Special education teacher factor = Number of special education teachers x Teacher compensation
Special education teacher aide factor = Number of special education teacher aides x Teacher compensation
LEP teacher factor = Number of LEP teachers x Teacher compensation
Supplemental teacher factor = Number of supplemental teachers x Teacher compensation
Instructional services support = Sum of seven teacher factors

Additional Services Support

The second component of the model is additional services support. This component is made up of funding for five services: family and community liaisons, counselors, summer remediation programs, school nurse wellness coordinators, and district health professionals. The funding for each of these services is calculated as described below. However, no funding is provided for counselors, school nurse wellness coordinators, and district health professionals in FY 2010 and FY 2011.

Family and Community Liaisons

Family and community liaisons may include family liaisons, student advocates, and social workers. These staff provide additional support for at-risk students. They are funded at one staff person per 75 economically disadvantaged students. As with the supplemental teacher factor, the number of economically disadvantaged students used in the model is equal to the percentage of economically disadvantaged students in the district as reported on the district's local report card (the targeted poverty indicator) multiplied by the district's ADM. The model provides funding for each staff person equal to the district's ECF multiplied by the salary of \$38,633 in FY 2010 and \$39,381 in FY 2011. The calculation of the family and community liaison factor for each school district is summarized below.

Calculation of the Family and Community Liaison Factor per School District
Total number of family and community liaison = (Economically disadvantaged percentage x ADM) / 75
FY 2010 Family and community liaison factor = (Total number of family and community liaison in FY 2010) x (\$38,633 x district's ECF)
FY 2011 Family and community liaison factor = (Total number of family and community liaison in FY 2011) x (\$39,381 x district's ECF)

Counselors

The model calls for one counselor for every 250 students in grades six through twelve. The calculation of the counselor factor for each school district is summarized below, however, no funding is provided for counselors in FY 2010 and FY 2011.

Calculation of the Counselor Factor per School District
Total number of counselors = (Sum of ADM in grades 6 through 12) / 250
FY 2010 Counselor factor = (Total number of counselors in FY 2010) x \$0
FY 2011 Counselor factor = (Total number of counselors in FY 2011) x \$0

Summer Remediation Program

Funding is provided for a summer remediation program for at-risk students. The model calculates the number of teachers needed for the program by providing for a 30:1 student-to-teacher ratio and assuming attendance equal to 50% of the economically disadvantaged students in the district. The model provides funding for each summer teacher equal to \$3,000 in both FY 2010 and FY 2011 multiplied by the district's ECF. As with the supplemental teacher and the family and community liaison factor, the number of economically disadvantaged students used in the model is equal to the percentage of economically disadvantaged students in the district as reported on the district's local report card (the targeted poverty indicator) multiplied by the district's ADM. The calculation of the summer remediation program factor for each school district is summarized below.

Calculation of the Summer Remediation Program Factor per School District
Total number of teachers = $0.5 \times (\text{Economically disadvantaged percentage} \times \text{ADM}) / 30$
FY 2010 Summer remediation program factor = (Total number of teachers in FY 2010) x (\$3,000 x district's ECF)
FY 2011 Summer remediation program factor = (Total number of teachers in FY 2011) x (\$3,000 x district's ECF)

School Nurse Wellness Coordinators

One school nurse wellness coordinator is funded per organizational unit, except that small districts (districts with less than 418 students) do not receive funding for a school nurse wellness coordinator. The calculation of the school nurse wellness coordinator factor for each school district is summarized below, however, no funding is provided for school nurse wellness coordinators in FY 2010 and FY 2011.

Calculation of the School Nurse Wellness Coordinator Factor per School District
If district ADM < 418, then school nurse wellness coordinator factor = 0
If district ADM = > 418, then
Total number of school nurse wellness coordinators = Number of organizational units
FY 2010 School nurse wellness coordinator factor = (Total number of school nurse wellness coordinators in FY 2010) x \$0
FY 2011 School nurse wellness coordinator factor = (Total number of school nurse wellness coordinators in FY 2011) x \$0

District Health Professionals

One district health professional is funded per district. The calculation of the district health professional factor for each school district is summarized below, however, no funding is provided for district health professionals in FY 2010 and FY 2011.

Calculation of the District Health Professional Factor per School District
FY 2010 District health professional factor = \$0
FY 2011 District health professional factor = \$0

Summary

The total additional services support component of the model is calculated by adding up the five factors. This calculation is summarized below.

Calculation of Additional Services Support per School District
Additional services support =
Family and community liaison factor +
Counselor factor +
Summer remediation program factor +
School nurse wellness coordinator factor +
District health professional factor

Administrative Services Support

The third component of the model is administrative services support. This component is made up of funding for five types of administrative staff: district administration, principals, noninstructional aides, building managers, and secretaries. The funding for each of these staff persons is calculated as described below. However, no funding is provided for noninstructional aides in FY 2010 and FY 2011.

District Administration

The model provides funding for each district equal to \$187,176 in FY 2010 and \$190,801 in FY 2011 for district administration. The calculation of the district administration factor for each school district is summarized below.

Calculation of the District Administration Factor per School District
FY 2010 District administration factor = \$187,176
FY 2011 District administration factor = \$190,801

Principal

One principal per organizational unit is funded. However, districts designated by the typology published by ODE in June 2007 as "type 1" (rural/agricultural, high poverty, low median income) or "type 2" (rural/agricultural, small student population, low poverty, low to moderate median income) are guaranteed funding for at least one principal for each of its school buildings. The model provides funding for each principal equal to \$89,563 in FY 2010 and \$91,297 in FY 2011. The calculation of the principal factor for each school district is summarized below.

Calculation of the Principal Factor per School District
Total number of principals = Number of organizational units (at least one per building for type 1 & type 2 districts)
FY 2010 Principal factor = (Total number of principals in FY 2010) x \$89,563
FY 2011 Principal factor = (Total number of principals in FY 2011) x \$91,297

Noninstructional Aides

Noninstructional aides assist in activities such as bus loading and recess supervision. They are funded at two per elementary school and middle school organizational units and three per high school organizational unit, except that small districts (districts with less than 418 students) are funded at a total of one noninstructional aide. The calculation of the noninstructional aide factor for each school district is summarized below, however, no funding is provided for noninstructional aides in FY 2010 and FY 2011.

Calculation of the Noninstructional Aide Factor per School District
If district ADM < 418, then number of noninstructional aides = 1
If district ADM = > 418, then number of noninstructional aides =
(Sum of elementary and middle school organizational units) x 2 +
(High school organizational units) x 3
FY 2010 Noninstructional aide factor = (Total number of noninstructional aides in FY 2010) x \$0
FY 2011 Noninstructional aide factor = (Total number of noninstructional aides in FY 2011) x \$0

Building Managers

Building managers supervise the noncurricular, noninstructional administrative functions of school operations. They are funded at one per organizational unit. The model provides funding for each building manager equal to \$33,624 in FY 2010 and \$34,275 in FY 2011. The calculation of the building manager factor for each school district is summarized below.

Calculation of the Building Manager Factor per School District
Number of building managers = Number of organizational units
FY 2010 Building manager factor = (Number of building managers in FY 2010) x \$33,624
FY 2011 Building manager factor = (Number of building managers in FY 2011) x \$34,275

Secretaries

One secretary is funded per elementary and middle school organizational units, and three per high school organizational unit, except that small districts (districts with less than 418 students) are funded at a total of one secretary. The model provides funding for each secretary equal to \$33,624 in FY 2010 and \$34,275 in FY 2011. This is the same as the funding provided for each building manager. The calculation of the secretary factor for each school district is summarized below.

Calculation of the Secretary Factor per School District
If district ADM < 418, then number of secretaries = 1
If district ADM = > 418, then number of secretaries =
(Sum of elementary and middle school organizational units) +
(High school organizational units) x 3
FY 2010 Secretary factor = (Number of secretaries in FY 2010) x \$33,624
FY 2011 Secretary factor = (Number of secretaries in FY 2011) x \$34,275

Summary

The total administrative services support component of the model is calculated by adding up the five factors. This calculation is summarized below.

Calculation of Administrative Services Support per School District
Administrative services support =
District administration factor +
Principal factor +
Noninstructional aide factor +
Building manager factor +
Secretary factor

Operations and Maintenance Support

The fourth component of the model is operations and maintenance support. This component is funded at \$884 per student, but is phased in at 45% for the FY 2010-FY 2011 biennium. The calculation of operations and maintenance support for each school district is summarized below.

Calculation of Operations and Maintenance Support per School District
FY 2010 Operations and maintenance support = $(\$884 \times 0.45) \times (\text{FY 2010 ADM}) = \$397.80 \times (\text{FY 2010 ADM})$
FY 2011 Operations and maintenance support = $(\$884 \times 0.45) \times (\text{FY 2011 ADM}) = \$397.80 \times (\text{FY 2011 ADM})$

Gifted Education and Enrichment Support

The fifth component of the model is gifted education and enrichment support. Gifted education and enrichment support is made up of funding for five components: gifted student identification, gifted coordinators, gifted intervention specialists, professional development for gifted intervention specialists, and enrichment support. The funding for each of these services is calculated as described below.

Gifted Student Identification

Funding is provided at \$5 per student in FY 2010 and FY 2011. The calculation of gifted student identification for each school district is summarized below.

Calculation of Gifted Student Identification per School District
FY 2010 Gifted student identification = $\$5 \times (\text{FY 2010 ADM})$
FY 2011 Gifted student identification = $\$5 \times (\text{FY 2011 ADM})$

Gifted Coordinators

One gifted coordinator is funded for every 2,500 students. The model provides funding for each gifted coordinator equal to \$66,375 in FY 2010 and \$67,660 in FY 2011. The calculation of funding for gifted coordinators is summarized below.

Calculation of Gifted Coordinators per School District
FY 2010 Gifted coordinators = $(\text{FY 2010 ADM} / 2,500) \times \$66,375$
FY 2011 Gifted coordinators = $(\text{FY 2011 ADM} / 2,500) \times \$67,660$

Gifted Intervention Specialists

One gifted intervention specialist is funded per organizational unit. The model provides funding for each gifted intervention specialist equal to \$56,902 in FY 2010 and \$57,812 in FY 2011, which is the same as the statewide base teacher salary, adjusted by each district's ECF. Funding for gifted intervention specialists is phased in at 20% in

FY 2010 and 30% in FY 2011. The calculation of funding for gifted intervention specialists is summarized below.

Calculation of Gifted Intervention Specialists per School District
FY 2010 Gifted intervention specialists = (\$56,902 x district's ECF) x number of organizational units x 0.2
FY 2011 Gifted intervention specialists = (\$57,812 x district's ECF) x number of organizational units x 0.3

Professional Development for Gifted Intervention Specialists

Professional development for gifted intervention specialists is funded at \$1,833 per organizational unit, except that funding is phased in at 20% for FY 2010 and 30% for FY 2011. The calculation of funding for gifted intervention specialist professional development is summarized below.

Calculation of Gifted Intervention Specialist Professional Development per School District
FY 2010 Gifted intervention specialist professional development = \$1,833 x number of organizational units x 0.2
FY 2011 Gifted intervention specialist professional development = \$1,833 x number of organizational units x 0.3

Enrichment Support

Funding of \$100 per student is provided for student enrichment activities, except that this funding is phased in at 20% for FY 2010 and 30% for FY 2011. The calculation of enrichment support for each school district is summarized below.

Calculation of Enrichment Support per School District
FY 2010 Enrichment support = (\$100 x 0.2) x (FY 2010 ADM) = \$20 x (FY 2010 ADM)
FY 2011 Enrichment support = (\$100 x 0.3) x (FY 2011 ADM) = \$30 x (FY 2011 ADM)

Summary

The total gifted education and enrichment support component of the model is calculated by adding up the five factors. This calculation is summarized below.

Calculation of Gifted Education and Enrichment Support per School District
Gifted education and enrichment support =
Gifted identification +
Gifted coordinators +
Gifted intervention specialists +
Professional development for gifted intervention specialists +
Enrichment support

Technology Resources Support

The sixth component of the model is technology resources support. This component is made up of funding for two services: licensed librarians and media specialists and technical equipment. The funding for each of these services is calculated as described below.

Licensed Librarians and Media Specialists

Funding for licensed librarians and media specialists is provided at \$60,000 per organizational unit, except that this funding is phased in at 20% for FY 2010 and 30% for FY 2011. The calculation of the licensed librarian and media specialist factor for each school district is summarized below.

Calculation of Licensed Librarian and Media Specialist Factor per School District
FY 2010 Licensed librarian & media specialist factor = $(\$60,000 \times 0.2) \times (\text{Number of organizational units in FY 2010})$ = $\$12,000 \times (\text{Number of organizational units in FY 2010})$
FY 2011 Licensed librarian & media specialist factor = $(\$60,000 \times 0.3) \times (\text{Number of organizational units in FY 2011})$ = $\$18,000 \times (\text{Number of organizational units in FY 2011})$

Technical Equipment

Funding for technical equipment is provided at \$250 per student, except that this funding is phased in at 20% for FY 2010 and 30% for FY 2011. The calculation of the technical equipment factor for each school district is summarized below.

Calculation of Technical Equipment Factor per School District
FY 2010 Technical equipment factor = $(\$250 \times 0.2) \times (\text{FY 2010 ADM}) = \$50 \times (\text{FY 2010 ADM})$
FY 2011 Technical equipment factor = $(\$250 \times 0.3) \times (\text{FY 2011 ADM}) = \$75 \times (\text{FY 2011 ADM})$

Summary

The technology resources support component of the model is calculated by adding up the two factors. This calculation is summarized below.

Calculation of Technology Resources Support per School District
Technology resources support =
Licensed librarian and media specialist factor +
Technical equipment factor

Additional Funding Components

Two additional components are funded as part of the adequacy amount in the model. These are teacher professional development and instructional materials. The funding for these two components is calculated as described below.

Professional Development

Funding for professional development is provided at \$1,833 per teacher in FY 2010 and FY 2011, for the total number of core teachers, specialist teachers, lead teachers, and special education teachers funded under instructional services support. The calculation of the professional development factor for each school district is summarized below.

Calculation of Professional Development Factor per School District
FY 2010 Professional development factor = (Number of core, specialist, lead, and special education teachers in FY 2010) x \$1,833
FY 2011 Professional development factor = (Number of core, specialist, lead, & special education teachers in FY 2011) x \$1,833

Instructional Materials

Funding of \$165 per student is provided for instructional materials, except that this funding is phased in at 20% for FY 2010 and 30% for FY 2011. The calculation of the instructional materials factor for each school district is summarized below.

Calculation of Instructional Materials Factor per School District
FY 2010 Instructional materials factor = (\$165 x 0.2) x (FY 2010 ADM) = \$33 x (FY 2010 ADM)
FY 2011 Instructional materials factor = (\$165 x 0.3) x (FY 2011 ADM) = \$49.50 x (FY 2011 ADM)

Adequacy Amount Summary

The total adequacy amount for each district is simply the sum of the eight components. This calculation is summarized below.

Calculation of the Adequacy Amount per School District
District's total adequacy amount =
Instructional services support +
Additional services support +
Administrative services support +
Operations and maintenance +
Gifted education and enrichment support +
Technology resources support +
Professional development factor +
Instructional materials factor

Local Share of the Adequacy Amount

Under prior law, school districts contributed 23 mills (2.3%) of their recognized valuation toward base cost funding and up to 3.3 mills (0.33%) of their recognized valuation toward special education, career-technical education, and transportation funding. Under the budget, the local share of the adequacy amount for districts whose class 1 effective current expense millage rate is 20.1 or lower (very near or at the 20-mill floor) is 22 mills (2.2%) of *total* taxable valuation. The local share of the adequacy amount for all other districts (those above the floor) is 22 mills (2.2%) of recognized valuation. In both cases, for districts with more than 25% of potential taxable value exempted from taxation, the difference between the tax exempt value and 25% of potential value is subtracted from the total taxable valuation or recognized valuation, respectively, prior to the calculation of the local share. The calculation of the local share of the adequacy amount for each school district is summarized below.

Calculation of Local Share of the Adequacy Amount per School District
If district's class 1 effective millage rate is ≤ 20.1 , then
Local share of adequacy amount = $0.022 \times$ total taxable valuation
If district's class 1 effective millage rate is > 20.1 , then
Local share of adequacy amount = $0.022 \times$ recognized valuation

Recognized Valuation

Real property values are updated every three years and reappraised every six years in Ohio mainly to account for inflationary increases. As a result, in the reappraisal and update years, school districts generally experience significant increases in real property value, which may result in significant decreases in their state aid. Recognized valuation "recognizes" the district's inflationary increase in carryover real property (property that was taxed in the year before) in the reappraisal or update year evenly over three years instead of all at once. So, if a district experiences a 15% inflationary increase in real property in a reappraisal year, recognized valuation only recognizes a 5% increase in that year, 10% increase in the following year, and the full 15% increase in the third year. As a result, recognized valuation is lower than total taxable valuation two years out of three, which helps smooth potential fluctuations in school district state aid due to reappraisals and updates. The calculation of recognized valuation for each school district is summarized below.

Calculation of Recognized Valuation
Recognized valuation in update or reappraisal year = Total taxable valuation – 2/3 x Inflationary increase
Recognized valuation in second year = Total taxable valuation – 1/3 x Inflationary increase
Recognized valuation in third year = Total taxable valuation

Payments in Lieu of Taxes

Am. Sub. H.B. 66 of the 126th General Assembly added an adjustment to the valuation used to compute school funding to account for the value of certain tax exempt property for which the district receives payment in lieu of taxes. The budget continues this adjustment to both the recognized valuation and total taxable valuation used in computing the local share of the adequacy amount.

State Share Percentage of Adequacy Amount

As described in detail below, each district's transportation payment depends on the percentage of its adequacy amount that is paid by the state. The state share of the adequacy amount is simply the adequacy amount minus the local share and the state share percentage is the state share divided by the adequacy amount. These calculations are summarized below.

Calculation of State Share and State Share Percentage of Adequacy Amount
State share of adequacy amount = Adequacy amount – Local share of adequacy amount
State share percentage of adequacy amount = (State share of adequacy amount) / (Adequacy amount)

Transportation

As mentioned previously, the budget funds pupil transportation outside of the adequacy amount. The State Board's recommended formula is adopted for distribution purposes, but the total amount of state aid for transportation is restricted to the appropriation level in both FY 2010 and FY 2011. Additionally, a supplemental transportation payment is provided to districts with both wealth per pupil (which factors both property value and income) at or below the state median and bus ridership density at or below the state median. The transportation formula covers the transportation of all pupils in buses owned by the district or operated through a contract. All other types of pupil transportation to and from school are reimbursed under both the previous and current formulas through a method determined separately through rules adopted by the State Board. The proposed transportation formula is based on transportation costs as reported by school districts for the prior fiscal year and current year ridership counts. Funding consists of a base payment and additional amounts for districts that transport nontraditional riders, districts that transport high school students, districts that transport students who live between one and two miles

from school, and districts that meet an efficiency target established by ODE. Details of these calculations are given below.

Base Payment

The transportation formula looks at two cost measures from the previous year: the average cost per pupil transported and the average cost per mile driven. These state averages are computed after removing the ten districts with the highest and lowest costs per pupil and costs per mile, respectively. These average costs are then applied to the number of pupils transported and the number of miles driven in the current year for each district. To calculate the base payment for each district, the greater of these two amounts is then multiplied by the greater of 60% or the district's state share percentage of the adequacy amount. The calculation of the base payment for each school district is summarized below.

Calculation of Base Transportation Payment per School District
District's per pupil subsidy =
(State average cost per pupil in previous year) x (Number of pupils transported in current year)
District's per mile subsidy =
(State average cost per mile in previous year) x (Number of miles driven in current year)
If the district's per pupil subsidy is greater than its per mile subsidy, then base payment =
(District's per pupil subsidy) x (Greater of 60% or district's state share percentage of adequacy amount)
If the district's per mile subsidy is greater than its per pupil subsidy, then base payment =
(District's per mile subsidy) x (Greater of 60% or district's state share percentage of adequacy amount)

Nontraditional Rider Adjustment

Nontraditional riders are nonpublic or community school students who are transported by their resident school district. Districts that transport these students receive additional funding equal to 10% of their base payment multiplied by the percentage of their riders who are nontraditional. The calculation of the nontraditional rider adjustment for each school district is summarized below.

Calculation of Nontraditional Rider Adjustment per School District
Nontraditional rider adjustment =
(Number of nontraditional riders) / (Total number of riders) x 0.1 x base payment

High School Rider Adjustment

The state requires that districts transport only pupils in grades kindergarten through eight. Under both the previous and current formula high school riders are counted for funding purposes. Under the budget, if districts choose to offer

transportation to all high school students who live at least one mile from school, they receive additional funding equal to 2.5% of their base payment. The calculation of the high school rider adjustment for each school district is summarized below.

Calculation of High School Rider Adjustment per School District
If district does not offer transportation to all high school students, then high school rider adjustment = 0
If district offers transportation to all high school students, then high school rider adjustment = 0.025 x base payment

Short Distance Adjustment

The state only requires districts to transport pupils who live farther than two miles from school. Under both the previous and current formula riders who live between one and two miles from school are counted for funding purposes. Under the budget, if districts choose to offer transportation to students enrolled in grades kindergarten to eight who live at least one mile from school, they receive additional funding equal to 2.5% of their base payment. The calculation of the short distance adjustment for each school district is summarized below.

Calculation of Short Distance Adjustment per School District
If district does not offer transportation to K-8 students who live between one and two miles from school, then
Short distance adjustment = 0
If district offers transportation to K-8 students who live between one and two miles from school, then
Short distance adjustment = 0.025 x base payment

Efficiency Adjustment

The budget requires that ODE calculate a target number of riders per bus for each district. This number is based on the statewide median riders per bus adjusted for the density (riders per square mile) of the district. An efficiency index is then calculated for each district by dividing the district's median riders per bus by its target riders per bus. If the district's efficiency index is at least 1.5, then it receives additional funding equal to 10% of its base payment. If the district's efficiency index is less than 1.0, then it receives no additional funding. If the district's efficiency index is between 1.0 and 1.5, the additional funding it receives is equal to its base payment times a percentage that increases from zero to 10% on a sliding scale as the district's index gets larger. The calculation of the efficiency adjustment for each school district is summarized below.

Calculation of Efficiency Adjustment per School District
District's efficiency index =
(District's median number of riders per bus) / (District's target number of riders per bus)
If district's efficiency index = > 1.5, then
Efficiency adjustment = 0.1 x base payment
If district's efficiency index < 1.5 but > 1.0, then
Efficiency adjustment = (Efficiency index – 1) / 5 x base payment
If district's efficiency index <= 1.0, then
Efficiency adjustment = 0

Summary of Prorated Transportation Aid

The four adjustments are added to the base payment to get the allocation for each district. In order to keep the total statewide payment to the amount earmarked for such purposes in item 200502, Pupil Transportation, the percentage the appropriation amount is of the current year's total allocation is applied to each district's allocation. The calculation of the prorated transportation payment for each school district is summarized below.

Calculation of Transportation Payment per School District
District's transportation allocation = Base payment +
Nontraditional rider adjustment + High school adjustment + Short distance adjustment + Efficiency adjustment
Total statewide allocation = Sum of all district allocations
Adjustment percentage = (Earmarked appropriation)/(Total statewide allocation)
District's prorated transportation payment = (District's transportation allocation) x (Adjustment percentage)

Supplemental Transportation Payment

The budget requires a supplemental transportation payment be granted to districts with both wealth per pupil and bus ridership density at or below the state median. Wealth per pupil is measured using the same wealth measure previously used in the calculation of parity aid, which incorporates both income and property value. Qualifying districts are paid the difference between the full calculated amount for transportation and the prorated payment the district would otherwise receive, phased in at 30% in FY 2010 and 70% in FY 2011. The calculation of the supplemental transportation payment for each school district is summarized below.

Calculation of Supplemental Transportation Aid per School District
District's wealth per pupil = $\frac{2}{3}$ x Per pupil property wealth + $\frac{1}{3}$ x Per pupil income wealth
If (District's wealth per pupil \leq State median wealth per pupil) and (District bus ridership density \leq State median bus ridership density), then FY 2010 Supplemental transportation aid =
(District's transportation allocation – District's prorated transportation payment) x 0.3
If (District's wealth per pupil \leq State median wealth per pupil) and (District bus ridership density \leq State median bus ridership density), then FY 2011 Supplemental transportation aid =
(District's transportation allocation – District's prorated transportation payment) x 0.7

Career-Technical Education Aid

As mentioned above, each district is provided funding for career-technical education equal to 100.75% of the amount received for career-technical education in the prior year. The calculation of career-technical education aid for each school district is summarized below.

Calculation of Career-Technical Education Aid per School District
FY 2010 Career-technical education aid = District's FY 2009 career-technical education aid x 1.0075
FY 2011 Career-technical education aid = District's FY 2010 career-technical education aid x 1.0075

Transitional Aid

Transitional aid has been provided to districts since FY 2004 to ease the transition when new funding methods are introduced. Likewise, the budget provides transitional aid to districts in FY 2010 to guarantee 99% of their FY 2009 state aid. In FY 2011, transitional aid guarantees districts 98% of their FY 2010 state aid. The supplemental transportation payment is not included in a district's state aid for a fiscal year when determining whether the district is eligible for transitional aid.

Calculation of Transitional Aid per School District
If (state share of adequacy amount + prorated transportation payment + career-technical education aid) $<$ 0.99 x (FY 2009 state aid), then $\text{FY 2010 transitional aid} = 0.99 \times (\text{FY 2009 state aid}) - (\text{state share of adequacy amount} + \text{prorated transportation payment} + \text{career-technical education aid})$
If (state share of adequacy amount + prorated transportation payment + career-technical education aid) \geq 0.99 x (FY 2009 state aid), then $\text{FY 2010 transitional aid} = 0$
If (state share of adequacy amount + prorated transportation payment + career-technical education aid) $<$ 0.98 x (FY 2010 total state aid – FY 2010 supplemental transportation payment), then $\text{FY 2011 transitional aid} = 0.98 \times (\text{FY 2010 state aid} - \text{FY 2010 supplemental transportation payment}) - (\text{state share of adequacy amount} + \text{prorated transportation payment} + \text{career-technical education aid})$
If (state share of adequacy amount + prorated transportation payment + career-technical education aid) \geq 0.98 x (FY 2010 total state aid – FY 2010 supplemental transportation payment), then $\text{FY 2011 transitional aid} = 0$

Additional Transitional Aid

In FY 2011, an additional transitional aid payment is calculated for districts who qualified for the supplemental transportation payment in FY 2010. This additional transitional aid guarantees districts 98% of their FY 2010 state aid, including the supplemental transportation payment.

Calculation of FY 2011 Additional Transitional Aid per School District
<p>If (state share of adequacy amount + prorated transportation payment + career-technical education aid + supplemental transportation payment) < 0.98 x (FY 2010 total state aid), then</p> <p style="text-align: center;">FY 2011 additional transitional aid = 0.98 x (FY 2010 state aid) – (state share of adequacy amount + prorated transportation payment + career-technical education aid + supplemental transportation payment)</p>
<p>If (state share of adequacy amount + prorated transportation payment + career-technical education aid + supplemental transportation payment) = > 0.98 x (FY 2010 total state aid), then</p> <p style="text-align: center;">FY 2011 additional transitional aid = 0</p>

Total School District State Aid – Growth Cap

Total school district state aid under the budget is equal to the sum of the state share of the adequacy amount, the prorated transportation payment, the supplemental transportation payment, career-technical education aid, and transitional aid.³ However, the combined state share of the adequacy amount and the prorated transportation payment is subject to a growth cap of 0.75% in FY 2010 and in FY 2011. The supplemental transportation payment and career-technical education aid are not subject to the growth cap. The calculation of total state aid for each school district is summarized below.

Calculation of Total State Aid per School District
<p style="text-align: center;">FY 2010 Total state aid = Lesser of</p> <ol style="list-style-type: none"> 1. State share of adequacy amount + Prorated transportation payment + Supplemental transportation payment + Career-technical education aid + Transitional aid; or 2. 1.0075 x (FY 2009 total state aid – FY 2009 career-technical education aid) + Supplemental transportation payment + Career-technical education aid
<p style="text-align: center;">FY 2011 Total state aid = Lesser of</p> <ol style="list-style-type: none"> 1. State share of adequacy amount + Prorated transportation payment + Supplemental transportation payment + Career-technical education aid + Transitional aid; or 2. 1.0075 x (FY 2010 total state aid – FY 2010 career-technical education aid) + Supplemental transportation payment + Career-technical education aid

³ For districts receiving transitional aid in FY 2010, total state aid is equal to 99% of FY 2009 state aid plus any supplemental transportation payment. For districts receiving transitional aid in FY 2011, total state aid is equal to 98% of FY 2010 state aid plus any supplemental transportation payment.

Community Schools

As stated previously, all students are counted in the school district in which they reside for funding purposes, including those who are educated outside of their home district, such as community school students. Funding for community schools is provided as a per pupil deduction from each community school student's district of residence. There is no local share for community schools since they do not have taxing authority. The formula for computing state aid for community schools is similar to that used in prior years and is described below. As under prior law, the budget continues to base community school ADM on a monthly count during the current fiscal year.

Base Cost Funding for Community Schools

As in prior years, community schools are provided base cost funding, which includes a base cost formula amount plus the base funding supplements. The budget establishes the formula amount as \$5,718 for FY 2010 and \$5,703 for FY 2011 and sets the base funding supplements as \$50.91 for both FY 2010 and FY 2011, which was the amount specified for FY 2009. The calculation of base cost funding for community schools is summarized below.

Calculation of Base Cost Funding per Community School
FY 2010 Base cost funding = Community school ADM x (\$5,718 + \$50.91) = Community school ADM x (\$5,768.91)
FY 2011 Base cost funding = Community school ADM x (\$5,703 + \$50.91) = Community school ADM x (\$5,753.91)

Special Education Weighted Funding for Community Schools

As in prior years, community schools are provided additional weighted funding for special education. Special education weighted ADM is calculated using the weights and categories used in FY 2009. The weighted ADM is then multiplied by \$5,732 for both FY 2010 and FY 2011. The calculation of special education weighted funding for community schools is summarized below.

Calculation of the Special Education Weighted Student ADM per Community School
Category 1 weighted ADM = (category 1 ADM) x 0.2892
Category 2 weighted ADM = (category 2 ADM) x 0.3691
Category 3 weighted ADM = (category 3 ADM) x 1.7695
Category 4 weighted ADM = (category 4 ADM) x 2.3646
Category 5 weighted ADM = (category 5 ADM) x 3.1129
Category 6 weighted ADM = (category 6 ADM) x 4.7342
Total special education weighted ADM = (Sum of special education weighted ADM for categories 1 through 6) x 0.9

Calculation of Special Education Weighted Funding per Community School
Special education weighted funding = Total special education weighted ADM x \$5,732

Career-Technical Education Weighted Funding for Community Schools

Community schools are provided additional weighted funding for career-technical education. Weighted ADM is calculated in the same manner as in prior years. The weighted ADM is then multiplied by \$5,732 for both FY 2010 and FY 2011. The calculation of career-technical education weighted funding for community schools is summarized below.

Career-Technical Education Weights for Community Schools	
Category	Weights
Job training and workforce development	0.57
Vocational education other than job training and workforce development	0.28

Calculation of the Career-Technical Education Weighted Student ADM per Community School
Total career-technical education weighted ADM =
(Job training and workforce development ADM x 0.57) +
(Other vocational education ADM x 0.28)

Calculation of Career-Technical Education Weighted Funding per Community School
Career-technical education weighted funding = Total career-technical education weighted ADM x \$5,732

Other Funding for Community Schools

In addition to base cost funding, special education weighted funding, and career-technical education weighted funding, community schools are provided funding for poverty-based assistance and parity aid. As in prior years, only traditional "brick and mortar" community schools, not e-schools, are eligible to receive this funding. E-schools are schools where instruction is primarily computer-based.

Generally, the per pupil amount to be deducted from a school district in FY 2010 and FY 2011 and transferred to a community school for parity aid and poverty-based assistance is equal to the per pupil amount paid to the respective school district for FY 2009. The all-day kindergarten portion of poverty-based assistance, however, is paid a bit differently. For each community school student entitled to attend school in a district that was eligible for all-day kindergarten payments in FY 2009, a community school will be paid one half of the base cost formula amount in each year, or \$2,859 for FY 2010 (\$5,718 x 0.5) and \$2,851.50 for FY 2011 (\$5,703 x 0.5). If the district in which the student is entitled to attend school received a payment for all-day kindergarten in FY 2009, the amount for FY 2010 and FY 2011 will be deducted from the district's state

education aid in that year. If the district in which the student is entitled to attend school did not receive a payment for all-day kindergarten in FY 2009, the amount for FY 2010 and FY 2011 will be paid by the state.

Summary of State Aid for Community Schools

The total amount of state aid for community schools is calculated by adding together the different types of aid, except that e-schools do not receive funding for poverty-based assistance or parity aid. The calculation is summarized below.

Calculation of State Aid for Community Schools
State aid for community schools =
Base cost funding +
Special education weighted funding +
Career-technical education funding +
Poverty-based assistance (including all-day kindergarten funding) +
Parity aid

Future Model Adjustments

The budget creates the Ohio School Funding Advisory Council to make recommendations for future revisions to the adequacy amount components described above in order to keep the funding model relevant in future biennia. The Council is also authorized to address strategies and incentives to promote school cost-saving measures and efficiencies, options for adding learning time to the school year, options to encourage school districts with a performance rating of "excellent" to go beyond state standards and aspire to higher international norms, the adequacy of the funding model's accounting for and financing of operation costs, and the accuracy of the funding model's component calculations and the model as a whole. The Council is directed to meet at least quarterly, and by December 1, 2010 and thereafter on the first of July in every even-numbered year, the Council must present its recommendations to the Governor, the State Board of Education, the General Assembly, and the public.

Joint Vocational School District Funding

For the FY 2010-FY 2011 biennium, the budget specifies that each joint vocational school district (JVSD) receive an increase of 0.75% over the prior year's funding in each year. In previous years, JVSDs were funded using a parallel formula to that used for regular school districts. The Ohio School Funding Advisory Council must study current JVSD programming and funding and include recommendations for revisions to JVSD programming and funding in their first report to be issued by December 1, 2010.

Conversion Levies

The budget offers certain school districts the option of proposing a new type of property tax levy to their voters. This new levy option is called a conversion levy because it converts existing current expense levies, which are fixed-rate levies and subject to H.B. 920 tax reduction factors, to a fixed-sum levy, which is much like the emergency levy currently being used in many districts. Adopting a conversion levy would allow districts to drop their class 1 (residential and agricultural) real property current expense millage down to the H.B. 920 floor of 20 mills. Once the millage reaches the floor, H.B. 920 tax reduction factors no longer have an effect, so that tax revenues on these 20 current expense mills increase when class 1 real property values increase due to inflation. Tax revenues received from the conversion levy itself will not increase with inflation. A fixed-sum levy such as the conversion levy is designed to raise a fixed sum of revenue each tax year regardless of the property value in the district.

The budget would hold harmless school districts for the revenue losses that would result from the conversion levy. Under the Ohio Constitution, if levy millage is reduced, the full levy must be reduced, including the gross millage rate (charged to public utility tangible property), the class 2 millage rate (charged to commercial and industrial real property), and the class 1 millage rate. Tax rates for class 1 and class 2 must stay proportional to the tangible rate. Furthermore, generally for any given levy, the gross millage rate and the class 2 millage rate are higher than the class 1 millage rate. Therefore, if the class 1 millage rate is reduced to be replaced by a conversion levy, the class 2 and gross millage rates must also be reduced, generally to a greater degree than the class 1 rate. School districts will be reimbursed for the amount of tax revenue lost from commercial and industrial real property and public utility tangible property, phased out over the course of 13 years in increments equal to half of the inflationary revenue growth recognized in class 1 property due to the suspension of H.B. 920 tax reduction factors.

Other Major Budget Issues

Extended School Year

The budget directs the Superintendent of Public Instruction to report recommendations on extending the school year to the General Assembly by December 31, 2010. For the 2010-2011 school year, school districts are directed to reduce from five to three the number of "calamity days." Calamity days are days school districts are permitted to waive if necessary for school closings for specific purposes such as weather.

All-Day Kindergarten

As discussed above, all kindergarten students will be counted as "1," rather than "0.5," in ADM beginning in FY 2010 regardless of whether they receive full-day or half-day kindergarten services. However, by FY 2011 all districts are required to provide all-day kindergarten, although they must continue to accommodate kindergartners whose parents or guardians elect to enroll them only for half-day services. Districts are permitted to use space in a child day-care center licensed by the Department of Job and Family Services to provide all-day kindergarten to district students. The budget also eliminates the ability of districts to charge tuition or fees for all-day kindergarten services after FY 2011. For FY 2010 and FY 2011, districts are permitted to charge tuition at the same per student rate charged in FY 2009. A district can apply for a waiver of the requirement to provide all-day kindergarten from the Superintendent of Public Instruction, who may take into consideration space concerns and alternative delivery approaches when considering a waiver application.

Family and Civic Engagement

The budget requires each school district, and permits community schools and STEM schools, to appoint a family and civic engagement team. The teams will consist of parents, health and human services representatives, representatives of local businesses, and other community members. Responsibilities of the teams include working with local county family and children first councils to recommend qualifications and responsibilities to be included in the job description for family and community engagement coordinators, developing a five-year family and community engagement plan, and providing annual progress reports to the family and children first council.

Educator Quality

Teach Ohio

The budget directs the Chancellor of the Board of Regents and the Superintendent of Public Instruction to establish and administer the Teach Ohio program. The purpose of Teach Ohio is to promote and encourage citizens of Ohio to consider teaching as a profession. As described below, Teach Ohio includes the Ohio Teaching Fellows Program, the Ohio Teacher Residency Program, and alternative licensure procedures.

Ohio Teaching Fellows Program

The budget directs the Chancellor, in conjunction with the Superintendent and with the cooperation of teacher training institutions, to establish and administer the Ohio Teaching Fellows Program to promote and encourage high school seniors to become teachers. The program provides scholarships for students who commit to four

years of teaching in a hard-to-staff school or a school in academic watch or emergency within seven years of graduating from college. The budget specifies that the program is to be established if the Chancellor determines that sufficient funds are available, and the budget appropriates \$2.5 million to the Board of Regents, appropriation item 235442, Teacher Fellowship, for the Ohio Teaching Fellows Program in FY 2011.

Ohio Teacher Residency Program

The budget directs the Superintendent and the Chancellor to establish the Ohio Teacher Residency Program by January 1, 2011. Based on the concept of a medical residency program, the Ohio Teacher Residency Program is a four-year, entry-level program for classroom teachers which includes mentoring by lead teachers, counseling regarding needed professional development, and measures of appropriate progression through the program. The budget also directs the Educator Standards Board to develop a method of measuring the academic improvement of individual students over a one-year time period and to make recommendations incorporating the measurement into the evaluation criteria for the Ohio Teacher Residency Program.

Alternative Licensure

The budget makes several changes to the existing requirements surrounding alternative licensure which allows mid-career professionals a means of becoming a teacher. One significant change is the requirement that applicants for alternative licensure must complete a pedagogical training institute which is to be developed by the Superintendent and the Chancellor. The institute is a six-week intensive learning experience in topics such as student development, assessment procedures, and classroom management. Previously, applicants for alternative licensure were required to have successfully completed three semester hours in coursework relating to teaching methods and three semester hours relating to the developmental characteristics of youth.

Additionally, the budget grants the alternative resident educator license for a term of four years for teaching in grades four to twelve. Previously such licenses were granted for a period of two years in grades seven to twelve. Teachers granted alternative resident educator licenses, as with other entry-level teachers, are required to participate in the Ohio Teacher Residency Program as well. The State Board of Education is permitted to extend the alternative resident educator license on a case-by-case basis to enable completion of the Ohio Teacher Residency Program.

Teacher Licenses

The budget revises the educator licensing frameworks. The new licensing framework is to be effective for newly licensed teachers beginning January 1, 2011. The four distinct licenses available are:

1. **Resident Educator License** – four-year, nonrenewable license for which the minimum requirements are a bachelor's degree from a teacher preparation program, however the State Board of Education is permitted to extend the resident educator license on a case-by-case basis to enable completion of the Ohio Teacher Residency Program;
2. **Professional Educator License** – five-year, renewable license for which the minimum requirements are a bachelor's degree and successful completion of the Ohio Teacher Residency Program;
3. **Senior Professional Educator License** – five-year, renewable license for which the minimum requirements are a master's degree, previous receipt of a Professional Educator License, and meeting the "Accomplished" or "Distinguished" criteria in the Educator Standards Board's teacher standards; and
4. **Lead Professional Educator License** – five-year, renewable license for which the minimum requirements are a master's degree, previous receipt of a Professional or Senior Professional Educator license, meeting the "Accomplished" or "Distinguished" criteria in the Educator Standards Board's teacher standards, and either certification from the National Board for Professional Teaching Standards or meeting the Educator Standards Board's criteria for a lead teacher.

As with the Ohio Teacher Residency Program, the budget directs the Educator Standards Board to develop a method of measuring the academic improvement of individual students over a one-year time period and to make recommendations incorporating the measurement into the evaluation criteria for eligibility for teacher licensure.

Teacher Tenure

The budget revises the qualifications necessary for teacher tenure. For teachers licensed after January 1, 2011, to be eligible for tenure a teacher must hold a professional, senior professional, or lead professional educator license; have held an educator license for at least seven years; and have completed 30 semester hours of related coursework since initial licensure if the teacher did not have a master's degree when originally licensed, or six semester hours of related coursework if the teacher did have a master's degree when originally licensed. Currently, to gain tenure, a teacher must hold a professional, permanent, or life educator license; and have completed 30 semester hours of related coursework since initial licensure if the teacher did not have a master's degree when originally licensed, or six semester hours of related coursework if the teacher did have a master's degree when originally licensed.

Standards and Accountability

Standards and Curricula

The budget requires the State Board of Education, by June 30, 2010, and at least once every five years, to adopt new statewide academic standards for all grades in English language arts, math, science, and social studies. These new standards must specifically provide for:

1. Skill sets related to creativity and innovation, critical thinking and problem solving, and communication and collaboration;
2. Skill sets that promote information, media, and technological literacy;
3. Skill sets that promote productivity and accountability, and leadership and responsibility;
4. Interdisciplinary, project-based real world learning opportunities; and
5. Skills that promote personal management.

After completing the above standards, the State Board is also required to adopt standards and model curricula for instruction in computer literacy, financial literacy and entrepreneurship, fine arts, and foreign language for grades kindergarten through twelve. The budget provides \$5.3 million in each fiscal year in appropriation item 200427, Academic Standards, for development and implementation of academic standards and model curricula.

Assessments

The budget requires the State Board of Education to develop revised state assessments that reflect the new academic standards discussed above. The State Board must replace each of the current achievement tests in grades three through eight with a new assessment, except that the individual assessments in reading and writing are to be combined into a single English language arts assessment (reducing the total number of assessments by two). The combined English language arts assessment is delayed until a date to be set by the State Board. In addition, the reported levels of achievement on assessments are reduced from five to three by eliminating the accelerated and basic levels and retaining only the advanced, proficient, and limited skill levels. This reduction in achievement levels is also delayed until a date to be set by the State Board. The budget also repeals the current law restrictions on the dates and times for administering each assessment and instead requires the Superintendent of Public Instruction to designate these dates and times.

The budget also requires the State Board, Superintendent, and the Chancellor of the Board of Regents to develop a new three-part high school assessment system to replace the Ohio Graduation Test (OGT). The three-part assessment is to be used to

determine whether a student is ready to graduate with a high school diploma and is college or career ready. The three assessments are:

1. A nationally standardized college readiness assessment to measure student competencies in science, math, and language arts;
2. End-of-course exams in the areas of science, mathematics, language arts, and social studies; and
3. A senior project to be completed individually or by a group of students.

The State Board must adopt rules for the implementation of this new high school assessment system, which may include a timeline to phase-in the assessments if deemed necessary by the State Board. Additionally, the Superintendent must present the new assessment system to the House and Senate education committees at least 45 days prior to the adoption of a resolution by the State Board directing the rules implementing the system be filed.

Early Childhood Education

Transfer of Authority for Early Childhood Programs

The budget plans to transfer the authority and responsibility for early childhood programs and services, beginning with prenatal care through entry into kindergarten, from other state agencies to ODE. The budget directs the Superintendent of Public Instruction, in partnership with the Governor, to create the Center for Early Childhood Development, comprised of staff from ODE, the Ohio Department of Job and Family Services (ODJFS), the Ohio Department of Health (ODH), and any other state agency as determined necessary. The Superintendent, in partnership with the Governor, is to hire a Director of the Center, who must research and make recommendations regarding the transfer of responsibility and the coordination of early childhood programs and services. The Director of the Early Childhood Cabinet is directed to submit the recommendations to the Superintendent and Governor by December 31, 2009. The budget does not include a specific appropriation for the Center and the transfer of services, but instead allows the Director of Budget and Management to seek Controlling Board approval to create new funds and non-GRF appropriation items, transfer cash between funds, or transfer the appropriation within the same fund of the same agency to support the preparation and implementation of the recommendations.

Additionally, the budget creates the Early Childhood Advisory Council, with members appointed by the Governor, to serve as the federally mandated State Advisory Council on Early Childhood Education and Care. The Council is also to advise on the creation and duties of the Center for Early Childhood Development. Furthermore, the Council is directed to establish an Early Childhood Financing Workgroup to develop recommendations relating to a single financing system for early care and education

programs. The Workgroup is to submit recommendations to the Governor by December 31, 2009.

Vetoed Provisions

Educational Service Center Annexation and Severances

The Governor vetoed provisions of the budget placing a two-year moratorium on all transfers of school districts from the territory of one educational service center (ESC) to another and revising the procedures for dismantling an ESC if all associated school districts annex to a different ESC.

Business Education Standards

The budget directs the State Board of Education to adopt standards for business education in grades kindergarten through twelve. The Governor vetoed the date by which the standards were to be developed, July 1, 2010.

Educational Choice Scholarships

The Governor vetoed a provision of the budget allowing a student to participate in the Educational Choice Scholarship program if the building in which they are enrolled or to which they would be assigned is new, has been open for at least one year, and has at least 75% of its students coming from a building that was in academic watch or academic emergency for at least two of the past three years.

Additionally, the budget set the maximum Educational Choice Scholarship program scholarship amount to \$4,500 for grades kindergarten through eight, and \$5,300 for grades nine through twelve, eliminating the annual increase in the amount that had been in place since FY 2007 under prior law. The Governor partially vetoed this provision, maintaining the elimination of the annual increase, but reducing the maximum to the FY 2007 level of \$4,200 for grades kindergarten through eight, and \$5,000 for grades nine through twelve.

School Employees Health Care Board

The Governor vetoed a provision transferring the School Employees Health Care Board from the Department of Administrative Services to ODE.

Early Learning Initiative

The budget contained language defining the Early Learning Initiative (ELI) and outlining eligibility and administration of the program, as has been contained in previous budgets. The Governor vetoed the language, thus discontinuing the ELI program.

Additionally, the Governor vetoed a provision requiring certain early learning providers who received start-up funds from the GRF in FY 2004 or FY 2005 when the state's early learning program, Head Start/Head Start Plus, was first funded primarily

with federal TANF funds, to reimburse the GRF for those start-up funds by the end of FY 2019.

Community School Calamity Days

The Governor vetoed a provision directing ODE to waive the number of hours that a community school is closed for a public calamity as long as the school provides the minimum number of learning opportunities in a school year.

Tangible Personal Property Tax Reimbursements Phase-Out

The budget contained a provision that would fully reimburse school districts for tangible personal property tax revenue losses due to the phase-out that was part of the tax reform package in Am. Sub. H.B. 66 in perpetuity, as opposed to phasing down reimbursements from FY 2012 to FY 2018. The Governor retained the provision continuing full reimbursement, and thus holding districts harmless, through FY 2013, but vetoed the language such that the phase-down in reimbursements returns to its original plan beginning in FY 2014.

School Management Assistance

The Governor vetoed an earmark of line item 200422, School Management Assistance, for \$1,279,948 in FY 2010 and \$1,500,000 in FY 2011 for the Auditor of State to provide performance audits.

ANALYSIS OF ENACTED BUDGET

Introduction

This section provides an analysis of the funding contained in the budget for each appropriation item in EDU's budget. In this analysis, EDU's line items are grouped into 11 major categories. For each category a table is provided listing the appropriation in each fiscal year of the biennium. Following the table, a narrative describes how the appropriation is used and any changes affecting the appropriation that are contained in the budget. If the appropriation is earmarked, the earmarks are listed and described. The 11 categories used in this analysis are as follows:

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

To aid the reader in finding each item in the analysis, the following table shows the category in which each appropriation has been placed, listing the line items in order within their respective fund groups and funds. This is the same order the line items appear in the budget bill.

Categorization of EDU's Appropriation Line Items for Analysis of the Enacted Budget			
Fund	ALI and Name		Category
General Revenue Fund Group			
GRF	200100	Personal Services	11: State Administration
GRF	200320	Maintenance and Equipment	11: State Administration
GRF	200408	Early Childhood Education	7: Early Childhood Education
GRF	200416	Career-Technical Education Match	1: Basic Public School Support
GRF	200420	Computer/Application/Network Development	11: State Administration
GRF	200421	Alternative Education Programs	6: Academic Achievement
GRF	200422	School Management Assistance	5: School Operations Support
GRF	200424	Policy Analysis	10: Curriculum, Assessment, and Accountability
GRF	200425	Tech Prep Consortia Support	3: Educational Enhancements
GRF	200426	Ohio Educational Computer Network	5: School Operations Support
GRF	200427	Academic Standards	10: Curriculum, Assessment, and Accountability
GRF	200431	School Improvement Initiatives	6: Academic Achievement
GRF	200437	Student Assessment	10: Curriculum, Assessment, and Accountability
GRF	200439	Accountability/Report Cards	10: Curriculum, Assessment, and Accountability
GRF	200442	Child Care Licensing	7: Early Childhood Education
GRF	200446	Education Management Information System	10: Curriculum, Assessment, and Accountability
GRF	200447	GED Testing	8: Adult Education
GRF	200448	Educator Preparation	9: Educator Quality
GRF	200455	Community Schools	1: Basic Public School Support
GRF	200457	STEM Initiatives	6: Academic Achievement
GRF	200458	School Employees Health Care Board	5: School Operations Support
GRF	200502	Pupil Transportation	1: Basic Public School Support
GRF	200505	School Lunch Match	5: School Operations Support
GRF	200511	Auxiliary Services	4: Nonpublic School Support
GRF	200532	Nonpublic Administrative Cost Reimbursement	4: Nonpublic School Support
GRF	200540	Special Education Enhancements	3: Educational Enhancements
GRF	200545	Career-Technical Education Enhancements	3: Educational Enhancements
GRF	200550	Foundation Funding	1: Basic Public School Support
GRF	200551	Foundation Funding – Federal Stimulus	1: Basic Public School Support
GRF	200578	Violence Prevention and School Safety	6: Academic Achievement
GRF	200901	Property Tax Allocation – Education	2: Property Tax Reimbursements

Categorization of EDU's Appropriation Line Items for Analysis of the Enacted Budget		
Fund	ALI and Name	Category
General Services Fund Group		
1380	200606 Computer Services – Operational Support	11: State Administration
4520	200638 Miscellaneous Educational Services	11: State Administration
4L20	200681 Teacher Certification and Licensure	9: Educator Quality
5960	200656 Ohio Career Information System	3: Educational Enhancements
5H30	200687 School District Solvency Assistance	5: School Operations Support
Federal Special Revenue Fund Group		
3090	200601 Educationally Disadvantaged Programs	3: Educational Enhancements
3670	200607 School Food Services	5: School Operations Support
3680	200614 Veterans' Training	8: Adult Education
3690	200616 Career-Technical Education Federal Enhancement	3: Educational Enhancements
3700	200624 Education of Exceptional Children	3: Educational Enhancements
3740	200647 Troops to Teachers	9: Educator Quality
3780	200660 Learn and Serve	6: Academic Achievement
3AF0	200603 Schools Medicaid Administrative Claims	3: Educational Enhancements
3AN0	200671 School Improvement Grants	6: Academic Achievement
3AX0	200698 Improving Health and Educational Outcomes of Young People	6: Academic Achievement
3BK0	200628 Longitudinal Data Systems	10: Curriculum, Assessment, and Accountability
3BV0	200636 Character Education	6: Academic Achievement
3C50	200661 Early Childhood Education	7: Early Childhood Education
3CF0	200644 Foreign Language Assistance	6: Academic Achievement
3CG0	200646 Teacher Incentive Fund	9: Educator Quality
3D10	200664 Drug Free Schools	6: Academic Achievement
3D20	200667 Honors Scholarship Program	9: Educator Quality
3DJ0	200699 IDEA Part B – Federal Stimulus	1: Basic Public School Support
3DK0	200642 Title IA – Federal Stimulus	1: Basic Public School Support
3DL0	200650 IDEA Preschool – Federal Stimulus	7: Early Childhood Education
3DM0	200651 Title IID Technology – Federal Stimulus	3: Educational Enhancements
3DP0	200652 Title I School Improvement – Federal Stimulus	6: Academic Achievement
3H90	200605 Head Start Collaboration Project	7: Early Childhood Education
3L60	200617 Federal School Lunch	5: School Operations Support
3L70	200618 Federal School Breakfast	5: School Operations Support
3L80	200619 Child/Adult Food Programs	5: School Operations Support
3L90	200621 Career-Technical Education Basic Grant	1: Basic Public School Support
3M00	200623 ESEA Title 1A	1: Basic Public School Support
3M10	200678 Innovative Education	3: Educational Enhancements

Categorization of EDU's Appropriation Line Items for Analysis of the Enacted Budget			
Fund	ALI and Name		Category
3M20	200680	Individuals with Disabilities Education Act	1: Basic Public School Support
3S20	200641	Education Technology	3: Educational Enhancements
3T40	200613	Public Charter Schools	5: School Operations Support
3Y20	200688	21st Century Community Learning Centers	6: Academic Achievement
3Y40	200632	Reading First	6: Academic Achievement
3Y60	200635	Improving Teacher Quality	9: Educator Quality
3Y70	200689	English Language Acquisition	6: Academic Achievement
3Y80	200639	Rural and Low Income Technical Assistance	3: Educational Enhancements
3Z20	200690	State Assessments	10: Curriculum, Assessment, and Accountability
3Z30	200645	Consolidated Federal Grant Administration	11: State Administration
3Z70	200697	General Supervisory Enhancement Grant	11: State Administration
State Special Revenue Fund Group			
4540	200610	Guidance and Testing	8: Adult Education
4550	200608	Commodity Foods	5: School Operations Support
4R70	200695	Indirect Operational Support	11: State Administration
4V70	200633	Interagency Operational Support	11: State Administration
5980	200659	Auxiliary Services Reimbursement	4: Nonpublic School Support
5BB0	200696	State Action for Education Leadership	9: Educator Quality
5BJ0	200626	Half-Mill Maintenance Equalization	1: Basic Public School Support
5U20	200685	National Education Statistics	10: Curriculum, Assessment, and Accountability
5W20	200663	Early Learning Initiative	7: Early Childhood Education
5X90	200911	NGA STEM	6: Academic Achievement
6200	200615	Educational Improvement Grants	11: State Administration
Lottery Profits Education Fund Group			
7017	200612	Foundation Funding	1: Basic Public School Support
Revenue Distribution Fund Group			
7047	200909	School District Property Tax Replacement – Business	2: Property Tax Reimbursements
7053	200900	School District Property Tax Replacement – Utility	2: Property Tax Reimbursements

Basic Public School Support

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

Appropriations for Basic Public School Support				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200416	Career-Technical Education Match	\$ 2,233,195	\$ 2,233,195
GRF	200455	Community Schools	\$ 1,000,000	\$ 1,000,000
GRF	200502	Pupil Transportation	\$ 448,022,619	\$ 462,822,619
GRF	200550	Foundation Funding	\$ 5,130,669,418	\$ 4,746,289,372
GRF	200551	Foundation Funding – Federal Stimulus	\$ 387,583,913	\$ 457,449,362
General Revenue Fund Subtotal			\$ 5,969,509,145	\$ 5,669,794,548
Federal Special Revenue Fund (FED)				
3DJ0	200699	IDEA Part B - Federal Stimulus	\$ 218,868,026	\$ 218,868,026
3DK0	200642	Title 1A - Federal Stimulus	\$ 186,336,737	\$ 186,336,737
3L90	200621	Career-Technical Education Basic Grant	\$ 48,029,701	\$ 48,029,701
3M00	200623	ESEA Title 1A	\$ 530,000,000	\$ 530,010,000
3M20	200680	Individuals with Disabilities Education Act	\$ 413,391,594	\$ 421,241,163
Federal Special Revenue Fund Subtotal			\$ 1,396,626,058	\$ 1,404,485,627
State Special Revenue Fund (SSR)				
5BJ0	200626	Half-Mill Maintenance Equalization	\$ 16,100,000	\$ 16,600,000
State Special Revenue Fund Subtotal			\$ 16,100,000	\$ 16,600,000
Lottery Profits Education Fund (LPE)				
7017	200612	Foundation Funding	\$ 990,236,905	\$ 1,277,271,428
Lottery Profits Education Fund Subtotal			\$ 990,236,905	\$ 1,277,271,428
Total Funding: Basic Public School Support			\$ 8,372,472,108	\$ 8,368,151,603

Foundation Funding (200550, 200551, and 200612)

The budget appropriates an increase of \$7.6 million (0.1%) in FY 2010 and a decrease of \$27.5 million (-0.4%) in FY 2011 for these three line items combined. These items are the main source of state foundation payments, as calculated by the school funding model, to all school districts, community schools, and joint vocational school districts in the state. Allocations are based on the school foundation formulas, and are administered by ODE, with the approval of the Controlling Board. The amounts paid to each eligible district are determined under guidelines contained in the Revised Code and temporary law in the budget bill. Appropriation item 200550 also includes earmarks, which are listed in the following table.

200550, Foundation Funding		
Earmarks	FY 2010	FY 2011
Juvenile Court Payments	\$ 425,000	\$ 425,000
Payments for Valuation Adjustments	\$ 15,000,000	\$ 15,000,000
ESC Gifted Education Units	\$ 8,100,000	\$ 8,100,000
Catastrophic Cost Supplement	\$ 10,000,000	\$ 10,000,000
Youth Services Tuition	\$ 2,000,000	\$ 2,000,000
Educational Service Centers	\$ 46,400,000	\$ 46,400,000
Private Treatment Facility Project	\$ 1,000,000	\$ 1,000,000
School Choice Cleveland Deduct	\$ 11,901,887	\$ 11,901,887
School Choice Programs	\$ 8,686,000	\$ 8,722,860
Remainder – Foundation Payments	\$ 5,817,992,325	\$ 6,042,541,804

Juvenile Court Payments

These funds are used to help defray the cost of educating children who are placed in a private institution, school, or residential treatment facility by the order of an Ohio court. This earmark is flat funded in FY 2010 and FY 2011.

Payments for Valuation Adjustments

There are various instances specified in sections 3317.026, 3317.027, and 3317.028 of the Revised Code in which an adjustment is made to the amount of state aid paid to a district due to a change in that district's valuation. These payments assist districts facing large, unexpected tax changes. Payments for these adjustments have begun to decrease due to the phase-out of the tangible personal property tax. The budget, therefore, decreases this earmark by \$15.0 million (50%) in FY 2010 and provides flat funding in FY 2011.

ESC Gifted Education Units

These funds are used to provide gifted education services at educational service centers (ESCs). ESC gifted education units were previously funded through line item 200521, Gifted Pupil Program, which has been eliminated. Gifted education provided by school districts is funded as a component of the adequacy amount.

Catastrophic Cost Supplement

This funding is provided to schools to support exceptionally high costs associated with individual special education students. Subject to the amount of funding appropriated, the state reimburses 50% to almost 100% of the cost of providing services above \$27,375 for students in categories two through five and above \$32,850 for students in category six. The budget decreases this earmark by \$10.5 million (51.3%) in FY 2010 and provides flat funding in FY 2011.

Youth Services Tuition

These funds are used for state payments to school districts that are required to pay tuition for a child who is in an institution maintained by the Department of Youth Services, but is not included in his or her resident district's ADM for purposes of state aid calculations. The budget provides flat funding in FY 2010 and FY 2011 for this earmark.

Educational Service Centers

These funds are provided to the 58 educational service centers (ESCs) in Ohio. ESCs provide many services including supervisory services, special education, and gifted education. The state provides \$40.52 per pupil for an ESC serving three or more counties and \$37.00 per pupil for all others. If insufficient funds are appropriated, funds are first paid for students attributable to local school districts within the ESC's territory and then to students attributable to each city and exempted village that entered into an agreement with the ESC. If there are insufficient funds to cover these students, funds are distributed proportionally for students attributable to such city and exempted village districts.

In addition to this direct state funding, each ESC receives a supervisory allowance and an amount per pupil deducted from the state aid provided to each associated school district. All local school districts⁴ are required to be associated with an ESC. Additionally, each district associated with an ESC has at least \$6.50 per pupil deducted for ESC services. An amount is also deducted from associated districts for students receiving special education and related services or career-technical education services from an ESC. School districts and other entities not required to be associated with an ESC may also enter into contracts for services including professional development, technology, and administrative services. This contracted amount negotiated between a school district and an ESC is also deducted from the district's state aid and transferred to the ESC.

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. There are currently four facilities participating in the program. The budget provides flat funding for this earmark in FY 2010 and FY 2011.

⁴ School districts in Ohio are categorized as either local, exempted village, or city.

School Choice Cleveland Deduct

This funding supports the Cleveland Scholarship and Tutoring Program, also known as the Pilot Project Scholarship Program, through a deduction from funding calculated for the Cleveland Municipal School District (CMSD) through the school funding model. This program provides scholarships to students who are residents of CMSD to be used to attend a participating nonpublic school. As of August 2009, there are 43 chartered nonpublic schools registered to participate in the program for the 2009-2010 school year. Scholarship students are not counted in Cleveland's ADM for funding purposes. In addition to scholarships, the program funds tutoring services for students who remain in CMSD. Currently, ODE directly manages the tutoring aspect of the program but the budget allows CMSD to directly expend up to \$1.0 million of the earmarked deduction in each fiscal year for tutoring programs. The budget maintains the total deduction at its FY 2009 level. Any funds that are not needed to cover the costs of the program are disbursed to CMSD.

School Choice Programs

These funds are for operation of school choice programs. The budget provides essentially flat funding for this earmark in FY 2010 and FY 2011. In FY 2009 there was a similar earmark, but specifically for operation of the Cleveland Scholarship and Tutoring Program.

Remainder – Foundation Payments

This funding is provided through the state's school funding formulas to support the general operating expenses of public school districts, STEM schools, community schools, and joint vocational schools. These funds are combined with lottery funding from item 200612 and federal stimulus funding from item 200551 to support the state share of the amount calculated for each school district using the school funding models. A description of these formulas can be found in the Overview section.

Educational Choice Scholarship Pilot Program

Foundation payments also support the Educational Choice Scholarship Pilot Program that awards scholarships that can be used to attend participating nonpublic schools. Scholarship students are counted in their resident district's ADM for the purposes of calculating funding through the school funding model. Under prior law, a deduction of \$2,700 for a kindergarten student or \$5,200 for a student in grades one through twelve was made from the resident district's state aid in order to fund the scholarships. Under the budget, the deduction is \$5,200 for all students since the budget counts kindergarten students as full-time students. The budget decreases the maximum amount of the scholarships to \$4,200 for grades kindergarten through eight and \$5,000 for grades nine through twelve. Under prior law, these were the maximum amounts in FY 2007, but they increased each year by the same percentage increase as

the base cost formula amount per pupil increased, which was 3.0% in both FY 2008 and FY 2009. As a result of these annual increases, the maximum amounts in FY 2009 were about \$4,500 for students in grades kindergarten through eight and \$5,300 for students in grades nine through twelve.

Autism Scholarship Program

Foundation payments also support the Autism Scholarship Program. Scholarship students are counted in their district's ADM for the purposes of the state funding formula. The amount of the scholarship, the lesser of the total fees charged by the alternative provider or \$20,000, is then deducted from the resident district's state aid and paid to the alternative provider.

Post-Secondary Enrollment Options

Finally, foundation payments support the participation of public school students in the Post-Secondary Enrollment Options (PSEO) Program. The PSEO Program allows qualified Ohio high school students to take college courses at state expense for both college and high school credit. Participating students are counted in their resident district's ADM and a deduction is made and transferred to the college or university attended by the students. Previously, the maximum deduction was determined by the base cost formula amount and base funding supplements. Under the budget, this amount is replaced by \$5,732 in FY 2010 and FY 2011.

Pupil Transportation (200502)

This line item supports the operating costs of transporting students to and from school. This includes bus driver training and transportation of regular and special education students. The state requires that districts provide transportation to the district's students as well as to certain community school students and nonpublic students who reside in the district. State transportation requirements only apply to students in grades kindergarten through eight who live more than two miles from the school. However, the state funds transportation service for high school students and for students who live between one and two miles from the school in addition to the transportation services required by the state.

The budget provides increases of \$19.1 million (4.4%) in FY 2010 and \$14.8 million (3.3%) in FY 2011 for pupil transportation.

200502, Pupil Transportation		
Earmarks	FY 2010	FY 2011
Bus Driver Training	\$ 838,930	\$ 838,930
Special Education Transportation	\$ 60,469,220	\$ 60,469,220
Prorated Transportation Aid	\$ 376,914,469	\$ 376,914,469
Remainder – Supplemental Transportation Payments	\$ 9,800,000	\$ 24,600,000

Bus Driver Training

These funds are used by ODE to contract with seven educational service centers and one vocational agency to administer and complete the Ohio Preservice Driver Training Program. The budget provides flat funding in FY 2010 and FY 2011 for this earmark.

Special Education Transportation

This funding is provided to school districts and county MR/DD boards to assist them in providing required transportation services to students with disabilities. The budget provides flat funding in FY 2010 and FY 2011 for this earmark.

Prorated Transportation Aid

Prior to FY 2006, the methodology for distributing funds for transporting students other than special education students was based on a statistical regression model. Am. Sub. H.B. 66 of the 126th General Assembly directed ODE to recommend a new transportation funding formula and gave each district 2% annual increases in transportation funding in FY 2006 and FY 2007, instead of using the formula that was then current. Subsequently, each district received 1% annual increases in FY 2008 and FY 2009. A new formula was approved by the State Board in June 2006 and the budget enacts the State Board recommended transportation formula as described in the Overview section. As described in that section, although the new formula is used for allocation purposes, the total statewide allocation is adjusted to stay within the earmarked amount.

Remainder – Supplemental Transportation Payments

As discussed in the Overview section, for districts with both wealth per pupil (which factors both property value and income) at or below the state median and bus ridership density at or below the state median, a supplemental transportation payment is provided. This payment is equal to the difference between the district's calculated transportation payment and the prorated transportation aid.

Career-Technical Education Grants (200416 and 200621)

The federal funds appropriated in 200621 support the development of academic, vocational, and technical skills of secondary and post-secondary students who enroll in vocational and technical programs. A majority of these funds flow as entitlement grants to JVSs and school districts based on career-technical enrollment. Revenue from this grant is expected to increase by \$2.8 million (6.1%) in FY 2010 and be flat in FY 2011. Funds appropriated in 200416 provide the required state match for the administrative portion of the federal grant.

Community Schools (200455)

Funds appropriated in 200455 are used by ODE to provide oversight and evaluation of community school sponsors. ODE has created a framework that provides ongoing evaluations for every sponsor. Additionally, a portion of the amount appropriated for this line item may be used by ODE to develop and conduct training for community schools, and current and prospective sponsors of community schools. In developing the training sessions, ODE is directed to collect and disseminate examples of best practices used by sponsors of independent charter schools in Ohio and other states. The budget decreases funding in this line item by \$0.2 million (-20.0%) in FY 2010 and provides flat funding in FY 2011.

Individuals with Disabilities Education Act (200680 and 200699)

The federal Individuals with Disabilities Education Act (IDEA) requires that school districts provide a free and appropriate education to all children with disabilities from the age of three to the age of 21. These federal funds are provided to school districts, county developmental disabilities boards, the Ohio State School for the Blind, the Ohio School for the Deaf, the Department of Youth Services, community schools, and chartered nonpublic schools to assist in the provision of this mandated education. With the inclusion of IDEA federal stimulus funds, this funding is expected to increase by \$193.8 million (44.2%) in FY 2010 and \$7.8 million (1.2%) in FY 2011.

ESEA Title I (200623 and 200642)

This federal funding is distributed based on a federal formula to school districts in Ohio. Nearly all Ohio districts receive basic grants, which are based on the state per pupil education expenditure and the number of school-age children from low-income families. Three other types of grants are targeted to districts with high concentrations of poor students. One percent of the grant award is used by ODE to administer the program. Schools use the money they receive to provide educational services to disadvantaged students. Districts who have not made the federal designation of "adequate yearly progress" (AYP) for two years in a row are required to use up to 20% of their allocation to provide transportation to students from failing schools that choose to attend a school in the district that is not failing. After three years of failing to make AYP, districts are required to use up to 20% of their allocation to provide transportation as before and to provide supplemental services to children in failing schools. With the inclusion of Title I federal stimulus funds, this funding is expected to increase by \$216.9 million (43.4%) in FY 2010 and remain essentially flat in FY 2011.

Half-Mill Maintenance Equalization (200626)

School districts participating in the Ohio School Facilities Commission's (SFC) School Building Assistance Program are required to levy one-half mill to help pay for the maintenance costs of their new or renovated buildings. Funds from this line item

are used to provide payments to districts for which the per pupil tax revenues from this half-mill levy are less than the state average. The payments are equal to the difference between the district's yield per pupil and the state average yield per pupil at the time the district enters into the project agreement with SFC. This program is funded through the transfer of excess funds from the School District Property Tax Replacement Fund (Fund 7053) that are not needed to make reimbursement payments to school districts for tax losses incurred as a result of the deregulation of electric and gas utilities as described in the discussion on the next category of line items, Property Tax Reimbursements. If the funds are not needed for the Half-mill Equalization Program, they are used for the School Building Assistance Program. This program began in FY 2007. The budget provides a slight decrease of \$0.2 million (-1.0%) in FY 2010 followed by an increase of \$0.5 million (3.1%) in FY 2011.

Property Tax Reimbursements

This category of appropriations includes reimbursements to school districts for property tax losses due to state tax policy.

Appropriations for Property Tax Reimbursements				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200901	Property Tax Allocation – Education	\$ 1,053,262,363	\$ 1,020,655,157
General Revenue Fund Subtotal			\$ 1,053,262,363	\$ 1,020,655,157
Revenue Distribution Fund (RDF)				
7047	200909	School District Property Tax Replacement – Business	\$ 1,150,207,366	\$ 1,150,207,366
7053	200900	School District Property Tax Replacement – Utility	\$ 91,123,523	\$ 91,123,523
Revenue Distribution Fund Subtotal			\$ 1,241,330,889	\$ 1,241,330,889
Total Funding: Property Tax Reimbursements			\$ 2,294,593,252	\$ 2,261,986,046

Property Tax Allocation – Education (200901)

The state pays 10% of locally levied property taxes for residential and agricultural real property owners and an additional 2.5% for homeowners, thus decreasing property taxes paid by individual property tax payers in Ohio. This provision is often referred to as property tax "rollbacks." This line item funds the rollback reimbursements for school districts and joint vocational school districts. This line item also funds the portion of the Homestead Exemption Program for the elderly and disabled payable to school districts. The Homestead Exemption Program includes all homeowners who are 65 years of age or older or who are disabled, regardless of income. Each homeowner receives an exemption equal to \$8,750 of taxable value (\$25,000 true value). Additionally, the budget contains a new type of school district levy called a conversion levy. As described in the Overview section, a district passing a conversion levy will generally lose Class II real property and public utility personal property tax revenue. The budget reimburses school districts that pass conversion levies for this lost revenue with payments funded by this line item.

Reimbursements paid to districts are expected to increase by \$113.8 million (12.1%) in FY 2010 and decrease by \$32.6 million (-3.1%) in FY 2011.

School District Property Tax Replacement – Business (200909)

Am. Sub. H.B. 66 of the 126th General Assembly started to phase out the tax on general business tangible personal property. This phase-out began in TY 2006 and the tax will be completely phased out by TY 2011. The lost property tax for each district was determined by the Department of Taxation. After the tax is completely phased out, the tax loss will be nearly \$1.2 billion for one year. Districts are compensated for this

loss partially through an increase in state aid (the state education aid offset).⁵ H.B. 66 also created the Commercial Activity Tax (CAT). A portion of the revenues from the CAT is deposited into RDF Fund 7047. The funds provide direct reimbursements to districts for the value of the loss above the increase in state aid. Under the budget, these reimbursements are expected to increase by \$350.7 million (43.9%) in FY 2010 and remain flat in FY 2011.

School District Property Tax Replacement – Utility (200900)

Am. Sub. S.B. 3 and Am. Sub. S.B. 287 of the 123rd General Assembly deregulated electric and natural gas utilities in Ohio, reduced the property tax assessment rates on utility property, and created new taxes on utility output. A portion of the revenues from these new taxes is deposited into RDF Fund 7053. The decrease in assessment rates decreased the property valuation and property tax receipts of school districts containing utility property. The lost property tax for each district was determined by the Department of Taxation. In total, the tax loss was \$198 million for one year. Districts are compensated for this loss partially through an increase in state aid (the state education aid offset). These funds provide direct reimbursements to districts for the value of the loss above the increase in state aid. All school districts were completely reimbursed for these losses for five years, from FY 2002 to FY 2006. Starting in FY 2007, however, only districts whose tax loss, inflated to current dollars, is greater than their increase in state aid from FY 2002 continue to receive direct reimbursement payments. Also, all joint vocational school districts continue to receive direct reimbursements. This reimbursement is expected to increase by \$8.8 million (10.7%) in FY 2010 and be flat in FY 2011.

⁵ When a district's taxable property value decreases, its local share of foundation funding, which the budget sets at 22 mills (2.2%) of its taxable property value, also decreases. This decrease in the local share is made up by increases in the state share. The resulting increase in state aid is called the state education aid offset.

Educational Enhancements

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

Appropriations for Educational Enhancements				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200425	Tech Prep Consortia Support	\$ 1,243,943	\$ 1,260,542
GRF	200540	Special Education Enhancements	\$ 134,150,233	\$ 135,820,668
GRF	200545	Career-Technical Education Enhancements	\$ 7,752,662	\$ 7,802,699
General Revenue Fund Subtotal			\$ 143,146,838	\$ 144,883,909
General Services Fund (GSF)				
5960	200656	Ohio Career Information System	\$ 529,761	\$ 529,761
General Services Fund Subtotal			\$ 529,761	\$ 529,761
Federal Special Revenue Fund (FED)				
3090	200601	Educationally Disadvantaged Programs	\$ 8,405,512	\$ 8,405,512
3690	200616	Career-Technical Education Federal Enhancement	\$ 5,000,000	\$ 5,000,000
3700	200624	Education of Exceptional Children	\$ 2,664,000	\$ 2,755,000
3AF0	200603	Schools Medicaid Administrative Claims	\$ 639,000	\$ 639,000
3DM0	200651	Title IID Technology - Federal Stimulus	\$ 11,951,000	\$ 11,951,000
3M10	200678	Innovative Education	\$ 1,000,000	\$ -
3S20	200641	Education Technology	\$ 9,487,397	\$ 9,487,397
3Y80	200639	Rural and Low Income Technical Assistance	\$ 1,500,000	\$ 1,500,000
Federal Special Revenue Fund Subtotal			\$ 40,646,909	\$ 39,737,909
Total Funding: Educational Enhancements			\$ 184,323,508	\$ 185,151,579

Special Education Enhancements (200540)

The budget provides a slight increase of \$0.5 million (0.4%) in FY 2010 and \$1.7 million (1.2%) in FY 2011 for this line item. This item includes the earmarks listed in the following table.

200540, Special Education Enhancements		
Earmarks	FY 2010	FY 2011
Home Instruction	\$ 2,206,875	\$ 2,206,875
Special Education for MR/DDs and Institutions	\$ 44,700,561	\$ 45,282,959
Parent Mentoring	\$ 1,333,468	\$ 1,333,468
School Psychology Interns	\$ 2,537,824	\$ 2,537,824
Preschool Special Education	\$ 87,242,797	\$ 88,330,834
Total Funding: Special Education Enhancements	\$ 134,150,233	\$ 135,820,668

Home Instruction

This funding reimburses districts for half the cost of providing one hour of home instruction to students with orthopedic impairments, other health impairments, and severe behavioral handicaps for each day they are absent from school due to these disabilities. The budget provides a decrease of \$0.7 million (-24.1%) in FY 2010 and flat funding in FY 2011 for these reimbursements.

Special Education for MR/DDs and Institutions

This funding is provided to county boards of developmental disabilities 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. Previously, funding was distributed based on the base cost formula amount and the same weights used for special education students educated in school districts and community schools. For FY 2010 and FY 2011, the budget instead increases the per pupil amount received by each board and institution in the previous year by 0.75% and provides that adjusted per pupil amount for each student served by the board or institution in the current year.

Parent Mentoring

This funding supports parent mentors who offer support and information to other parents and help them to become more involved in their children's education. The budget provides a decrease of \$0.1 million (-8.8%) in FY 2010 and flat funding in FY 2011 for parent mentors.

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. The budget provides a decrease of \$0.2 million (-8.8%) in FY 2010 and flat funding in FY 2011 for school psychology interns.

Preschool Special Education Units

The State Preschool Special Education Program serves children with disabilities, ages three through five. Districts are mandated under federal law to provide a free and appropriate public education to these students. State funding for preschool special education and related services provided by school districts, educational service centers, and county boards of developmental disabilities are distributed through units, which are based on the minimum number of students per class, teacher degree, and teacher experience. The budget increases this earmark by \$3.9 million (4.6%) in FY 2010 and \$1.1 million (1.2%) in FY 2011.

Career-Technical Education Enhancements (200545)

The budget decreases this line item by 8.7% in FY 2010 and provides an increase of 0.6% in FY 2011. This item is used to fund career-technical units at institutions as well as other programs and initiatives related to career-technical education. This item also includes earmarks, which are listed in the following table.

200545, Career-Technical Education Enhancements		
Earmarks	FY 2010	FY 2011
Institution Career-Technical	\$ 2,543,531	\$ 2,563,568
Tech Prep Expansion Grants	\$ 2,138,281	\$ 2,138,281
High Schools That Work	\$ 2,800,850	\$ 2,800,850
Agriculture 5th Quarter Project	\$ 270,000	\$ 300,000
Total Funding: Career-Technical Education Enhancements	\$ 7,752,662	\$ 7,802,699

Institution Career-Technical

These funds support career-based intervention programs at institutions. Incarcerated students are provided instructional programming in work and family literacy, career-based intervention, and workforce development. Funding is distributed in the form of units. The budget decreases this earmark by 1.6% for FY 2010 and provides an increase of 0.8% in FY 2011.

Tech Prep Expansion Grants

These funds are used for competitive grants to support Tech Prep enrollment expansion and new Tech Prep programming. Eligible grantees include school districts, post-secondary entities, and other eligible recipients. The Ohio Board of Regents and ODE co-administer the program. The budget decreases funding for this earmark by 18.4% in FY 2010 and provides flat funding in FY 2011.

High Schools That Work

High Schools That Work is a school improvement initiative designed to accelerate learning and raise standards through rigorous course work, counseling, parental and community involvement, and teacher collaboration. The budget decreases funding for this activity by 17.6% in FY 2010 and provides flat funding in FY 2011.

Agriculture 5th Quarter Project

This funding is used to enable students to enroll in a "5th Quarter" of instruction based on the agricultural instructional model of delivering work-based learning through supervised agricultural experience. The budget decreases funding for this earmark by 11.1% in FY 2010 and then increases funding by 11.1% in FY 2011.

Ohio Career Information System (200656)

The Ohio Career Information System (OCIS) is a computer-based career information delivery system that provides access to current labor market and post-secondary educational and training information, scholarships, employability skills information, and classroom career integration activities. OCIS has Internet links to other employment and education-related sites. This funding is provided through site license fees from users of the system. The budget eliminates GRF funding for OCIS, which was provided through an earmark of 200545.

Tech Prep Consortia Support (200425)

These funds provide support to maintain a quality Tech Prep system in Ohio that includes 23 consortia (including 23 community and technical colleges and 91 career-technical education planning districts). Tech Prep programs allow students to enroll in a seamless career-technical program that begins in high school and continues through an associate's degree in college and beyond. The budget decreases this support by 38.5% in FY 2010 and increases funding by 1.3% in FY 2011.

Education of Exceptional Children (200624)

This funding reflects the federal grants as described below. Total funding for this item increases by 21.5% in FY 2010 and 3.4% in FY 2011.

Advanced Placement (AP)

This funding comes from a federal grant designed to assist minority and low-income students in earning post-secondary credit by taking AP courses and examinations in high school. The funds are used to reimburse students for AP test fees, provide on-line AP classes and exam review, and offer teacher and classroom support.

Javits Grants

This federal grant supports professional development modules for individuals who impact the education of gifted students, but who are not considered gifted education specialists. These individuals include parents, regular education teachers, school administrators, guidance counselors, and school psychologists. ODE expects to train 500 to 600 gifted education specialists to deliver professional development to approximately 11,000 of these educators and parents.

State Personnel Development Grants

This federal grant provides funds to support the Ohio Improvement Process Program through the development of highly effective district and building leadership teams focused on the district-wide improvement of instructional practice and student performance for all students, including students with disabilities. This program will directly involve 48 school districts through the regional delivery system.

Career-Technical Education Federal Enhancement (200616)

This federal funding is provided to the 23 Tech Prep consortia based on enrollment. The funds are used for the development and operation of four-year Tech Prep education programs leading to a two-year associate's degree or a two-year certificate. This funding is expected to increase by 7.3% in FY 2010 and be flat in FY 2011.

School Medicaid Administrative Claims (200603)

This federal program provides districts with reimbursement for administrative services associated with providing services to Medicaid-eligible students. This funding is expected to increase by \$0.5 million (599.3%) in FY 2010 and be flat in FY 2011.

Innovative Education (200678)

These federal grants were provided to approximately 800 school districts, community schools, joint vocational school districts, and nonpublic schools in Ohio. The grants were designed to help schools implement promising educational reform programs to meet the special needs of at-risk and high-cost students. The grant is not expected to be available in FY 2010 and FY 2011, but \$1,000,000 is recommended in FY 2010 (representing a decrease of 65.6% from FY 2009) in case there are carryover funds or refunds available that must be expended to close out the grant.

Education Technology (200641 and 200651)

This federal funding supports Enhancing Education Through Technology (EETT) grants. Formula grants, which are administered by ODE, are distributed to districts based on the number of Title I eligible students served by the district. These grants are used for hardware, software, professional development, curriculum management tools, and other resources that assist districts in integrating technology into their language arts and mathematics curricula in grades kindergarten through eight. Competitive grants are issued to EETT eligible schools for their participation in eTech Ohio's Interactive Distance Learning Pilot Project. The budget requires ODE, in consultation with eTech Ohio, to use the lesser of one-half of the amount of the federal funds allocated to the state for the fiscal year or \$4.5 million to provide the competitive grants. The funds appropriated in item 200651 were received as part of the American Recovery and Reinvestment Act (ARRA).

Rural and Low Income Technical Assistance (200639)

These federal grants are provided to rural and low-income districts to help them attract qualified teachers and to provide professional development appropriate for teaching low-income students. This funding is expected to decrease by 15.6% in FY 2010 and remain flat in FY 2011.

Educationally Disadvantaged Programs (200601)

This funding reflects three federal grants as described below. Total funding for this item is expected to increase by \$1.2 million (18.1%) in FY 2010 and remain flat in FY 2011.

Neglected and Delinquent Children

This federal grant provides financial assistance to state or local institutions that serve neglected and delinquent children to help meet their needs. The grant award is estimated at \$3.3 million each fiscal year.

Migrant Education

This federal grant supports educational opportunities for migratory children to help reduce the educational disruptions and other problems that result from repeated moves. The grant award is estimated at \$2.4 million each fiscal year.

Homeless Children

This federal grant ensures access to a free and appropriate education for homeless school-age children and youth. The grant award is estimated at \$2.6 million each fiscal year.

Nonpublic School Support

This category of appropriations includes funding to support chartered nonpublic schools.

Appropriations for Nonpublic School Support				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200511	Auxiliary Services	\$ 111,979,388	\$ 111,979,388
GRF	200532	Nonpublic Administrative Reimbursement	\$ 50,838,939	\$ 50,838,939
General Revenue Fund Subtotal			\$ 162,818,327	\$ 162,818,327
State Special Revenue Fund (SSR)				
5980	200659	Auxiliary Services Reimbursement	\$ 1,328,910	\$ 1,328,910
State Special Revenue Fund Subtotal			\$ 1,328,910	\$ 1,328,910
Total Funding: Nonpublic School Support			\$ 164,147,237	\$ 164,147,237

Auxiliary Services (200511)

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

200511, Auxiliary Services		
Earmarks	FY 2010	FY 2011
Post-Secondary Enrollment Options	\$ 1,789,943	\$ 1,789,943
Remainder – Auxiliary Services	\$ 110,189,445	\$ 110,189,445

Post-Secondary Enrollment Options

The Post-Secondary Enrollment Options Program allows qualified Ohio high school students to take college courses at state expense for both college and high school credit. These funds are used to pay the costs of the program for participants from nonpublic schools. The budget provides a decrease of 15.6% in FY 2010 and flat funding in FY 2011 for this program.

Remainder – Auxiliary Services

This funding, which is distributed on a per pupil basis, supports secular services provided to chartered nonpublic schools. Services include health, counseling, special education, standardized testing, and test scoring. Funds may also be used to purchase secular textbooks, materials, and equipment. The budget provides a decrease of \$16.8 million (13.1%) in FY 2010 and flat funding in FY 2011 for this line item.

Nonpublic Administrative Cost Reimbursement (200532)

Chartered nonpublic schools are required by the state to perform some administrative and clerical activities. These funds reimburse the schools for the costs of these mandated activities. The reimbursement is based on the actual costs from the prior year. Previously the maximum reimbursement has been \$300 per pupil. The budget increases the maximum reimbursement rate to \$325 per pupil beginning in FY 2010. The budget provides a decrease of \$7.9 million (13.4%) in FY 2010 and flat funding in FY 2011 for this line item.

Auxiliary Services Reimbursement (200659)

These funds are used to replace and repair mobile units that are used to provide auxiliary services, and can also be used to fund early retirement or severance pay for employees paid from line item 200511. The revenue for these expenses comes from transfers of cash from the Auxiliary Services Personnel Unemployment Compensation Fund that is estimated to be in excess of the amount needed to pay unemployment claims. The budget provides an increase of \$0.6 million (86.0%) in FY 2010 and flat funding in FY 2011.

School Operations Support

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

Appropriations for School Operations Support				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200422	School Management Assistance	\$ 1,950,521	\$ 3,230,469
GRF	200426	Ohio Educational Computer Network	\$ 20,156,602	\$ 20,425,556
GRF	200458	Public School Employees Health Care Board	\$ 800,000	\$ 800,000
GRF	200505	School Lunch State Match	\$ 9,100,000	\$ 9,100,000
General Revenue Fund Subtotal			\$ 32,007,123	\$ 33,556,025
General Services Fund (GSF)				
5H30	200687	School District Solvency Assistance	\$ 18,000,000	\$ 18,000,000
General Services Fund Subtotal			\$ 18,000,000	\$ 18,000,000
Federal Special Revenue Fund (FED)				
3670	200607	School Food Services	\$ 6,324,707	\$ 6,577,695
3L60	200617	Federal School Lunch	\$ 295,421,000	\$ 310,150,675
3L70	200618	Federal School Breakfast	\$ 80,850,000	\$ 84,892,500
3L80	200619	Child/Adult Food Programs	\$ 89,250,000	\$ 93,712,500
3T40	200613	Public Charter Schools	\$ 14,275,618	\$ 14,291,353
Federal Special Revenue Fund Subtotal			\$ 486,121,325	\$ 509,624,723
State Special Revenue Fund (SSR)				
4550	200608	Commodity Foods	\$ 24,000,000	\$ 24,000,000
State Special Revenue Fund Subtotal			\$ 24,000,000	\$ 24,000,000
Total Funding: School Operations Support			\$ 560,128,448	\$ 585,180,748

School Management Assistance (200422)

The budget provides a decrease of \$1.1 million (37.0%) in FY 2010 and an increase of \$1.3 million (65.6%) in FY 2011 for this line item. This funding is used by ODE to provide technical assistance and in-service education for school district management personnel to assist in managing their fiscal resources. The Governor vetoed an earmark of this item for \$1,279,948 in FY 2010 and \$1,500,000 in FY 2011 to be used by the Auditor of State, in consultation with ODE, to conduct performance audits of school districts in fiscal caution, fiscal watch, or fiscal emergency.

Ohio Educational Computer Network (200426)

The budget provides a decrease of \$4.8 million (19.1%) in FY 2010 and an increase of \$268,954 (1.3%) in FY 2011 for this item. The budget requires ODE to use these funds to maintain a system of information technology and to provide technical assistance for the system in support of the P-16 State Education Technology Plan. The budget transfers the responsibility for developing and modifying the Plan from the

State Board to the eTech Ohio Commission; although the Commission is required to consult with the State Board in fulfilling this responsibility. This line item includes the earmarks listed in the following table.

200426, Ohio Educational Computer Network			
Earmarks		FY 2010	FY 2011
Building Connectivity	\$	11,626,123	\$ 11,895,077
INFOhio	\$	1,600,000	\$ 1,600,000
Information Technology Centers	\$	5,800,000	\$ 5,800,000
Remainder – Ohio Educational Computer Network	\$	1,130,479	\$ 1,130,479

Building Connectivity

This funding is used to support the connection of public school buildings and participating chartered nonpublic schools to the state education network (OSCnet).

INFOhio

This funding supports the INFOhio Network and the Union Catalog. INFOhio works with Ohio's other state-funded library networks, OPLIN (public libraries) and OhioLINK (universities), to provide resources and information access to Ohio's kindergarten through twelfth grade students. It includes electronic resources specifically geared toward the primary and secondary school student, such as the *Encyclopedia Britannica*, and resources supporting the teaching of state academic content standards. The Union Catalog offers students and teachers anywhere in Ohio access to library and curriculum resources.

Information Technology Centers (ITC)

This funding supports the 23 ITCs that provide computer support, software products, and information services to their member districts, including all but three school districts (Akron, Cleveland, and Columbus), community schools, joint vocational school districts, and educational service centers. Funds also support the administration and collection of data for school districts and for providing front-line customer support related to data reporting. Distribution of funds to ITCs is provided through a per pupil formula based on the enrollments of ITC member districts and software usage.

Remainder – Ohio Educational Computer Network

This funding supports the development and maintenance of administrative software that school districts use for accounting, payroll, scheduling, grade reporting, and inventory.

School Lunches (200505 and 200617)

The budget increases these combined items by 7.0% in FY 2010 and 4.8% in FY 2011. These items support the federal National School Lunch Program, which

provides over one million meals per day at over 4,000 sites including public and nonprofit private schools, camps, and institutions. State funds from 200505 serve as the required match for receiving the federal funds in 200617.

School District Solvency Assistance (200687)

This funding is paid from two accounts: (1) the shared resource account, which is used to make interest-free advances to districts to enable them to remain solvent and to pay unforeseen expenses of a temporary or emergency nature and (2) the catastrophic expenditures account, which is used to make grants to districts for unforeseen catastrophic events. Advances made to districts from the shared resource account must be repaid no later than the end of the second year following the fiscal year in which the advance was made. 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 Am. Sub. H.B. 650 of the 122nd General Assembly. It is now funded through repayments of advances from the shared resource account.

Federal School Breakfast (200618)

This federal funding allows more than 40 million breakfasts to be served for low-income students at more than 2,000 sites including public and nonprofit private schools, camps, and institutions. Funding for this item increases by 5.3% in FY 2010 and by 5.0% in FY 2011.

Child/Adult Food Programs (200619)

This federal funding provides reimbursements for nutritious snacks, as well as breakfast, lunch, and dinner, to children or adults enrolled in participating day care centers, after-school programs, or adult day care centers. Funding for this item increases 6.2% in FY 2010 and by 5.0% in FY 2011.

Public Charter Schools (200613)

These federal funds are used to finance grants that are awarded to community schools to assist them in the planning, development, and initial implementation of their programs. More than 200 community schools in Ohio have received this federal grant funding. Funding under the grants can reach up to \$450,000 per school disbursed in their first three years of operation. These funds also support evaluation of community schools' effects on students, staff, and parents. Funding for this item increases by 21.9% in FY 2010 and by 0.1% in FY 2011.

School Food Services (200607)

This federal funding is used by ODE for administrative support and monitoring of federally funded school food programs. States are required to meet a minimum level of state investment to receive federal funds. Additionally, federal support for summer

food programs and special milk programs is included in this item. Funding for this item increases by 33.9% in FY 2010 and by 4.0% FY 2011.

Commodity Foods (200608)

This funding supports school food programs by contracting with commercial food processors to convert bulk or raw USDA commodities into more convenient ready-to-use end products at a reduced cost for school districts participating in the school lunch and school breakfast programs. In this program, ODE obtains the donated food from the USDA and charges school districts for the processing and handling. In FY 2007, commodity foods were distributed to 1,100 participating schools and agencies. Funding for this item increases by 29.6% in FY 2010 and remains flat in FY 2011.

Academic Achievement

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

Appropriations for Academic Achievement				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200421	Alternative Education Programs	\$ 7,814,479	\$ 7,918,749
GRF	200431	School Improvement Initiatives	\$ 7,294,175	\$ 7,391,503
GRF	200457	STEM Initiatives	\$ 5,000,000	\$ 5,000,000
GRF	200578	Violence Prevention and School Safety	\$ 200,000	\$ 200,000
General Revenue Fund Subtotal			\$ 20,308,654	\$ 20,510,252
Federal Special Revenue Fund (FED)				
3780	200660	Learn and Serve	\$ 619,211	\$ 619,211
3AN0	200671	School Improvement Grants	\$ 17,909,676	\$ 17,936,675
3AX0	200698	Improving Health & Education Outcomes Of Young People	\$ 630,954	\$ 630,954
3BV0	200636	Character Education	\$ 700,000	\$ -
3CF0	200644	Foreign Language Assistance	\$ 25,000	\$ -
3D10	200664	Drug Free Schools	\$ 13,347,966	\$ 13,347,966
3DP0	200652	Title I School Improvement - Federal Stimulus	\$ 54,221,000	\$ 54,221,000
3Y20	200688	21st Century Community Learning Centers	\$ 36,000,000	\$ 36,000,000
3Y40	200632	Reading First	\$ 27,366,373	\$ 24,455,172
3Y70	200689	English Language Acquisition	\$ 8,142,299	\$ 8,142,299
Federal Special Revenue Fund Subtotal			\$ 158,962,479	\$ 155,353,277
State Special Revenue Fund (SSR)				
5X90	200911	NGA STEM	\$ 100,000	\$ -
State Special Revenue Fund Subtotal			\$ 100,000	\$ -
Total Funding: Academic Achievement			\$ 179,371,133	\$ 175,863,529

Alternative Education Programs (200421)

This funding is used to provide grants for 117 alternative education programs in Ohio's 21 urban school districts and 483 rural and suburban districts to implement successful innovative practices in alternative education for students with behavioral problems including truancy. In addition, this funding is used to provide professional development and technical assistance to the schools that receive alternative education grants. Services include monitoring, engaging in oversight, conducting regional summits, and creating links with other state initiatives and other state agencies. The budget decreases this item by \$4.5 million (36.5%) in FY 2010 and by \$104,270 (1.3%) in FY 2011.

School Improvement Initiatives (200431)

The budget provides a decrease of \$10.5 million (59.0%) in FY 2010 and an increase of \$97,328 (1.3%) in FY 2011 for this item. In FY 2010 and FY 2011, this item includes the earmarks listed in the following table.

200431, School Improvement Initiatives			
Earmarks	FY 2010		FY 2011
Reform Programs	\$	300,000	\$ 300,000
Remainder - School Improvement Initiatives	\$	6,994,175	\$ 7,091,503

Reform Programs

This new discretionary earmark may be used by ODE for administrative costs associated with middle school and high school reform programs.

Remainder – School Improvement Initiatives

This funding supports the Educational Regional Service System, which was established in Sub. H.B. 115 of the 126th General Assembly. Funding is distributed to the 16 regions in the system to provide direct services to districts in support of their continuous improvement plans. This direct funding is provided through State Support Teams that are comprised of ODE employees and individuals hired by the fiscal agent of each region. All schools and districts benefit from this support; however, focus is placed on those identified in school or district improvement status or in corrective action status as outlined by the No Child Left Behind Act.

STEM Initiatives (200457)

The budget decreases this item by \$2.4 million (32.2%) in FY 2010 and provides flat funding in FY 2011. This funding is to be distributed by the STEM Committee to STEM schools, STEM Programs of Excellence, or other initiatives that support innovative programs in math and science education and math and science professional development of teachers.

Violence Prevention and School Safety (200578)

The budget decreases this item by 83.2% in FY 2010 and provides flat funding in FY 2011. Funding is used to support the Ohio Resource Network for Safe and Drug-Free Schools and Communities (ORN). The ORN provides training for schools and communities on alcohol and drug abuse prevention and school safety. It also provides technical assistance related to bullying and maintains the 24-hour Bullying and Violence Helpline.

Learn and Serve (200660)

These federal funds are for Learn and Serve America grants, which are awarded to programs for at-risk youth that combine classroom instruction and community service. Annually, about 35 grants are funded, serving over 30,000 youth. Funding for this grant increases by 1.1% in FY 2010 and remains flat in FY 2011.

School Improvement Grants (200671)

This newly authorized federal funding will allow grants of no less than \$50,000 to be awarded to schools in school improvement status to implement school improvement strategies. Grants to schools are awarded over a three-year time period. Federal parameters also permit 4% of Title I funding to be used for this purpose.

Improving Health & Education Outcomes of Young People (200698)

This new five-year federal grant is being used for the coordination of school health, physical activity, nutrition, and tobacco prevention programs in schools and districts.

Character Education (200636)

This federal funding is used to provide grant coordination, program implementation, and evaluation for the Ohio Partnerships in Character Education Project. Grant funds flow to the Ohio Partners in Character Education (OPCE), a program component of the Better Business Bureau Education Foundation, Inc., for the purpose of creating Smart and Good Schools. The objectives of this program are to improve achievement and high school success, especially in underrepresented populations. The funds are distributed by the OPCE to participating school districts. This funding increases by 5.6% in FY 2010 and is eliminated in FY 2011.

Foreign Language Assistance (200644)

This federal funding provided grant coordination and program development, implementation, and evaluation for the Ohio Foreign Language Assistance Program, and the K-6 Mandarin Chinese curriculum. The grant is not expected to continue in FY 2010 or FY 2011. The FY 2010 appropriation of \$25,000 is to fund the project's close-out.

Drug Free Schools (200664)

This federal grant provides funds to all districts in Ohio, as well as community schools and nonpublic schools. The funds are used to prevent violence in and around schools; strengthen programs that prevent the illegal use of alcohol, tobacco, and drugs; involve parents in schools; and foster collaboration among various efforts and resources. This funding increases by 55.6% in FY 2010 and remains flat in FY 2011.

Title I School Improvement – Federal Stimulus (200652)

These funds were received as part of the American Recovery and Reinvestment Act of 2009 (ARRA). ODE may spend up to 5% of the funds for administration, evaluation, and technical assistance. The remaining 95% of the funds are to be distributed to schools identified for improvement under the federal No Child Left Behind Act. The schools are to use the funds to carry out the requirements of that act.

21st Century Community Learning Centers (200688)

This federal grant provides opportunities for communities to establish or expand activities in community learning centers that provide for academic enrichment. The program increases time-on-task outside the regular school day for students and engages them in additional academic tasks to increase mathematics and reading skills. Funds are distributed competitively to selected grantees for a five-year period, with a maximum of \$200,000 per year. This grant increases by 42.6% in FY 2010 and remains flat in FY 2011.

Reading First (200632)

These competitive federal grants are targeted to the lowest performing and highest poverty schools. The grants fund specific programs that use scientific, research-based reading instruction plans, staff development, required assessments and technology, and other appropriate materials to improve reading outcomes for students at these schools. In FY 2008, the grants supported reading instruction to about 18,000 students from low-performing high schools and provided professional development to about 1,500 teachers. Funding for these grants increases by 80.1% in FY 2010 and decreases by 10.6% in FY 2011.

English Language Acquisition (200689)

These federal funds provide assistance to school districts in meeting the special language needs of national origin minority and LEP students. This funding increases by 10.8% in FY 2010 and remains flat in FY 2011.

NGA STEM (200911)

This line item was established by the Controlling Board on September 10, 2007. Funding for this line item originated from a two-year \$500,000 grant from the National Governors Association. These funds were used to support development of a STEM network to align Ohio's various STEM initiatives and develop a more comprehensive agenda for the state. As no further funding from the NGA is anticipated beyond FY 2009, the budget funds this item at \$100,000 in FY 2010 for grant close-out.

Early Childhood Education

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

Appropriations for Early Childhood Education				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200408	Early Childhood Education	\$ 23,268,341	\$ 23,268,341
GRF	200442	Child Care Licensing	\$ 865,590	\$ 877,140
General Revenue Fund Subtotal			\$ 24,133,931	\$ 24,145,481
Federal Special Revenue Fund (FED)				
3C50	200661	Early Childhood Education	\$ 14,189,711	\$ 14,554,749
3DL0	200650	IDEA Preschool - Federal Stimulus	\$ 6,679,679	\$ 6,679,679
3H90	200605	Head Start Collaboration Project	\$ 225,000	\$ 225,000
Federal Special Revenue Fund Subtotal			\$ 21,094,390	\$ 21,459,428
State Special Revenue Fund (SSR)				
5W20	200663	Early Learning Initiative	\$ 2,200,000	\$ 2,200,000
State Special Revenue Fund Subtotal			\$ 2,200,000	\$ 2,200,000
Total Funding: Early Childhood Education			\$ 47,428,321	\$ 47,804,909

The budget creates the Center for Early Childhood Development. This center is responsible for making recommendations about the coordination of early childhood programs and services, including a plan to consolidate these programs at ODE. Under the budget, an implementation plan is to be completed by December 31, 2009. The budget also creates the Early Childhood Advisory Council and the Early Childhood Financing Workgroup to, among other duties, make recommendations for a single financing system for early care and education programs. These recommendations must be completed by December 31, 2009.

Early Childhood Education (200408)

This line item funds the early childhood education program in school districts, JVSs, and educational service centers. The budget decreases this item by \$10.9 million (31.9%) in FY 2010 and provides flat funding in FY 2011.

200408, Early Childhood Education		
Earmarks	FY 2010	FY 2011
Early Childhood Support and Technical Assistance	\$ 465,367	\$ 465,367
Remainder – Early Childhood Education Grants	\$ 22,802,974	\$ 22,802,974

Early Childhood Support and Technical Assistance

This funding is used by ODE to administer the early childhood education program and provide technical support to districts receiving funding under the program. The budget specifies that no more than 2.0% of the total appropriation in any fiscal year may be used by ODE for these purposes.

Early Childhood Education Grants

This funding supports early childhood education programs that provide educational services for three and four-year-old children from families with incomes below 200% of the federal poverty level. A district may self-operate or may contract with a Head Start agency, a chartered nonpublic school, or a licensed child care provider to provide Early Childhood Education services. These programs must align their curricula to the early learning program guidelines developed by ODE, administer diagnostic assessments prescribed by ODE, require all teachers to attend at least 20 hours of professional development every two years, and report child progress in meeting the program guidelines.

Child Care Licensing (200442)

These funds are used by ODE to license and inspect preschool and school-age child care programs operated by school districts, chartered nonpublic schools, Head Start agencies, and county boards of developmental disabilities. The budget decreases this item by \$279,845 (24.4%) in FY 2010 and by \$11,500 (1.3%) in FY 2011.

Early Childhood Education (200661)

These federal funds are used by ODE to support preschool special education programs and Even Start, a family literacy program. Funding is expected to decrease by 8.0% in FY 2010 and increase by 2.6% in FY 2011.

Preschool Special Education

About \$12.8 million in FY 2010 and FY 2011 of the funding in this item is for preschool special education. These federal funds are distributed to districts to support special education and related services to children with disabilities between the ages of three and five. Districts are mandated under federal law to provide a free and appropriate public education to these children and are required to develop Individualized Education Plans (IEPs) for them. These federal grant funds are provided as supplemental funding in addition to the preschool special education unit funding provided by state funds. Funds are distributed based on 1997 service levels with adjustments for total population and poverty. Federal funding for this program is expected to decrease by \$3.2 million (19.9%) in FY 2010 and remain essentially flat in FY 2011.

Even Start

About \$1.4 million in FY 2010 and \$1.8 million in FY 2011 of the funding in this item is for Even Start. Even Start is a family literacy program designed to break the cycle of poverty and illiteracy by improving the educational opportunities of low-income families. The program integrates early childhood education, adult literacy, and parenting education. Federal funding for this program is expected to decrease by \$1.6 million (53.1%) in FY 2010 and increase by \$0.4 million (25.0%) in FY 2011.

IDEA Preschool – Federal Stimulus (200650)

These funds were received as part of the American Recovery and Reinvestment Act of 2009 (ARRA). They will be used over the biennium to supplement funds provided for preschool special education.

Head Start Collaboration Project (200605)

This federal grant provides funding for the coordination of federal, state, and local policies to support a coordinated early childhood education and child care system. Funds are used to support federal Head Start and child care providers in increasing services to families. Activities funded include the dissemination of information, the support of partnerships between Head Start and child care providers, and leadership services. Federal funding for this grant is expected to decrease by 3.1% in FY 2010 and remain flat in FY 2011.

Early Learning Initiative (200663)

This funding supported the work of ODE in administering the Early Learning Initiative (ELI), which was vetoed by the Governor.

Adult Education

This category of appropriations includes funding to support adult education programs.

Appropriations for Adult Education				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200447	GED Testing	\$ 975,536	\$ 988,553
General Revenue Fund Subtotal			\$ 975,536	\$ 988,553
Federal Special Revenue Fund (FED)				
3680	200614	Veterans' Training	\$ 778,349	\$ 793,846
Federal Special Revenue Fund Subtotal			\$ 778,349	\$ 793,846
State Special Revenue Fund (SSR)				
4540	200610	Guidance and Testing	\$ 450,000	\$ 450,000
State Special Revenue Fund Subtotal			\$ 450,000	\$ 450,000
Total Funding: Adult Education			\$ 2,203,885	\$ 2,232,399

GED Testing (200447)

The budget provides a decrease of \$407,680 (29.5%) in FY 2010 and an increase of \$13,017 (1.3%) in FY 2011 for this item. The GED Program provides a national test for Ohio adults without a high school diploma. This line item supports 116 GED testing centers. Additionally, this line item supports the Operation Extend Program, through which districts receive 50% reimbursement for the cost of providing summer proficiency programs to students from the 12th grade class who did not graduate because of their inability to pass the Ohio Graduation Test (OGT).

Veterans' Training (200614)

This federal funding is used for the reviewing, approving, and supervising of school apprenticeships and on-the-job training programs for veterans and their eligible dependents. Funding for this item increases by 26.3% in FY 2010 and by 2.0% in FY 2011.

Guidance and Testing (200610)

This line item is used for the administrative costs of the GED, which includes the costs of scoring the test and providing transcripts and confirmations of GED testing to employers. Revenues come from an application fee. Funding increases by 16.9% in FY 2010 and remains flat in FY 2011.

Educator Quality

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

Appropriations for Educator Quality				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200448	Educator Preparation	\$ 1,310,750	\$ 1,328,240
General Revenue Fund Subtotal			\$ 1,310,750	\$ 1,328,240
General Services Fund (GSF)				
4L20	200681	Teacher Certification and Licensure	\$ 8,013,206	\$ 8,147,756
General Services Fund Subtotal			\$ 8,013,206	\$ 8,147,756
Federal Special Revenue Fund (FED)				
3740	200647	Troops to Teachers	\$ 100,000	\$ 100,000
3CG0	200646	Teacher Incentive Fund	\$ 3,007,975	\$ 1,157,834
3D20	200667	Honors Scholarship Program	\$ 6,990,000	\$ 6,985,000
3Y60	200635	Improving Teacher Quality	\$ 101,778,397	\$ 101,778,400
Federal Special Revenue Fund Subtotal			\$ 111,876,372	\$ 110,021,234
State Special Revenue Fund (SSR)				
5BB0	200696	State Action for Education Leadership	\$ 1,250,000	\$ 600,000
State Special Revenue Fund Subtotal			\$ 1,250,000	\$ 600,000
Total Funding: Educator Quality			\$ 122,450,328	\$ 120,097,230

Educator Preparation (200448)

These funds are used primarily to support the work of the Educator Standards Board, established by Am. Sub. S.B. 2 of the 125th General Assembly. The budget provides increases of \$675,045 (106.2%) in FY 2010 and \$17,490 in FY 2011 for this item. The budget requires the Educator Standards Board to develop and recommend by September 1, 2010, revised standards for teachers and principals, the renewal of licenses, and educator professional development and new standards for district superintendents, treasurers, and business managers. The budget makes other changes and assigns other new duties to the Board, which are detailed on pages 313 through 317 of the LSC Final Analysis.

Teacher Certification and Licensure (200681)

This line item provides funds for the processing of licensure applications, technical assistance related to licensure, and the administration of the teacher disciplinary process. Funding for this item is provided by licensure fees that are deposited into GSF Fund 4L20. Fees were increased in February 2008 from \$12 to \$40 for each year covered by the license. The budget provides increases of \$2.8 million (53.6%) in FY 2010 and \$134,550 (1.7%) in FY 2011.

Troops to Teachers (200647)

This federal program provides administrative support, outreach, and recruitment to encourage military personnel to enter the teaching profession through alternative licensure. Funding for this program increases by 72.6% in FY 2010 and remains flat in FY 2011.

Teacher Incentive Fund (200646)

These federal funds are used to develop and implement performance-based teacher and principal compensation systems, based primarily on increases in student achievement in high-needs schools. The Ohio Teacher Incentive Fund (OTIF) is a partnership of ODE, Cincinnati, Cleveland, Columbus, and Toledo city schools, and the National Institute for Excellence in Teaching. Funding for this program decreases 40.8% in FY 2010 and 61.5% in FY 2011, which is the last year of the grant.

Honors Scholarship Program (200667)

This funding comes from two federal grants. One grant supports programs designed to improve the academic achievement of students in mathematics and science. The other grant, the Robert C. Byrd Honors Scholarship, is used by ODE to recognize exemplary academic effort of graduating high school students and to support their ongoing studies. The scholarships are \$1,500 per student each year for four years. In each fiscal year of the biennium, approximately 800 continuing scholars and 300 incoming scholars will receive the award. Funding for this program decreases 29.3% in FY 2010 and remains essentially flat in FY 2011.

Improving Teacher Quality (200635)

Most of this federal grant (95%) is passed through directly to school districts based on a federal formula that considers enrollment and poverty in each district. Districts must use the funds for professional development and educator quality purposes. The remainder of the grant is used by ODE for administration (1%) and to support partnerships between districts and institutions of higher education in developing educator training activities (4%). Funding for this item decreases by 1.3% in FY 2010 and remains flat in FY 2011.

State Action for Education Leadership (200696)

These funds are provided through a grant awarded by the Wallace Foundation. They are used for three main purposes: (1) to develop leadership programs in the big eight major urban districts in Ohio, (2) to create the Ohio Superintendent Evaluation System, and (3) to develop urban principal and teacher leader licensure endorsements. Funding for this grant is expected to end in FY 2010, with the remainder of funds to be expended in FY 2011.

Curriculum, Assessment, and Accountability

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

Appropriations for Curriculum-Assessment-Accountability				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200424	Policy Analysis	\$ 356,311	\$ 361,065
GRF	200427	Academic Standards	\$ 5,300,074	\$ 5,300,074
GRF	200437	Student Assessment	\$ 55,954,648	\$ 56,703,265
GRF	200439	Accountability/Report Cards	\$ 3,804,673	\$ 3,804,673
GRF	200446	Education Management Information System	\$ 13,199,152	\$ 11,934,284
General Revenue Fund Subtotal			\$ 78,614,858	\$ 78,103,361
Federal Special Revenue Fund (FED)				
3BK0	200628	Longitudinal Data Systems	\$ 100,000	\$ -
3Z20	200690	State Assessments	\$ 12,923,799	\$ 12,923,799
Federal Special Revenue Fund Subtotal			\$ 13,023,799	\$ 12,923,799
State Special Revenue Fund (SSR)				
5U20	200685	National Education Statistics	\$ 300,000	\$ 300,000
State Special Revenue Fund Subtotal			\$ 300,000	\$ 300,000
Total Funding: Curriculum-Assessment-Accountability			\$ 91,938,657	\$ 91,327,160

Policy Analysis (200424)

This line item supports research and data collection related to education policy analysis. ODE staff supported by this line item are responsible for developing reports, analyses, and briefings to inform education policymakers of current trends in educational practices, efficient and effective use of resources, and evaluations of programs to improve educational results. Funding for this item decreases by \$136,949 (27.8%) in FY 2010 and remains essentially flat in FY 2011.

Academic Standards (200427)

This funding supports the development and dissemination of the state academic standards and model curricula. The budget requires the adoption of new academic standards and curricula for all grades. The requirements for these new standards are described in the Overview section. Funding for this item decreases by \$800,233 (13.1%) in FY 2010 and remains flat in FY 2011.

Student Assessment (200437 and 200690)

This funding supports the development, printing, distribution, collection, scoring, and reporting of state assessments. The budget requires a series of revisions to these assessments and changes to the assessment schedule. A discussion of these

changes can be found in the Overview section. Federal funding for assessments appropriated in item 200690, State Assessments, decreases by 7.1% in FY 2010 and remains flat in FY 2011. Funding for GRF line item 200437 decreases by \$21.4 million (27.6%) in FY 2010 and remains essentially flat in FY 2011. This item includes one earmark as listed in the following table.

200437, Student Assessment		
Earmarks	FY 2010	FY 2011
Kindergarten Readiness Assessment	\$ 100,000	\$ 100,000
Remainder – Student Assessments	\$ 55,854,648	\$ 56,603,265

Kindergarten Readiness Assessment

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

Remainder – Student Assessment

These funds support all other state assessments. Under the budget, all assessments in grades three through eight are to be revised to reflect the new academic standards required by the budget. In addition, the current high school assessment, the Ohio Graduation Test (OGT), is to be replaced by a three-part assessment system. Details of these required changes are given in the Overview section. As the new assessments are developed and adopted, the current assessments will continue to be used except that the budget prohibits the administration of the elementary writing and social studies achievement assessments during the 2009-2010 and 2010-2011 school years, unless the Superintendent determines that ODE has sufficient funds to pay the costs of furnishing and scoring them.

Accountability/Report Cards (200439)

Funding for this item, which supports the production of local report cards, decreases by 46.7% in FY 2010 and remains flat in FY 2011. The budget permits a portion of this funding to be used to train teachers and other educators in the use of value-added data to improve classroom instruction and student achievement. The remainder of these funds are used to produce local report cards for every school district and public school building in the state. These report cards present data on the state's performance indicators as well as descriptive and financial data. They indicate the extent to which the performance indicators established by the State Board of Education are met and the resulting designation of the district or building as "excellent with distinction," "excellent," "effective," "in need of continuous improvement," "in academic watch," or "in academic emergency." Under the budget, the State Board of Education is required to establish new performance indicators for the report cards within one year

after adoption of rules for implementation of the bill's new assessment system for high school graduation, and every six years thereafter. In addition, ODE must develop a fiscal reporting dimension to be included on the report card beginning in FY 2011.

Education Management Information System (200446)

These funds support the Education Management Information System (EMIS). EMIS is ODE's primary system for collecting student, staff, course, program, and financial data from Ohio's public schools. The data collected via EMIS are used to determine both state and federal performance accountability designations, to produce the local report cards, to calculate and administer state funding to school districts, to determine federal funding allocations, and to meet federal reporting requirements. Funding for this item decreases 5.4% in FY 2010 and 9.6% in FY 2011. This item includes the earmarks listed in the following table.

200446, Education Management Information System			
Earmarks	FY 2010		FY 2011
Information Technology Center Subsidy	\$	1,000,000	\$ 810,000
School District Subsidy	\$	6,035,256	\$ 4,960,388
Remainder – Education Management Information System	\$	6,163,896	\$ 6,163,896

Information Technology Center Subsidy

These funds are earmarked for distribution to the 23 information technology centers for costs related to processing, storing, and transferring data for the effective operation of EMIS. The costs include: personnel, hardware purchases, software development, communications connectivity, professional development, support services, and the provision of services related to the State Education Technology Plan. Among other things, these 23 centers help all school districts except Akron, Cleveland, and Columbus, community schools, joint vocational school districts, and educational service centers electronically transmit required EMIS data. Funds are distributed to the 23 information technology centers using a per pupil formula based on the enrollments of member districts.

School District Subsidy

These funds are earmarked for distribution to school districts, community schools, educational service centers, joint vocational school districts, and other entities that report data through EMIS. These funds are generally distributed on a per pupil basis. School districts and community schools that enroll at least 100 students receive a minimum of \$5,000 each fiscal year. School districts and community schools with less than 100 students enrolled, educational service centers, and county boards of developmental disabilities that report data through EMIS receive \$3,000 each fiscal year.

Education Management Information System – Remainder

This funding is used to develop and support a common core of data definitions and standards as adopted by the Education Data Advisory Council, including the ongoing development and maintenance of the data dictionary and data warehouse. These funds are also used to support the development and implementation of data standards and the design, development, and implementation of a new data exchange system to improve the current EMIS.

Longitudinal Data Systems (200628)

This federal grant from the Institute of Education Sciences is used to enhance ODE's data collection system, including automated reporting to the U.S. Department of Education. The budget provides \$100,000 for this program in FY 2010. This funding has ended and spending is expected to end in FY 2010.

National Education Statistics (200685)

This federal funding is deposited into SSR Fund 5U20 to support the collection of education statistics at the state and local level to be reported to the National Center for Education Statistics and to support the position of National Assessment of Education Progress (NAEP) state coordinator. The No Child Left Behind Act requires states to participate in NAEP. Funding for this item increases by 263.7% in FY 2010 and remains flat in FY 2011.

State Administration

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

Appropriations for State Administration				
Fund	ALI	Title	FY 2010	FY 2011
General Revenue Fund (GRF)				
GRF	200100	Personal Services	\$ 10,490,789	\$ 10,723,972
GRF	200320	Maintenance and Equipment	\$ 3,110,071	\$ 3,144,897
GRF	200420	Computer/Application/Network Development	\$ 4,880,871	\$ 4,880,871
General Revenue Fund Subtotal			\$ 18,481,731	\$ 18,749,740
General Services Fund (GSF)				
1380	200606	Computer Services - Operational Support	\$ 7,600,091	\$ 7,600,091
4520	200638	Miscellaneous - Educational Services	\$ 275,000	\$ 275,000
General Services Fund Subtotal			\$ 7,875,091	\$ 7,875,091
Federal Special Revenue Fund (FED)				
3Z30	200645	Consolidated Federal Grant Administration	\$ 8,499,279	\$ 8,499,280
3Z70	200697	General Supervisory Enhancement Grant	\$ 887,319	\$ -
Federal Special Revenue Fund Subtotal			\$ 9,386,598	\$ 8,499,280
State Special Revenue Fund (SSR)				
4R70	200695	Indirect Operational Support	\$ 6,050,000	\$ 6,250,000
4V70	200633	Interagency Operational Support	\$ 1,111,838	\$ 1,117,725
6200	200615	Educational Improvement Grants	\$ 3,000,000	\$ 3,000,000
State Special Revenue Fund Subtotal			\$ 10,161,838	\$ 10,367,725
Total Funding: State Administration			\$ 45,905,258	\$ 45,491,836

Personal Services (200100)

This line item funds wages and benefits for ODE staff that are not funded through line items dedicated to specific programs. Funding for this item decreases by 0.4% in FY 2010 and increases by 2.2% in FY 2011. There is one earmark of this item, which is listed in the following table.

200100, Personal Services		
Earmarks	FY 2010	FY 2011
Closing the Achievement Gap Initiative	\$ 500,000	\$ 500,000
Remainder - Personal Services	\$ 9,990,789	\$ 10,223,972

Closing the Achievement Gap Initiative – New

This new earmark supports the administration and activities of the Governor's Closing the Achievement Gap Initiative. This initiative focuses on improving the retention rate of 9th graders moving to 10th grade in an overall effort to decrease

dropout rates in districts with graduation rates at or below 70%. The budget requires districts with a three-year average graduation rate below 80% to establish linkage coordinators in their schools to serve as primary mentors and service coordinators for at-risk students. These districts are also required to obtain approval of their spending plans from both ODE and the Initiative for FY 2011.

Remainder – Personal Services

This funding supports the personnel involved in administrative functions not directly related to one program, such as human resources, accounting, board relations, policy analysis, and communications. Personal services expenses related to specific programs are funded in the line items that fund those programs.

Maintenance and Equipment (200320)

This funding supports the maintenance and equipment needs of ODE's administrative centers. Funding for this item decreases by 10.4% in FY 2010 and remains essentially flat in FY 2011. As with personal services, maintenance and equipment expenditures are also supported through other appropriation items.

Computer/Application/Network Development (200420)

This funding is used to develop and implement information technologies that meet the needs of the various business centers in ODE. These technologies include Internet and intranet enhancements. ODE has several on-line applications such as the interactive local report card and interactive continuous improvement planning, which are supported with this funding. Funding for this line item decreases by \$211,444 (4.2%) in FY 2010 and remains flat in FY 2011.

Computer Services Operational Support (200606)

This funding supports information technology services and support for various ODE programs. This support includes development and maintenance of the network infrastructure and software, purchase of all computer hardware and software, project management, and programming services. The various programs pay fees for these services, which are deposited into Fund 1380. Funding for this item increases by \$2.0 million (36.1%) in FY 2010 and remains flat in FY 2011.

Miscellaneous Educational Services (200638)

This funding is provided through fees for products or services provided by ODE such as publications or conferences sponsored by ODE as well as through donations made to ODE. These funds are used to support the specific purpose for which the fee was charged or for the purposes specified by donors. Funding for this item increases by \$170,424 (163.0%) in FY 2010 and remains flat in FY 2011.

Consolidated Federal Grant Administration (200645)

This federal funding represents a pool of state administrative funds from several federal grants. The funding is used to administer the various grants, to provide technical assistance to grant recipients, and to engage in state level activities related to the grants. The funding for this item increases by 9.1% in FY 2010 and remains flat in FY 2011.

General Supervisory Enhancement Grant (200697)

This federal funding supports collaboration between ODE, the departments of education in Oregon and Minnesota, and the American Institutes for Research, to develop assessments for certain special education students. The funding was first received in FY 2009 and is expected to end after FY 2010.

Educational Improvement Grants (200615)

This line item receives revenues from various grants from private donors for special projects, such as the Society of Manufacturing Engineers grant and the Ford Motor Company grant.

Indirect Operational Support (200695)

This funding is a consolidation of indirect administrative costs associated with ODE's management of federal grants and contracts. These indirect costs include such things as human resources and accounting costs. These indirect costs are combined into a single fund and recouped from the federal government. The budget provides an increase of 11.2% in FY 2010 and flat funding for this item in FY 2011.

Interagency Operational Support (200633)

This line item is supported by funding from other state agencies for specific programs that require assistance from ODE. Funding for this item remains essentially flat in FY 2010 and FY 2011. Examples of these programs are described below.

Child Abuse Training

This funding is provided mainly by the Ohio Department of Youth Services and the Ohio Department of Rehabilitation and Correction through transfers into SSR Fund 4V70. The funding is used for reimbursements to school districts for providing required training for teachers in identifying child abuse in their students.

Gear Up Program

This federal grant, Gaining Early Awareness and Readiness for Undergraduate Programs (Gear Up), is awarded to the Ohio Board of Regents. ODE partners with BOR to use this funding to support early college awareness activities at both the local and state level in order to increase the number of low-income students participating and succeeding in post-secondary education.

Early Learning Literacy Specialists

These funds permit regionally located specialists to provide professional development to early education and care teachers, program administrators, and local program literacy specialists. More than 3,000 teachers participated in either courses or mentoring projects delivered by the regional specialists in FY 2007.

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FY 2010 - 2011 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2008	FY 2009	FY 2010 Appropriations	% Change FY09 - FY10	FY 2011 Appropriations	% Change FY10 - FY11
Report For: Main Operating Appropriations Bill			Version: Enacted					
EDU Department of Education								
GRF	200100	Personal Services	\$ 10,965,857	\$ 10,534,214	\$ 10,490,789	-0.41%	\$ 10,723,972	2.22%
GRF	200320	Maintenance and Equipment	\$ 3,249,029	\$ 3,471,237	\$ 3,110,071	-10.40%	\$ 3,144,897	1.12%
GRF	200408	Early Childhood Education	\$ 26,300,099	\$ 34,173,592	\$ 23,268,341	-31.91%	\$ 23,268,341	0.00%
GRF	200410	Educator Training	\$ 17,480,059	\$ 16,253,236	\$ 0	-100.00%	\$ 0	N/A
GRF	200416	Career-Technical Education Match	\$ 2,222,373	\$ 2,217,140	\$ 2,233,195	0.72%	\$ 2,233,195	0.00%
GRF	200420	Computer/Application/Network Development	\$ 5,469,042	\$ 5,092,315	\$ 4,880,871	-4.15%	\$ 4,880,871	0.00%
GRF	200421	Alternative Education Programs	\$ 14,202,349	\$ 12,312,959	\$ 7,814,479	-36.53%	\$ 7,918,749	1.33%
GRF	200422	School Management Assistance	\$ 2,835,048	\$ 3,095,007	\$ 1,950,521	-36.98%	\$ 3,230,469	65.62%
GRF	200424	Policy Analysis	\$ 553,530	\$ 493,260	\$ 356,311	-27.76%	\$ 361,065	1.33%
GRF	200425	Tech Prep Consortia Support	\$ 1,877,773	\$ 2,022,218	\$ 1,243,943	-38.49%	\$ 1,260,542	1.33%
GRF	200426	Ohio Educational Computer Network	\$ 29,522,184	\$ 24,919,178	\$ 20,156,602	-19.11%	\$ 20,425,556	1.33%
GRF	200427	Academic Standards	\$ 6,631,605	\$ 6,100,307	\$ 5,300,074	-13.12%	\$ 5,300,074	0.00%
GRF	200431	School Improvement Initiatives	\$ 22,117,158	\$ 17,790,643	\$ 7,294,175	-59.00%	\$ 7,391,503	1.33%
GRF	200433	Literacy Improvement - Professional Development	\$ 8,887,598	\$ 16,720,499	\$ 0	-100.00%	\$ 0	N/A
GRF	200437	Student Assessment	\$ 77,355,688	\$ 77,330,444	\$ 55,954,648	-27.64%	\$ 56,703,265	1.34%
GRF	200439	Accountability/Report Cards	\$ 5,961,160	\$ 7,139,477	\$ 3,804,673	-46.71%	\$ 3,804,673	0.00%
GRF	200442	Child Care Licensing	\$ 1,206,189	\$ 1,145,435	\$ 865,590	-24.43%	\$ 877,140	1.33%
GRF	200445	OhioReads Volunteer Support	\$ 200	\$ 0	\$ 0	N/A	\$ 0	N/A
GRF	200446	Education Management Information System	\$ 15,596,195	\$ 13,949,854	\$ 13,199,152	-5.38%	\$ 11,934,284	-9.58%
GRF	200447	GED Testing	\$ 1,705,269	\$ 1,383,216	\$ 975,536	-29.47%	\$ 988,553	1.33%
GRF	200448	Educator Preparation	\$ 1,134,104	\$ 635,705	\$ 1,310,750	106.19%	\$ 1,328,240	1.33%
GRF	200455	Community Schools	\$ 1,294,728	\$ 1,249,339	\$ 1,000,000	-19.96%	\$ 1,000,000	0.00%
GRF	200457	STEM Initiatives	\$ 7,030,632	\$ 7,376,963	\$ 5,000,000	-32.22%	\$ 5,000,000	0.00%
GRF	200458	School Employees Health Care Board	\$ 0	\$ 0	\$ 800,000	N/A	\$ 800,000	0.00%
GRF	200502	Pupil Transportation	\$ 424,762,211	\$ 428,938,762	\$ 448,022,619	4.45%	\$ 462,822,619	3.30%
GRF	200503	Bus Purchase Allowance	\$ 8,976,862	\$ 17,748,875	\$ 0	-100.00%	\$ 0	N/A
GRF	200505	School Lunch Match	\$ 8,721,172	\$ 8,560,740	\$ 9,100,000	6.30%	\$ 9,100,000	0.00%
GRF	200509	Adult Literacy Education	\$ 8,438,881	\$ 7,976,658	\$ 0	-100.00%	\$ 0	N/A

FY 2010 - 2011 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2008	FY 2009	FY 2010 Appropriations	% Change FY09 - FY10	FY 2011 Appropriations	% Change FY10 - FY11
EDU Department of Education								
GRF	200511	Auxiliary Services	\$ 131,763,597	\$ 128,800,394	\$ 111,979,388	-13.06%	\$ 111,979,388	0.00%
GRF	200514	Postsecondary Adult Career-Technical Education	\$ 17,854,650	\$ 10,660,968	\$ 0	-100.00%	\$ 0	N/A
GRF	200521	Gifted Pupil Program	\$ 46,923,339	\$ 47,198,690	\$ 0	-100.00%	\$ 0	N/A
GRF	200532	Nonpublic Administrative Cost Reimbursement	\$ 59,787,682	\$ 58,699,256	\$ 50,838,939	-13.39%	\$ 50,838,939	0.00%
GRF	200536	Ohio Core Support	\$ 20,368,588	\$ 12,844,907	\$ 0	-100.00%	\$ 0	N/A
GRF	200540	Special Education Enhancements	\$ 135,221,043	\$ 133,667,082	\$ 134,150,233	0.36%	\$ 135,820,668	1.25%
GRF	200545	Career-Technical Education Enhancements	\$ 9,428,283	\$ 8,494,826	\$ 7,752,662	-8.74%	\$ 7,802,699	0.65%
GRF	200550	Foundation Funding	\$ 5,628,394,728	\$ 5,793,031,904	\$ 5,130,669,418	-11.43%	\$ 4,746,289,372	-7.49%
GRF	200551	Foundation Funding - Federal Stimulus	\$ 0	\$ 0	\$ 387,583,913	N/A	\$ 457,449,362	18.03%
GRF	200566	Literacy Improvement - Classroom Grants	\$ 8,139,406	\$ 10,811,766	\$ 0	-100.00%	\$ 0	N/A
GRF	200578	Violence Prevention and School Safety	\$ 876,749	\$ 1,192,421	\$ 200,000	-83.23%	\$ 200,000	0.00%
GRF	200901	Property Tax Allocation - Education	\$ 858,073,763	\$ 939,469,238	\$ 1,053,262,363	12.11%	\$ 1,020,655,157	-3.10%
GRF	200906	Tangible Tax Exemption-Education	\$ 21,635,474	\$ 10,817,736	\$ 0	-100.00%	\$ 0	N/A
General Revenue Fund Total			\$ 7,652,964,298	\$ 7,884,320,462	\$ 7,504,569,256	-4.82%	\$ 7,175,533,593	-4.38%
1380	200606	Computer Services - Operational Support	\$ 6,014,921	\$ 5,582,830	\$ 7,600,091	36.13%	\$ 7,600,091	0.00%
4520	200638	Miscellaneous Educational Services	\$ 122,830	\$ 104,576	\$ 275,000	162.97%	\$ 275,000	0.00%
4D10	200602	Ohio Prevention/Education Resource Center	\$ 191,108	\$ 0	\$ 0	N/A	\$ 0	N/A
4L20	200681	Teacher Certification and Licensure	\$ 5,378,295	\$ 5,218,590	\$ 8,013,206	53.55%	\$ 8,147,756	1.68%
5960	200656	Ohio Career Information System	\$ 186,240	\$ 265,295	\$ 529,761	99.69%	\$ 529,761	0.00%
5H30	200687	School District Solvency Assistance	\$ 10,380,000	\$ 4,500,000	\$ 18,000,000	300.00%	\$ 18,000,000	0.00%
General Services Fund Group Total			\$ 22,273,394	\$ 15,671,290	\$ 34,418,058	119.62%	\$ 34,552,608	0.39%
3090	200601	Educationally Disadvantaged Programs	\$ 7,113,727	\$ 7,119,477	\$ 8,405,512	18.06%	\$ 8,405,512	0.00%
3660	200604	Adult Basic Education	\$ 17,718,504	\$ 4,694,159	\$ 0	-100.00%	\$ 0	N/A
3670	200607	School Food Services	\$ 4,773,354	\$ 4,722,250	\$ 6,324,707	33.93%	\$ 6,577,695	4.00%
3680	200614	Veterans' Training	\$ 575,736	\$ 616,346	\$ 778,349	26.28%	\$ 793,846	1.99%
3690	200616	Career-Technical Education Federal Enhancement	\$ 4,256,622	\$ 4,661,376	\$ 5,000,000	7.26%	\$ 5,000,000	0.00%
3700	200624	Education of Exceptional Children	\$ 3,223,785	\$ 2,192,326	\$ 2,664,000	21.51%	\$ 2,755,000	3.42%
3740	200647	Troops to Teachers	\$ 64,989	\$ 57,943	\$ 100,000	72.58%	\$ 100,000	0.00%

FY 2010 - 2011 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2008	FY 2009	FY 2010 Appropriations	% Change FY09 - FY10	FY 2011 Appropriations	% Change FY10 - FY11
EDU Department of Education								
3780	200660	Learn and Serve	\$ 590,893	\$ 612,694	\$ 619,211	1.06%	\$ 619,211	0.00%
3AF0	200603	Schools Medicaid Administrative Claims	\$ 406,992	\$ 91,371	\$ 639,000	599.35%	\$ 639,000	0.00%
3AN0	200671	School Improvement Grants	\$0	\$ 10,373,787	\$ 17,909,676	72.64%	\$ 17,936,675	0.15%
3AX0	200698	Improving Health and Educational Outcomes of Young People	\$0	\$ 388,596	\$ 630,954	62.37%	\$ 630,954	0.00%
3BK0	200628	Longitudinal Data Systems	\$ 2,215,850	\$ 2,074,761	\$ 100,000	-95.18%	\$ 0	-100.00%
3BV0	200636	Character Education	\$ 623,690	\$ 662,857	\$ 700,000	5.60%	\$ 0	-100.00%
3C50	200661	Early Childhood Education	\$ 15,527,118	\$ 15,415,301	\$ 14,189,711	-7.95%	\$ 14,554,749	2.57%
3CF0	200644	Foreign Language Assistance	\$ 45,715	\$ 297,374	\$ 25,000	-91.59%	\$ 0	-100.00%
3CG0	200646	Teacher Incentive Fund	\$ 2,690,248	\$ 5,081,699	\$ 3,007,975	-40.81%	\$ 1,157,834	-61.51%
3D10	200664	Drug Free Schools	\$ 8,891,238	\$ 8,580,824	\$ 13,347,966	55.56%	\$ 13,347,966	0.00%
3D20	200667	Honors Scholarship Program	\$ 6,536,976	\$ 9,888,317	\$ 6,990,000	-29.31%	\$ 6,985,000	-0.07%
3DJ0	200699	IDEA Part B -Federal Stimulus	\$0	\$0	\$ 218,868,026	N/A	\$ 218,868,026	0.00%
3DK0	200642	Title IA - Federal Stimulus	\$0	\$0	\$ 186,336,737	N/A	\$ 186,336,737	0.00%
3DL0	200650	IDEA Preschool - Federal Stimulus	\$0	\$0	\$ 6,679,679	N/A	\$ 6,679,679	0.00%
3DM0	200651	Title IID Technology -- Federal Stimulus	\$0	\$0	\$ 11,951,000	N/A	\$ 11,951,000	0.00%
3DP0	200652	Title I School Improvement - Federal Stimulus	\$0	\$0	\$ 54,221,000	N/A	\$ 54,221,000	0.00%
3H90	200605	Head Start Collaboration Project	\$ 204,356	\$ 232,072	\$ 225,000	-3.05%	\$ 225,000	0.00%
3L60	200617	Federal School Lunch	\$ 273,778,314	\$ 276,022,492	\$ 295,421,000	7.03%	\$ 310,150,675	4.99%
3L70	200618	Federal School Breakfast	\$ 75,154,805	\$ 76,789,187	\$ 80,850,000	5.29%	\$ 84,892,500	5.00%
3L80	200619	Child/Adult Food Programs	\$ 77,927,338	\$ 84,018,974	\$ 89,250,000	6.23%	\$ 93,712,500	5.00%
3L90	200621	Career-Technical Education Basic Grant	\$ 44,653,541	\$ 45,264,626	\$ 48,029,701	6.11%	\$ 48,029,701	0.00%
3M00	200623	ESEA Title 1A	\$ 412,094,549	\$ 499,453,152	\$ 530,000,000	6.12%	\$ 530,010,000	0.00%
3M10	200678	Innovative Education	\$ 4,058,134	\$ 2,909,514	\$ 1,000,000	-65.63%	\$ 0	-100.00%
3M20	200680	Individuals with Disabilities Education Act	\$ 491,536,833	\$ 438,442,256	\$ 413,391,594	-5.71%	\$ 421,241,163	1.90%
3S20	200641	Education Technology	\$ 8,698,894	\$ 9,686,363	\$ 9,487,397	-2.05%	\$ 9,487,397	0.00%
3T40	200613	Public Charter Schools	\$ 13,720,602	\$ 11,710,711	\$ 14,275,618	21.90%	\$ 14,291,353	0.11%
3Y20	200688	21st Century Community Learning Centers	\$ 25,997,234	\$ 25,250,285	\$ 36,000,000	42.57%	\$ 36,000,000	0.00%
3Y40	200632	Reading First	\$ 19,976,156	\$ 15,191,897	\$ 27,366,373	80.14%	\$ 24,455,172	-10.64%
3Y60	200635	Improving Teacher Quality	\$ 93,926,689	\$ 103,111,518	\$ 101,778,397	-1.29%	\$ 101,778,400	0.00%

FY 2010 - 2011 Final Appropriation Amounts

All Fund Groups

Line Item Detail by Agency			FY 2008	FY 2009	FY 2010 Appropriations	% Change FY09 - FY10	FY 2011 Appropriations	% Change FY10 - FY11
EDU Department of Education								
3Y70	200689	English Language Acquisition	\$ 6,744,789	\$ 7,347,373	\$ 8,142,299	10.82%	\$ 8,142,299	0.00%
3Y80	200639	Rural and Low Income Technical Assistance	\$ 1,498,581	\$ 1,776,783	\$ 1,500,000	-15.58%	\$ 1,500,000	0.00%
3Z20	200690	State Assessments	\$ 11,208,740	\$ 13,905,904	\$ 12,923,799	-7.06%	\$ 12,923,799	0.00%
3Z30	200645	Consolidated Federal Grant Administration	\$ 8,842,418	\$ 7,791,964	\$ 8,499,279	9.08%	\$ 8,499,280	0.00%
3Z70	200697	General Supervisory Enhancement Grant	\$ 0	\$ 1,360,905	\$ 887,319	-34.80%	\$ 0	-100.00%
Federal Special Revenue Fund Group Total			\$ 1,645,277,412	\$ 1,697,797,434	\$ 2,238,516,279	31.85%	\$ 2,262,899,123	1.09%
4540	200610	Guidance and Testing	\$ 388,015	\$ 384,797	\$ 450,000	16.94%	\$ 450,000	0.00%
4550	200608	Commodity Foods	\$ 17,953,139	\$ 18,520,174	\$ 24,000,000	29.59%	\$ 24,000,000	0.00%
4R70	200695	Indirect Operational Support	\$ 5,252,847	\$ 5,438,725	\$ 6,050,000	11.24%	\$ 6,250,000	3.31%
4V70	200633	Interagency Operational Support	\$ 1,725,065	\$ 1,101,332	\$ 1,111,838	0.95%	\$ 1,117,725	0.53%
5980	200659	Auxiliary Services Reimbursement	\$ 1,375,001	\$ 714,607	\$ 1,328,910	85.96%	\$ 1,328,910	0.00%
5BB0	200696	State Action for Education Leadership	\$ 960,564	\$ 1,797,212	\$ 1,250,000	-30.45%	\$ 600,000	-52.00%
5BJ0	200626	Half-Mill Maintenance Equalization	\$ 15,221,933	\$ 16,267,684	\$ 16,100,000	-1.03%	\$ 16,600,000	3.11%
5U20	200685	National Education Statistics	\$ 137,073	\$ 82,497	\$ 300,000	263.65%	\$ 300,000	0.00%
5W20	200663	Early Learning Initiative	\$ 1,223,295	\$ 1,867,769	\$ 2,200,000	17.79%	\$ 2,200,000	0.00%
5X90	200911	NGA STEM	\$ 94,950	\$ 212,671	\$ 100,000	-52.98%	\$ 0	-100.00%
6200	200615	Educational Improvement Grants	\$ 1,737,240	\$ 654,234	\$ 3,000,000	358.55%	\$ 3,000,000	0.00%
6210	200910	Preschool Foreign Language	\$ 218,106	\$ 0	\$ 0	N/A	\$ 0	N/A
State Special Revenue Fund Group Total			\$ 46,287,226	\$ 47,041,701	\$ 55,890,748	18.81%	\$ 55,846,635	-0.08%
7017	200612	Foundation Funding	\$ 666,198,000	\$ 707,900,000	\$ 990,236,905	39.88%	\$ 1,277,271,428	28.99%
7017	200682	Lease Rental Payment Reimbursement	\$ 22,702,000	\$ 0	\$ 0	N/A	\$ 0	N/A
Lottery Profits/Education Fund Group Total			\$ 688,900,000	\$ 707,900,000	\$ 990,236,905	39.88%	\$ 1,277,271,428	28.99%
7047	200909	School District Property Tax Replacement - Business	\$ 620,818,733	\$ 799,471,496	\$ 1,150,207,366	43.87%	\$ 1,150,207,366	0.00%
7053	200900	School District Property Tax Replacement - Utility	\$ 85,486,475	\$ 82,309,041	\$ 91,123,523	10.71%	\$ 91,123,523	0.00%
Revenue Distribution Fund Group Total			\$ 706,305,208	\$ 881,780,537	\$ 1,241,330,889	40.78%	\$ 1,241,330,889	0.00%
Department of Education Total			\$ 10,762,007,538	\$ 11,234,511,425	\$ 12,064,962,135	7.39%	\$ 12,047,434,276	-0.15%