

As Introduced

**126th General Assembly
Regular Session
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S. B. No. 197

Senators Roberts, Fedor, Fingerhut, Zurz, Hagan, Brady

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A B I L L

To amend sections 3314.08, 3314.084, 3314.13, 1
3317.02, 3317.029, 3317.0217, and 3317.03 of the 2
Revised Code and to amend Section 206.09.39 of Am. 3
Sub. H.B. 66 of the 126th General Assembly to 4
eliminate the deduction of community school 5
payments from the state funding accounts of a 6
school district except for payments to community 7
schools that are sponsored by the district. 8

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 3314.08, 3314.084, 3314.13, 3317.02, 9
3317.029, 3317.0217, and 3317.03 of the Revised Code be amended to 10
read as follows: 11

Sec. 3314.08. (A) As used in this section: 12

(1) "Base formula amount" means the amount specified as such 13
in a community school's financial plan for a school year pursuant 14
to division (A)(15) of section 3314.03 of the Revised Code. 15

(2) "Cost-of-doing-business factor" has the same meaning as 16
in section 3317.02 of the Revised Code. 17

(3) "IEP" means an individualized education program as 18
defined in section 3323.01 of the Revised Code. 19

(4) "Applicable special education weight" means the multiple 20
specified in section 3317.013 of the Revised Code for a handicap 21
described in that section. 22

(5) "Applicable vocational education weight" means: 23

(a) For a student enrolled in vocational education programs 24
or classes described in division (A) of section 3317.014 of the 25
Revised Code, the multiple specified in that division; 26

(b) For a student enrolled in vocational education programs 27
or classes described in division (B) of section 3317.014 of the 28
Revised Code, the multiple specified in that division. 29

(6) "Entitled to attend school" means entitled to attend 30
school in a district under section 3313.64 or 3313.65 of the 31
Revised Code. 32

(7) A community school student is "included in the poverty 33
student count" of a school district if the student is entitled to 34
attend school in the district and the student's family receives 35
assistance under the Ohio works first program. 36

(8) "Poverty-based assistance reduction factor" means the 37
percentage figure, if any, for reducing the per pupil amount of 38
poverty-based assistance a community school is entitled to receive 39
pursuant to divisions (D)(5) and (6) of this section in any year, 40
as specified in the school's financial plan for the year pursuant 41
to division (A)(15) of section 3314.03 of the Revised Code. 42

(9) "All-day kindergarten" has the same meaning as in section 43
3317.029 of the Revised Code. 44

(10) "SF-3 payment" means the sum of the payments to a school 45
district in a fiscal year under divisions (A), (C)(1), (C)(4), 46
(D), (E), and (F) of section 3317.022, divisions (J), (P), and (R) 47
of section 3317.024, and sections 3317.029, 3317.0216, 3317.0217, 48
3317.04, 3317.05, 3317.052, and 3317.053 of the Revised Code after 49

making the adjustments required by sections 3313.981 and 3313.979, 50
divisions (B), (C), (D), (E), (K), (L), (M), (N), and (O) of 51
section 3317.023, and division (C) of section 3317.20 of the 52
Revised Code. 53

(B) The state board of education shall adopt rules requiring 54
both of the following: 55

(1) The board of education of each city, exempted village, 56
and local school district to annually report the number of 57
students entitled to attend school in the district who are 58
enrolled in grades one through twelve in a community school 59
established under this chapter, the number of students entitled to 60
attend school in the district who are enrolled in kindergarten in 61
a community school, the number of those kindergartners who are 62
enrolled in all-day kindergarten in their community school, and 63
for each child, the community school in which the child is 64
enrolled and whether or not that community school is sponsored by 65
the district. 66

(2) The governing authority of each community school 67
established under this chapter to annually report all of the 68
following: 69

(a) The number of students enrolled in grades one through 70
twelve and the number of students enrolled in kindergarten in the 71
school who are not receiving special education and related 72
services pursuant to an IEP; 73

(b) The number of enrolled students in grades one through 74
twelve and the number of enrolled students in kindergarten, who 75
are receiving special education and related services pursuant to 76
an IEP; 77

(c) The number of students reported under division (B)(2)(b) 78
of this section receiving special education and related services 79
pursuant to an IEP for a handicap described in each of divisions 80

(A) to (F) of section 3317.013 of the Revised Code;	81
(d) The full-time equivalent number of students reported under divisions (B)(2)(a) and (b) of this section who are enrolled in vocational education programs or classes described in each of divisions (A) and (B) of section 3317.014 of the Revised Code that are provided by the community school;	82 83 84 85 86
(e) Twenty per cent of the number of students reported under divisions (B)(2)(a) and (b) of this section who are not reported under division (B)(2)(d) of this section but who are enrolled in vocational education programs or classes described in each of divisions (A) and (B) of section 3317.014 of the Revised Code at a joint vocational school district under a contract between the community school and the joint vocational school district and are entitled to attend school in a city, local, or exempted village school district whose territory is part of the territory of the joint vocational district, <u>regardless of whether that city, local, or exempted village school district is the sponsor of the community school;</u>	87 88 89 90 91 92 93 94 95 96 97 98
(f) The number of enrolled preschool handicapped students receiving special education services in a state-funded unit;	99 100
(g) The community school's base formula amount;	101
(h) For each student, the city, exempted village, or local school district in which the student is entitled to attend school <u>and an indication of whether that district is the sponsor of the community school;</u>	102 103 104 105
(i) Any poverty-based assistance reduction factor that applies to a school year.	106 107
(C) From <u>The deductions from a school district's account prescribed under this division apply only to amounts calculated for students entitled to attend school in the district who are</u>	108 109 110

enrolled in a community school sponsored by that school district. 111
There shall be no deductions for students entitled to attend 112
school in the district who are enrolled in a community school that 113
is not sponsored by the district. 114

From the SF-3 payment made to a city, exempted village, or 115
local school district and, if necessary, from the payment made to 116
the district under sections 321.24 and 323.156 of the Revised 117
Code, the department of education shall annually subtract the sum 118
of the amounts described in divisions (C)(1) to (9) of this 119
section. However, when deducting payments on behalf of students 120
enrolled in internet- or computer-based community schools, the 121
department shall deduct only those amounts described in divisions 122
(C)(1) and (2) of this section. Furthermore, the aggregate amount 123
deducted under this division shall not exceed the sum of the 124
district's SF-3 payment and its payment under sections 321.24 and 125
323.156 of the Revised Code. 126

(1) An amount equal to the sum of the amounts obtained when, 127
for each community school sponsored by the district where the 128
district's students are enrolled, the number of the district's 129
students reported under divisions (B)(2)(a), (b), and (e) of this 130
section who are enrolled in grades one through twelve, and 131
one-half the number of students reported under those divisions who 132
are enrolled in kindergarten, in that community school is 133
multiplied by the greater of the following: 134

(a) The fiscal year 2005 base formula amount of that 135
community school as adjusted by the school district's fiscal year 136
2005 cost-of-doing-business factor; 137

(b) The sum of (the current base formula amount of that 138
community school times the school district's current 139
cost-of-doing-business factor) plus the per pupil amount of the 140
base funding supplements specified in divisions (C)(1) to (4) of 141
section 3317.012 of the Revised Code. 142

(2) The sum of the amounts calculated under divisions	143
(C)(2)(a) and (b) of this section:	144
(a) For each of the district's students reported under	145
division (B)(2)(c) of this section as enrolled in a community	146
school <u>sponsored by the district</u> in grades one through twelve and	147
receiving special education and related services pursuant to an	148
IEP for a handicap described in section 3317.013 of the Revised	149
Code, the product of the applicable special education weight times	150
the community school's base formula amount;	151
(b) For each of the district's students reported under	152
division (B)(2)(c) of this section as enrolled in kindergarten in	153
a community school <u>sponsored by the district</u> and receiving special	154
education and related services pursuant to an IEP for a handicap	155
described in section 3317.013 of the Revised Code, one-half of the	156
amount calculated as prescribed in division (C)(2)(a) of this	157
section.	158
(3) For each of the district's students reported under	159
division (B)(2)(d) of this section <u>as enrolled in a community</u>	160
<u>school sponsored by the district, and in that community school's</u>	161
<u>vocational education programs and classes eligible for state</u>	162
<u>weighted funding under section 3317.014 of the Revised Code,</u> for	163
whom payment is made under division (D)(4) of this section, the	164
amount of that payment;	165
(4) An amount equal to the sum of the amounts obtained when,	166
for each community school <u>sponsored by the district</u> where the	167
district's students are enrolled, the number of the district's	168
students enrolled in that community school who are included in the	169
district's poverty student count is multiplied by the per pupil	170
amount of poverty-based assistance the school district receives	171
that year pursuant to division (B) or (C) of section 3317.029 of	172
the Revised Code, as adjusted by any poverty-based assistance	173

reduction factor of that community school. If the district 174
receives poverty-based assistance under division (B) of that 175
section, the per pupil amount of that aid is the quotient of the 176
amount the district received under that division divided by the 177
district's poverty student count, as defined in that section. If 178
the district receives poverty-based assistance under division (C) 179
of section 3317.029 of the Revised Code, the per pupil amount of 180
that aid for the district shall be calculated by the department. 181

(5) An amount equal to the sum of the amounts obtained when, 182
for each community school sponsored by the district where the 183
district's students are enrolled, the district's per pupil amount 184
of aid received under division (E) of section 3317.029 of the 185
Revised Code, as adjusted by any poverty-based assistance 186
reduction factor of the community school, is multiplied by the sum 187
of the following: 188

(a) The number of the district's students reported under 189
division (B)(2)(a) of this section who are enrolled in grades one 190
to three in that community school and who are not receiving 191
special education and related services pursuant to an IEP; 192

(b) One-half of the district's students who are enrolled in 193
all-day or any other kindergarten class in that community school 194
and who are not receiving special education and related services 195
pursuant to an IEP; 196

(c) One-half of the district's students who are enrolled in 197
all-day kindergarten in that community school and who are not 198
receiving special education and related services pursuant to an 199
IEP. 200

The district's per pupil amount of aid under division (E) of 201
section 3317.029 of the Revised Code is the quotient of the amount 202
the district received under that division divided by the 203
district's kindergarten through third grade ADM, as defined in 204

that section. 205

(6) An amount equal to the sum of the amounts obtained when, 206
for each community school sponsored by the district where the 207
district's students are enrolled, the district's per pupil amount 208
received under division (F) of section 3317.029 of the Revised 209
Code, as adjusted by any poverty-based assistance reduction factor 210
of that community school, is multiplied by the number of the 211
district's students enrolled in the community school who are 212
identified as limited-English proficient. 213

(7) An amount equal to the sum of the amounts obtained when, 214
for each community school sponsored by the district where the 215
district's students are enrolled, the district's per pupil amount 216
received under division (G) of section 3317.029 of the Revised 217
Code, as adjusted by any poverty-based assistance reduction factor 218
of that community school, is multiplied by the sum of the 219
following: 220

(a) The number of the district's students enrolled in grades 221
one through twelve in that community school; 222

(b) One-half of the number of the district's students 223
enrolled in kindergarten in that community school. 224

The district's per pupil amount under division (G) of section 225
3317.029 of the Revised Code is the district's amount per teacher 226
calculated under division (G)(1) or (2) of that section divided by 227
17, times a multiple of 0.40 in fiscal year 2006 and 0.70 in 228
fiscal year 2007. 229

(8) An amount equal to the sum of the amounts obtained when, 230
for each community school sponsored by the district where the 231
district's students are enrolled, the district's per pupil amount 232
received under divisions (H) and (I) of section 3317.029 of the 233
Revised Code, as adjusted by any poverty-based assistance 234
reduction factor of that community school, is multiplied by the 235

sum of the following:	236
(a) The number of the district's students enrolled in grades one through twelve in that community school;	237 238
(b) One-half of the number of the district's students enrolled in kindergarten in that community school.	239 240
The district's per pupil amount under divisions (H) and (I) of section 3317.029 of the Revised Code is the amount calculated under each division divided by the district's formula ADM, as defined in section 3317.02 of the Revised Code.	241 242 243 244
(9) An amount equal to the per pupil state parity aid funding calculated for the school district under either division (C) or (D) of section 3317.0217 of the Revised Code multiplied by the sum of the number of students in grades one through twelve, and one-half of the number of students in kindergarten, who are entitled to attend school in the district and are enrolled in a community school <u>sponsored by the district</u> as reported under division (B)(1) of this section.	245 246 247 248 249 250 251 252
(D) The department shall annually pay to a <u>each</u> community school established under this chapter the sum of the amounts described in divisions (D)(1) to (10) of this section. However, the department shall calculate and pay to each internet- or computer-based community school only the amounts described in divisions (D)(1) to (3) of this section. Furthermore, the sum of the payments to all community schools under divisions (D)(1), (2), and (4) to (10) of this section <u>to all community schools sponsored by a particular school district</u> for the students entitled to attend school in any particular <u>that</u> school district shall not exceed the sum of that district's SF-3 payment and its payment under sections 321.24 and 323.156 of the Revised Code. If the sum of the payments calculated under those divisions for the students entitled to attend school in a particular school district <u>who are</u>	253 254 255 256 257 258 259 260 261 262 263 264 265 266

enrolled in community schools sponsored by that district exceeds 267
the sum of that district's SF-3 payment and its payment under 268
sections 321.24 and 323.156 of the Revised Code, the department 269
shall calculate and apply a proration factor to the payments ~~to~~ 270
~~all community schools~~ under those divisions to all community 271
schools sponsored by the district for the students entitled to 272
attend school in that district. 273

(1) Subject to section 3314.085 of the Revised Code, an 274
amount equal to the sum of the amounts obtained when the number of 275
students enrolled in grades one through twelve, plus one-half of 276
the kindergarten students in the school, reported under divisions 277
(B)(2)(a), (b), and (e) of this section who are not receiving 278
special education and related services pursuant to an IEP for a 279
handicap described in section 3317.013 of the Revised Code is 280
multiplied by the greater of the following: 281

(a) The community school's fiscal year 2005 base formula 282
amount, as adjusted by the fiscal year 2005 cost-of-doing-business 283
factor of the school district in which the student is entitled to 284
attend school; 285

(b) The sum of (the community school's current base formula 286
amount times the current cost-of-doing-business factor of the 287
school district in which the student is entitled to attend school) 288
plus the per pupil amount of the base funding supplements 289
specified in divisions (C)(1) to (4) of section 3317.012 of the 290
Revised Code. 291

(2) Prior to fiscal year 2007, the greater of the amount 292
calculated under division (D)(2)(a) or (b) of this section, and in 293
fiscal year 2007 and thereafter, the amount calculated under 294
division (D)(2)(b) of this section: 295

(a) The aggregate amount that the department paid to the 296
community school in fiscal year 1999 for students receiving 297

special education and related services pursuant to IEPs, excluding	298
federal funds and state disadvantaged pupil impact aid funds;	299
(b) The sum of the amounts calculated under divisions	300
(D)(2)(b)(i) and (ii) of this section:	301
(i) For each student reported under division (B)(2)(c) of	302
this section as enrolled in the school in grades one through	303
twelve and receiving special education and related services	304
pursuant to an IEP for a handicap described in section 3317.013 of	305
the Revised Code, the following amount:	306
the greater of (the community school's fiscal year 2005	307
base formula amount X the fiscal year 2005	308
cost-of-doing-business factor of the district	309
where the student is entitled to attend school)	310
or [(the school's current base formula amount times	311
the current cost-of-doing-business factor of the school district	312
where the student is entitled to attend school) plus	313
the per pupil amount of the base funding supplements specified in	314
divisions (C)(1) to (4) of section 3317.012 of the Revised Code]	315
+ (the applicable special education weight X the	316
community school's base formula amount);	317
(ii) For each student reported under division (B)(2)(c) of	318
this section as enrolled in kindergarten and receiving special	319
education and related services pursuant to an IEP for a handicap	320
described in section 3317.013 of the Revised Code, one-half of the	321
amount calculated under the formula prescribed in division	322
(D)(2)(b)(i) of this section.	323
(3) An amount received from federal funds to provide special	324
education and related services to students in the community	325
school, as determined by the superintendent of public instruction.	326
(4) For each student reported under division (B)(2)(d) of	327
this section as enrolled in vocational education programs or	328

classes that are described in section 3317.014 of the Revised Code, are provided by the community school, and are comparable as determined by the superintendent of public instruction to school district vocational education programs and classes eligible for state weighted funding under section 3317.014 of the Revised Code, an amount equal to the applicable vocational education weight times the community school's base formula amount times the percentage of time the student spends in the vocational education programs or classes.

(5) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, the number of that district's students enrolled in the community school who are included in the district's poverty student count is multiplied by the per pupil amount of poverty-based assistance that school district receives that year pursuant to division (B) or (C) of section 3317.029 of the Revised Code, as adjusted by any poverty-based assistance reduction factor of the community school. The per pupil amount of aid shall be determined as described in division (C)(4) of this section.

(6) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, the district's per pupil amount of aid received under division (E) of section 3317.029 of the Revised Code, as adjusted by any poverty-based assistance reduction factor of the community school, is multiplied by the sum of the following:

(a) The number of the district's students reported under division (B)(2)(a) of this section who are enrolled in grades one to three in that community school and who are not receiving special education and related services pursuant to an IEP;

(b) One-half of the district's students who are enrolled in 360
all-day or any other kindergarten class in that community school 361
and who are not receiving special education and related services 362
pursuant to an IEP; 363

(c) One-half of the district's students who are enrolled in 364
all-day kindergarten in that community school and who are not 365
receiving special education and related services pursuant to an 366
IEP. 367

The district's per pupil amount of aid under division (E) of 368
section 3317.029 of the Revised Code shall be determined as 369
described in division (C)(5) of this section. 370

(7) An amount equal to the sum of the amounts obtained when, 371
for each school district where the community school's students are 372
entitled to attend school, the number of that district's students 373
enrolled in the community school who are identified as 374
limited-English proficient is multiplied by the district's per 375
pupil amount received under division (F) of section 3317.029 of 376
the Revised Code, as adjusted by any poverty-based assistance 377
reduction factor of the community school. 378

(8) An amount equal to the sum of the amounts obtained when, 379
for each school district where the community school's students are 380
entitled to attend school, the district's per pupil amount 381
received under division (G) of section 3317.029 of the Revised 382
Code, as adjusted by any poverty-based assistance reduction factor 383
of the community school, is multiplied by the sum of the 384
following: 385

(a) The number of the district's students enrolled in grades 386
one through twelve in that community school; 387

(b) One-half of the number of the district's students 388
enrolled in kindergarten in that community school. 389

The district's per pupil amount under division (G) of section 3317.029 of the Revised Code shall be determined as described in division (C)(7) of this section.

(9) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, the district's per pupil amount received under divisions (H) and (I) of section 3317.029 of the Revised Code, as adjusted by any poverty-based assistance reduction factor of the community school, is multiplied by the sum of the following:

(a) The number of the district's students enrolled in grades one through twelve in that community school;

(b) One-half of the number of the district's students enrolled in kindergarten in that community school.

The district's per pupil amount under divisions (H) and (I) of section 3317.029 of the Revised Code shall be determined as described in division (C)(8) of this section.

(10) An amount equal to the sum of the amounts obtained when, for each school district where the community school's students are entitled to attend school, the district's per pupil amount of state parity aid funding calculated under either division (C) or (D) of section 3317.0217 of the Revised Code is multiplied by the sum of the number of that district's students enrolled in grades one through twelve, and one-half of the number of that district's students enrolled in kindergarten, in the community school as reported under division (B)(2)(a) and (b) of this section.

(E)(1) If a community school's costs for a fiscal year for a student receiving special education and related services pursuant to an IEP for a handicap described in divisions (B) to (F) of section 3317.013 of the Revised Code exceed the threshold catastrophic cost for serving the student as specified in division

(C)(3)(b) of section 3317.022 of the Revised Code, the school may
submit to the superintendent of public instruction documentation,
as prescribed by the superintendent, of all its costs for that
student. Upon submission of documentation for a student of the
type and in the manner prescribed, the department shall pay to the
community school an amount equal to the school's costs for the
student in excess of the threshold catastrophic costs.

(2) The community school shall only report under division
(E)(1) of this section, and the department shall only pay for, the
costs of educational expenses and the related services provided to
the student in accordance with the student's individualized
education program. Any legal fees, court costs, or other costs
associated with any cause of action relating to the student may
not be included in the amount.

(F) A community school may apply to the department of
education for preschool handicapped or gifted unit funding the
school would receive if it were a school district. Upon request of
its governing authority, a community school that received unit
funding as a school district-operated school before it became a
community school shall retain any units awarded to it as a school
district-operated school provided the school continues to meet
eligibility standards for the unit.

A community school shall be considered a school district and
its governing authority shall be considered a board of education
for the purpose of applying to any state or federal agency for
grants that a school district may receive under federal or state
law or any appropriations act of the general assembly. The
governing authority of a community school may apply to any private
entity for additional funds.

(G) A board of education sponsoring a community school may
utilize local funds to make enhancement grants to the school or

may agree, either as part of the contract or separately, to 452
provide any specific services to the community school at no cost 453
to the school. 454

(H) A community school may not levy taxes or issue bonds 455
secured by tax revenues. 456

(I) No community school shall charge tuition for the 457
enrollment of any student. 458

(J)(1)(a) A community school may borrow money to pay any 459
necessary and actual expenses of the school in anticipation of the 460
receipt of any portion of the payments to be received by the 461
school pursuant to division (D) of this section. The school may 462
issue notes to evidence such borrowing. The proceeds of the notes 463
shall be used only for the purposes for which the anticipated 464
receipts may be lawfully expended by the school. 465

(b) A school may also borrow money for a term not to exceed 466
fifteen years for the purpose of acquiring facilities. 467

(2) Except for any amount guaranteed under section 3318.50 of 468
the Revised Code, the state is not liable for debt incurred by the 469
governing authority of a community school. 470

(K) For purposes of determining the number of students for 471
which divisions (D)(5) and (6) of this section applies in any 472
school year, a community school may submit to the department of 473
job and family services, no later than the first day of March, a 474
list of the students enrolled in the school. For each student on 475
the list, the community school shall indicate the student's name, 476
address, and date of birth and the school district where the 477
student is entitled to attend school. Upon receipt of a list under 478
this division, the department of job and family services shall 479
determine, for each school district where one or more students on 480
the list is entitled to attend school, the number of students 481
residing in that school district who were included in the 482

department's report under section 3317.10 of the Revised Code. The 483
department shall make this determination on the basis of 484
information readily available to it. Upon making this 485
determination and no later than ninety days after submission of 486
the list by the community school, the department shall report to 487
the state department of education the number of students on the 488
list who reside in each school district who were included in the 489
department's report under section 3317.10 of the Revised Code. In 490
complying with this division, the department of job and family 491
services shall not report to the state department of education any 492
personally identifiable information on any student. 493

(L) The department of education shall adjust the amounts 494
subtracted and paid under divisions (C) and (D) of this section to 495
reflect any enrollment of students in community schools for less 496
than the equivalent of a full school year. The state board of 497
education within ninety days after April 8, 2003, shall adopt in 498
accordance with Chapter 119. of the Revised Code rules governing 499
the payments to community schools under this section including 500
initial payments in a school year and adjustments and reductions 501
made in subsequent periodic payments to community schools and 502
corresponding deductions from school district accounts as provided 503
under divisions (C) and (D) of this section. For purposes of this 504
section: 505

(1) A student shall be considered enrolled in the community 506
school for any portion of the school year the student is 507
participating at a college under Chapter 3365. of the Revised 508
Code. 509

(2) A student shall be considered to be enrolled in a 510
community school during a school year for the period of time 511
beginning on the later of the date on which the school both has 512
received documentation of the student's enrollment from a parent 513
and the student has commenced participation in learning 514

opportunities as defined in the contract with the sponsor, or 515
thirty days prior to the date on which the student is entered into 516
the education management information system established under 517
section 3301.0714 of the Revised Code. For purposes of applying 518
this division to a community school student, "learning 519
opportunities" shall be defined in the contract, which shall 520
describe both classroom-based and non-classroom-based learning 521
opportunities and shall be in compliance with criteria and 522
documentation requirements for student participation which shall 523
be established by the department. Any student's instruction time 524
in non-classroom-based learning opportunities shall be certified 525
by an employee of the community school. A student's enrollment 526
shall be considered to cease on the date on which any of the 527
following occur: 528

(a) The community school receives documentation from a parent 529
terminating enrollment of the student. 530

(b) The community school is provided documentation of a 531
student's enrollment in another public or private school. 532

(c) The community school ceases to offer learning 533
opportunities to the student pursuant to the terms of the contract 534
with the sponsor or the operation of any provision of this 535
chapter. 536

(3) A student's percentage of full-time equivalency shall be 537
considered to be the percentage the hours of learning opportunity 538
offered to that student is of nine hundred and twenty hours. 539
However, no internet- or computer-based community school shall be 540
credited for any time a student spends participating in learning 541
opportunities beyond ten hours within any period of twenty-four 542
consecutive hours. 543

(M) The department of education shall reduce the amounts paid 544
under division (D) of this section to reflect payments made to 545

colleges under division (B) of section 3365.07 of the Revised Code. 546
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(N)(1) No student shall be considered enrolled in any internet- or computer-based community school or, if applicable to the student, in any community school that is required to provide the student with a computer pursuant to division (C) of section 3314.22 of the Revised Code, unless both of the following conditions are satisfied: 548
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(a) The student possesses or has been provided with all required hardware and software materials and all such materials are operational so that the student is capable of fully participating in the learning opportunities specified in the contract between the school and the school's sponsor as required by division (A)(23) of section 3314.03 of the Revised Code; 554
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(b) The school is in compliance with division (A)(1) or (2) of section 3314.22 of the Revised Code, relative to such student. 560
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(2) In accordance with policies adopted jointly by the superintendent of public instruction and the auditor of state, the department shall reduce the amounts otherwise payable under division (D) of this section to any community school that includes in its program the provision of computer hardware and software materials to any student, if such hardware and software materials have not been delivered, installed, and activated for each such student in a timely manner or other educational materials or services have not been provided according to the contract between the individual community school and its sponsor. 562
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The superintendent of public instruction and the auditor of state shall jointly establish a method for auditing any community school to which this division pertains to ensure compliance with this section. 572
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The superintendent, auditor of state, and the governor shall 576

jointly make recommendations to the general assembly for 577
legislative changes that may be required to assure fiscal and 578
academic accountability for such schools. 579

(O)(1) If the department determines that a review of a 580
community school's enrollment is necessary, such review shall be 581
completed and written notice of the findings shall be provided to 582
the governing authority of the community school and its sponsor 583
within ninety days of the end of the community school's fiscal 584
year, unless extended for a period not to exceed thirty additional 585
days for one of the following reasons: 586

(a) The department and the community school mutually agree to 587
the extension. 588

(b) Delays in data submission caused by either a community 589
school or its sponsor. 590

(2) If the review results in a finding that additional 591
funding is owed to the school, such payment shall be made within 592
thirty days of the written notice. If the review results in a 593
finding that the community school owes moneys to the state, the 594
following procedure shall apply: 595

(a) Within ten business days of the receipt of the notice of 596
findings, the community school may appeal the department's 597
determination to the state board of education or its designee. 598

(b) The board or its designee shall conduct an informal 599
hearing on the matter within thirty days of receipt of such an 600
appeal and shall issue a decision within fifteen days of the 601
conclusion of the hearing. 602

(c) If the board has enlisted a designee to conduct the 603
hearing, the designee shall certify its decision to the board. The 604
board may accept the decision of the designee or may reject the 605
decision of the designee and issue its own decision on the matter. 606

(d) Any decision made by the board under this division is 607
final. 608

(3) If it is decided that the community school owes moneys to 609
the state, the department shall deduct such amount from the 610
school's future payments in accordance with guidelines issued by 611
the superintendent of public instruction. 612

Sec. 3314.084. (A) As used in this section: 613

(1) "Formula ADM" has the same meaning as in section 3317.03 614
of the Revised Code. 615

(2) "Home" has the same meaning as in section 3313.64 of the 616
Revised Code. 617

(3) "School district of residence" has the same meaning as in 618
section 3323.01 of the Revised Code; however, a community school 619
established under this chapter is not a "school district of 620
residence" for purposes of this section. 621

(B) Notwithstanding anything to the contrary in section 622
3314.08 or 3317.03 of the Revised Code, all of the following apply 623
in the case of a child who is enrolled in a community school and 624
is also living in a home: 625

(1) For purposes of the report required under division (B)(1) 626
of section 3314.08 of the Revised Code, the child's school 627
district of residence, and not the school district in which the 628
home that the child is living in is located, shall be considered 629
to be the school district in which the child is entitled to attend 630
school. That school district of residence, therefore, shall make 631
the report required under division (B)(1) of section 3314.08 of 632
the Revised Code with respect to the child, including an 633
indication of whether or not that district is the sponsor of the 634
community school in which the child is enrolled. 635

(2) For purposes of the report required under division (B)(2) 636

of section 3314.08 of the Revised Code, the community school shall
report the name of the child's school district of residence and
whether or not that district is the sponsor of the community
school.

(3) The child's school district of residence shall count the
child in that district's formula ADM if the district is the
sponsor of the community school.

(4) The school district in which the home that the child is
living in is located shall not count the child in that district's
formula ADM.

(5) ~~The Department~~ If the child's school district of
residence is the sponsor of the community school in which the
child is enrolled, the department of ~~Education~~ education shall
deduct the applicable amounts prescribed under division (C) of
section 3314.08 and division (D) of section 3314.13 of the Revised
Code from the child's school district of residence ~~and~~. The
department shall not deduct those amounts from the school district
in which the home that the child is living in is located.

(6) The ~~Department~~ department shall make the payments
prescribed in divisions (D) and (E) of section 3314.08 and section
3314.13 of the Revised Code, as applicable, to the community
school.

Sec. 3314.13. (A) As used in this section:

(1) "All-day kindergarten" has the same meaning as in section
3317.029 of the Revised Code.

(2) "Formula amount" has the same meaning as in section
3317.02 of the Revised Code.

(B) Except as provided in division (C) of this section, the
department of education annually shall pay each community school
established under this chapter one-half of the formula amount for

each student to whom both of the following apply:

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(1) The student is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code in a school district that is eligible to receive a payment under division (D) of section 3317.029 of the Revised Code if it provides all-day kindergarten;

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(2) The student is reported by the community school as enrolled in all-day kindergarten at the community school.

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(C) The department shall make no payments under this section to any internet- or computer-based community school.

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(D) If a student for whom payment is made under division (B) of this section is entitled to attend school in a district that both is the sponsor of the community school and receives any payment for all-day kindergarten under division (D) of section 3317.029 of the Revised Code, the department shall deduct the payment to the community school under this section from the amount paid that school district under that division. ~~If that school district does not receive payment for all day kindergarten under that division because it does not provide all day kindergarten, the department shall pay the community school from state funds appropriated generally for poverty based assistance to school districts.~~

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(E) The department shall adjust the amounts deducted from school districts and paid to community schools under this section to reflect any enrollments of students in all-day kindergarten in community schools for less than the equivalent of a full school year.

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Sec. 3317.02. As used in this chapter:

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(A) Unless otherwise specified, "school district" means city, local, and exempted village school districts.

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(B) "Formula amount" means the base cost for the fiscal year

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specified in division (B)(4) of section 3317.012 of the Revised Code.

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(C) "FTE basis" means a count of students based on full-time equivalency, in accordance with rules adopted by the department of education pursuant to section 3317.03 of the Revised Code. In adopting its rules under this division, the department shall provide for counting any student in category one, two, three, four, five, or six special education ADM or in category one or two vocational education ADM in the same proportion the student is counted in formula ADM.

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(D)(1) "Formula ADM" means, for a city, local, or exempted village school district, the number reported pursuant to division (A) of section 3317.03 of the Revised Code, and for a joint vocational school district, the number reported pursuant to division (D) of section 3317.03 of the Revised Code. Beginning in fiscal year 2006, for payments in which formula ADM is a factor, for the months of July through December, formula ADM means the number reported in October of that year, and for the months of January through June, formula ADM means the average of the numbers reported in the previous October and in February.

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(2) "Adjusted formula ADM" means formula ADM plus the number of students entitled to attend school in the school district who are enrolled in a community school that is not sponsored by the district, as reported under division (B)(2) of section 3314.08 of the Revised Code.

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(E)(1) "Three-year average formula ADM" means the average of formula ADMs for the current and preceding two fiscal years.

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(2) "Three-year average adjusted formula ADM" means the average of the adjusted formula ADMs for the current and preceding two fiscal years. In calculating the three-year average adjusted formula ADM in fiscal years 2007 and 2008, the department shall

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utilize as the adjusted formula ADM for fiscal years 2005 and 2006 728
the formula ADM reported for each year under the version of 729
section 3317.03 of the Revised Code in effect during that fiscal 730
year. 731

(F)(1) "Category one special education ADM" means the average 732
daily membership of handicapped children receiving special 733
education services for the handicap specified in division (A) of 734
section 3317.013 of the Revised Code and reported under division 735
(B)(5) or (D)(2)(b) of section 3317.03 of the Revised Code. 736

(2) "Category two special education ADM" means the average 737
daily membership of handicapped children receiving special 738
education services for those handicaps specified in division (B) 739
of section 3317.013 of the Revised Code and reported under 740
division (B)(6) or (D)(2)(c) of section 3317.03 of the Revised 741
Code. 742

(3) "Category three special education ADM" means the average 743
daily membership of students receiving special education services 744
for those handicaps specified in division (C) of section 3317.013 745
of the Revised Code, and reported under division (B)(7) or 746
(D)(2)(d) of section 3317.03 of the Revised Code. 747

(4) "Category four special education ADM" means the average 748
daily membership of students receiving special education services 749
for those handicaps specified in division (D) of section 3317.013 750
of the Revised Code and reported under division (B)(8) or 751
(D)(2)(e) of section 3317.03 of the Revised Code. 752

(5) "Category five special education ADM" means the average 753
daily membership of students receiving special education services 754
for the handicap specified in division (E) of section 3317.013 of 755
the Revised Code and reported under division (B)(9) or (D)(2)(f) 756
of section 3317.03 of the Revised Code. 757

(6) "Category six special education ADM" means the average 758

daily membership of students receiving special education services 759
for the handicap specified in division (F) of section 3317.013 of 760
the Revised Code and reported under division (B)(10) or (D)(2)(g) 761
of section 3317.03 of the Revised Code. 762

(7) "Category one vocational education ADM" means the average 763
daily membership of students receiving vocational education 764
services described in division (A) of section 3317.014 of the 765
Revised Code and reported under division (B)(11) or (D)(2)(h) of 766
section 3317.03 of the Revised Code. 767

(8) "Category two vocational education ADM" means the average 768
daily membership of students receiving vocational education 769
services described in division (B) of section 3317.014 of the 770
Revised Code and reported under division (B)(12) or (D)(2)(i) of 771
section 3317.03 of the Revised Code. 772

Beginning in fiscal year 2006, for payments in which category 773
one through six special education ADM or category one or two 774
vocational education ADM is a factor, for the months of July 775
through December, those terms mean the numbers as described in 776
division (F)(1) through (8) of this section, respectively, 777
reported in October of that year, and for the months of January 778
through June, those terms mean the average of the numbers as 779
described in division (F)(1) through (8) of this section, 780
respectively, reported in the previous October and in February. 781

(G) "Handicapped preschool child" means a handicapped child, 782
as defined in section 3323.01 of the Revised Code, who is at least 783
age three but is not of compulsory school age, as defined in 784
section 3321.01 of the Revised Code, and who is not currently 785
enrolled in kindergarten. 786

(H) "County MR/DD board" means a county board of mental 787
retardation and developmental disabilities. 788

(I) "Recognized valuation" means the amount calculated for a 789

school district pursuant to section 3317.015 of the Revised Code.	790
(J) "Transportation ADM" means the number of children reported under division (B)(13) of section 3317.03 of the Revised Code.	791 792 793
(K) "Average efficient transportation use cost per student" means a statistical representation of transportation costs as calculated under division (D)(2) of section 3317.022 of the Revised Code.	794 795 796 797
(L) "Taxes charged and payable" means the taxes charged and payable against real and public utility property after making the reduction required by section 319.301 of the Revised Code, plus the taxes levied against tangible personal property.	798 799 800 801
(M) "Total taxable value" means the sum of the amounts certified for a city, local, exempted village, or joint vocational school district under divisions (A)(1) and (2) of section 3317.021 of the Revised Code.	802 803 804 805
(N) "Cost-of-doing-business factor" means the amount indicated in division (N)(1) or (2) of this section for the county in which a city, local, exempted village, or joint vocational school district is located. If a city, local, or exempted village school district is located in more than one county, the factor is the amount indicated for the county to which the district is assigned by the state department of education. If a joint vocational school district is located in more than one county, the factor is the amount indicated for the county in which the joint vocational school with the greatest formula ADM operated by the district is located.	806 807 808 809 810 811 812 813 814 815 816
(1) In fiscal year 2006, the cost-of-doing-business factor for each county is:	817 818
COST-OF-DOING-BUSINESS	819
COUNTY FACTOR AMOUNT	820

Adams	1.00233	821
Allen	1.01373	822
Ashland	1.01980	823
Ashtabula	1.02647	824
Athens	1.00093	825
Auglaize	1.01647	826
Belmont	1.00427	827
Brown	1.01180	828
Butler	1.04307	829
Carroll	1.00913	830
Champaign	1.02973	831
Clark	1.02980	832
Clermont	1.03607	833
Clinton	1.02193	834
Columbiana	1.01427	835
Coshocton	1.01153	836
Crawford	1.01093	837
Cuyahoga	1.04173	838
Darke	1.02253	839
Defiance	1.00973	840
Delaware	1.03520	841
Erie	1.02587	842
Fairfield	1.02440	843
Fayette	1.02127	844
Franklin	1.04053	845
Fulton	1.0220	846
Gallia	1.00000	847
Geauga	1.03340	848
Greene	1.02960	849
Guernsey	1.00440	850
Hamilton	1.05000	851
Hancock	1.01433	852
Hardin	1.02373	853

Harrison	1.00493	854
Henry	1.02120	855
Highland	1.00987	856
Hocking	1.01253	857
Holmes	1.01187	858
Huron	1.01953	859
Jackson	1.00920	860
Jefferson	1.00487	861
Knox	1.01860	862
Lake	1.03493	863
Lawrence	1.00540	864
Licking	1.02540	865
Logan	1.02567	866
Lorain	1.03433	867
Lucas	1.02600	868
Madison	1.03253	869
Mahoning	1.02307	870
Marion	1.02040	871
Medina	1.03573	872
Meigs	1.00173	873
Mercer	1.01353	874
Miami	1.02740	875
Monroe	1.00333	876
Montgomery	1.03020	877
Morgan	1.00593	878
Morrow	1.02007	879
Muskingum	1.00847	880
Noble	1.00487	881
Ottawa	1.03240	882
Paulding	1.00767	883
Perry	1.01067	884
Pickaway	1.02607	885
Pike	1.00687	886

Portage	1.03147	887
Preble	1.02947	888
Putnam	1.01440	889
Richland	1.01327	890
Ross	1.01007	891
Sandusky	1.02140	892
Scioto	1.00080	893
Seneca	1.01487	894
Shelby	1.01853	895
Stark	1.01700	896
Summit	1.03613	897
Trumbull	1.02340	898
Tuscarawas	1.00593	899
Union	1.03333	900
Van Wert	1.00887	901
Vinton	1.00633	902
Warren	1.04387	903
Washington	1.00400	904
Wayne	1.02320	905
Williams	1.01520	906
Wood	1.02400	907
Wyandot	1.01140	908

(2) In fiscal year 2007, the cost-of-doing-business factor for each county is: 909
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COST-OF-DOING-BUSINESS		911
COUNTY	FACTOR AMOUNT	912
Adams	1.00117	913
Allen	1.00687	914
Ashland	1.00990	915
Ashtabula	1.01323	916
Athens	1.00047	917
Auglaize	1.00823	918
Belmont	1.00213	919

Brown	1.00590	920
Butler	1.02153	921
Carroll	1.00457	922
Champaign	1.01487	923
Clark	1.01490	924
Clermont	1.01803	925
Clinton	1.01097	926
Columbiana	1.00713	927
Coshocton	1.00577	928
Crawford	1.00547	929
Cuyahoga	1.02087	930
Darke	1.01127	931
Defiance	1.00487	932
Delaware	1.01760	933
Erie	1.01293	934
Fairfield	1.01220	935
Fayette	1.01063	936
Franklin	1.02027	937
Fulton	1.01100	938
Gallia	1.00000	939
Geauga	1.01670	940
Greene	1.01480	941
Guernsey	1.00220	942
Hamilton	1.02500	943
Hancock	1.00717	944
Hardin	1.01187	945
Harrison	1.00247	946
Henry	1.01060	947
Highland	1.00493	948
Hocking	1.00627	949
Holmes	1.00593	950
Huron	1.00977	951
Jackson	1.00460	952

Jefferson	1.00243	953
Knox	1.00930	954
Lake	1.01747	955
Lawrence	1.00270	956
Licking	1.01270	957
Logan	1.01283	958
Lorain	1.01717	959
Lucas	1.01300	960
Madison	1.01627	961
Mahoning	1.01153	962
Marion	1.01020	963
Medina	1.01787	964
Meigs	1.00087	965
Mercer	1.00677	966
Miami	1.01370	967
Monroe	1.00167	968
Montgomery	1.01510	969
Morgan	1.00297	970
Morrow	1.01003	971
Muskingum	1.00423	972
Noble	1.00243	973
Ottawa	1.01620	974
Paulding	1.00383	975
Perry	1.00533	976
Pickaway	1.01303	977
Pike	1.00343	978
Portage	1.01573	979
Preble	1.01473	980
Putnam	1.00720	981
Richland	1.00663	982
Ross	1.00503	983
Sandusky	1.01070	984
Scioto	1.00040	985

Seneca	1.00743	986
Shelby	1.00927	987
Stark	1.00850	988
Summit	1.01807	989
Trumbull	1.01170	990
Tuscarawas	1.00297	991
Union	1.01667	992
Van Wert	1.00443	993
Vinton	1.00317	994
Warren	1.02193	995
Washington	1.00200	996
Wayne	1.01160	997
Williams	1.00760	998
Wood	1.01200	999
Wyandot	1.00570	1000

(O) "Tax exempt value" of a school district means the amount certified for a school district under division (A)(4) of section 3317.021 of the Revised Code.

(P) "Potential value" of a school district means the recognized valuation of a school district plus the tax exempt value of the district.

(Q) "District median income" means the median Ohio adjusted gross income certified for a school district. On or before the first day of July of each year, the tax commissioner shall certify to the department of education for each city, exempted village, and local school district the median Ohio adjusted gross income of the residents of the school district determined on the basis of tax returns filed for the second preceding tax year by the residents of the district.

(R) "Statewide median income" means the median district median income of all city, exempted village, and local school districts in the state.

(S) "Income factor" for a city, exempted village, or local school district means the quotient obtained by dividing that district's median income by the statewide median income.

(T) "Medically fragile child" means a child to whom all of the following apply:

(1) The child requires the services of a doctor of medicine or osteopathic medicine at least once a week due to the instability of the child's medical condition.

(2) The child requires the services of a registered nurse on a daily basis.

(3) The child is at risk of institutionalization in a hospital, skilled nursing facility, or intermediate care facility for the mentally retarded.

(U) A child may be identified as "other health handicapped-major" if the child's condition meets the definition of "other health impaired" established in rules adopted by the state board of education prior to July 1, 2001, and if either of the following apply:

(1) The child is identified as having a medical condition that is among those listed by the superintendent of public instruction as conditions where a substantial majority of cases fall within the definition of "medically fragile child." The superintendent of public instruction shall issue an initial list no later than September 1, 2001.

(2) The child is determined by the superintendent of public instruction to be a medically fragile child. A school district superintendent may petition the superintendent of public instruction for a determination that a child is a medically fragile child.

(V) A child may be identified as "other health

handicapped-minor" if the child's condition meets the definition 1048
of "other health impaired" established in rules adopted by the 1049
state board of education prior to July 1, 2001, but the child's 1050
condition does not meet either of the conditions specified in 1051
division (U)(1) or (2) of this section. 1052

(W) "SF-3 payment" means the sum of the payments to a school 1053
district in a fiscal year under divisions (A), (C)(1), (C)(4), 1054
(D), (E), and (F) of section 3317.022, divisions (J), (P), and (R) 1055
of section 3317.024, and sections 3317.029, 3317.0216, 3317.0217, 1056
3317.04, 3317.05, 3317.052, and 3317.053 of the Revised Code after 1057
making the adjustments required by sections 3313.981 and 3313.979 1058
of the Revised Code, divisions (B), (C), (D), (E), (K), (L), (M), 1059
(N), and (O) of section 3317.023, and division (C) of section 1060
3317.20 of the Revised Code. 1061

(X) "Property exemption value" means zero in fiscal year 1062
2006, and in fiscal year 2007 and each fiscal year thereafter, the 1063
amount certified for a school district under divisions (A)(6) and 1064
(7) of section 3317.021 of the Revised Code. 1065

Sec. 3317.029. (A) As used in this section: 1066

(1) "Poverty percentage" means the quotient obtained by 1067
dividing the five-year average number of children ages five to 1068
seventeen residing in the school district and living in a family 1069
receiving assistance under the Ohio works first program or an 1070
antecedent program known as TANF or ADC, as certified or adjusted 1071
under section 3317.10 of the Revised Code, by the district's 1072
three-year average adjusted formula ADM. 1073

(2) "Statewide poverty percentage" means the five-year 1074
average of the total number of children ages five to seventeen 1075
years residing in the state and receiving assistance under the 1076
Ohio works first program or an antecedent program known as TANF or 1077

ADC, divided by the sum of the three-year average adjusted formula 1078
ADMs for all school districts in the state. 1079

(3) "Poverty index" means the quotient obtained by dividing 1080
the school district's poverty percentage by the statewide poverty 1081
percentage. 1082

(4) "Poverty student count" means the five-year average 1083
number of children ages five to seventeen residing in the school 1084
district and living in a family receiving assistance under the 1085
Ohio works first program or an antecedent program known as TANF or 1086
ADC, as certified under section 3317.10 of the Revised Code~~+~~. 1087

(5) "Kindergarten ADM" means the number of students reported 1088
under division (A) of section 3317.03 of the Revised Code as 1089
enrolled in kindergarten, excluding any kindergarten students 1090
reported under division (B)(3)(e) or (f) of section 3317.03 of the 1091
Revised Code. 1092

(6) "Kindergarten through third grade ADM" means the amount 1093
calculated as follows: 1094

(a) Multiply the kindergarten ADM by the sum of one plus the 1095
all-day kindergarten percentage; 1096

(b) Add the number of students reported under division (A) of 1097
section 3317.03 of the Revised Code in grades one through three; 1098

(c) Subtract from the sum calculated under division (A)(6)(b) 1099
of this section the number of special education students in grades 1100
kindergarten through three. 1101

"Kindergarten through third grade ADM" shall not include any 1102
students reported under division (B)(3)(e) or (f) of section 1103
3317.03 of the Revised Code. 1104

(7) "All-day kindergarten" means a kindergarten class that is 1105
in session five days per week for not less than the same number of 1106
clock hours each day as for pupils in grades one through six. 1107

(8) "All-day kindergarten percentage" means the percentage of 1108
a district's actual total number of students enrolled in 1109
kindergarten who are enrolled in all-day kindergarten. 1110

(9) "Buildings with the highest concentration of need" means 1111
the school buildings in a district with percentages of students in 1112
grades kindergarten through three receiving assistance under Ohio 1113
works first at least as high as the district-wide percentage of 1114
students receiving such assistance. 1115

If, in any fiscal year, the information provided by the 1116
department of job and family services under section 3317.10 of the 1117
Revised Code is insufficient to determine the Ohio works first 1118
percentage in each building, "buildings with the highest 1119
concentration of need" has the meaning given in rules that the 1120
department of education shall adopt. The rules shall base the 1121
definition of "buildings with the highest concentration of need" 1122
on family income of students in grades kindergarten through three 1123
in a manner that, to the extent possible with available data, 1124
approximates the intent of this division and division (K) of this 1125
section to designate buildings where the Ohio works first 1126
percentage in those grades equals or exceeds the district-wide 1127
Ohio works first percentage. 1128

(B) In addition to the amounts required to be paid to a 1129
school district under section 3317.022 of the Revised Code, the 1130
department of education shall compute and distribute to each 1131
school district for poverty-based assistance the greater of the 1132
following: 1133

(1) The amount the district received in fiscal year 2005 for 1134
disadvantaged pupil impact aid pursuant to Section 41.10 of Am. 1135
Sub. H.B. 95 of the 125th General Assembly, as amended, minus the 1136
amount deducted from the district under Section 16 of Am. Sub. 1137
S.B. 2 of the 125th General Assembly that year for payments to 1138

internet- and computer-based community schools sponsored by the 1139
district and all community schools not sponsored by the district; 1140

(2) The sum of the computations made under divisions (C) to 1141
(I) of this section. 1142

(C) A payment for academic intervention programs, if the 1143
district's poverty index is greater than or equal to 0.25, 1144
calculated as follows: 1145

(1) If the district's poverty index is greater than or equal 1146
to 0.25, calculate the district's level one amount for large-group 1147
academic intervention for all students as follows: 1148

(a) If the district's poverty index is greater than or equal 1149
to 0.25 but less than 0.75: 1150

 large-group intervention units X hourly rate X 1151
 level one hours X [(poverty index - 0.25)/0.5] 1152
 X phase-in percentage 1153

Where: 1154

(i) "Large-group intervention units" equals the district's 1155
adjusted formula ADM divided by 20; 1156

(ii) "Hourly rate" equals \$20.00 in fiscal year 2006 and 1157
\$20.40 in fiscal year 2007; 1158

(iii) "Level one hours" equals 25 hours; 1159

(iv) "Phase-in percentage" equals 0.60 in fiscal year 2006 1160
and 1.00 in fiscal year 2007. 1161

(b) If the district's poverty index is greater than or equal 1162
to 0.75: 1163

 large-group intervention units X hourly rate X 1164
 level one hours X phase-in percentage 1165

Where "large-group intervention units," "hourly rate," "level 1166
one hours," and "phase-in percentage" have the same meanings as in 1167

division (C)(1)(a) of this section. 1168

(2) If the district's poverty index is greater than or equal 1169
to 0.75, calculate the district's level two amount for 1170
medium-group academic intervention for all students as follows: 1171

(a) If the district's poverty index is greater than or equal 1172
to 0.75 but less than 1.50: 1173

medium-group intervention units X hourly rate 1174

$X \{ \text{level one hours} + [25 \text{ hours} \times ((\text{poverty index} - 0.75) / 0.75)] \}$ 1175

X phase-in percentage 1176

Where: 1177

(i) "Medium group intervention units" equals the district's 1178
adjusted formula ADM divided by 15; 1179

(ii) "Hourly rate," "level one hours," and "phase-in 1180
percentage" have the same meanings as in division (C)(1)(a) of 1181
this section. 1182

(b) If the district's poverty index is greater than or equal 1183
to 1.50: 1184

medium-group intervention units X hourly rate X 1185
level two hours X phase-in percentage 1186

Where: 1187

(i) "Medium group intervention units" has the same meaning as 1188
in division (C)(2)(a)(i) of this section; 1189

(ii) "Hourly rate" and "phase-in percentage" have the same 1190
meanings as in division (C)(1)(a) of this section; 1191

(iii) "Level two hours" equals 50 hours. 1192

(3) If the district's poverty index is greater than or equal 1193
to 1.50, calculate the district's level three amount for 1194
small-group academic intervention for impoverished students as 1195
follows: 1196

(a) If the district's poverty index is greater than or equal	1197
to 1.50 but less than 2.50:	1198
small group intervention units X hourly rate X	1199
{level one hours + [level three hours X	1200
(poverty index - 1.50)]} X phase-in percentage	1201
Where:	1202
(i) "Small group intervention units" equals the quotient of	1203
(the district's poverty student count times 3) divided by 10;	1204
(ii) "Hourly rate," "level one hours," and "phase-in	1205
percentage" have the same meanings as in division (C)(1)(a) of	1206
this section;	1207
(iii) "Level three hours" equals 135 hours.	1208
(b) If the district's poverty index is greater than or equal	1209
to 2.50:	1210
small group intervention units X hourly rate	1211
X level three hours X phase-in percentage	1212
Where:	1213
(i) "Small group intervention units" has the same meaning as	1214
in division (C)(3)(a)(i) of this section;	1215
(ii) "Hourly rate" and "phase-in percentage" have the same	1216
meanings as in division (C)(1)(a) of this section;	1217
(iii) "Level three hours" equals 160 hours.	1218
Any district that receives funds under division (C)(2) or (3)	1219
of this section annually shall submit to the department of	1220
education by a date established by the department a plan	1221
describing how the district will deploy those funds. The	1222
deployment measures described in that plan shall comply with any	1223
applicable spending requirements prescribed in division (J)(6) of	1224
this section or with any order issued by the superintendent of	1225
public instruction under section 3317.017 of the Revised Code.	1226

(D) A payment for all-day kindergarten if the poverty index of the school district is greater than or equal to 1.0 or if the district's three-year average adjusted formula ADM exceeded seventeen thousand five hundred. In addition, the department shall make a payment under this division to any school district that, in a prior fiscal year, qualified for this payment and provided all-day kindergarten, regardless of changes to the district's poverty index. The department shall calculate the payment under this division by multiplying the all-day kindergarten percentage by the kindergarten ADM and multiplying that product by the formula amount.

(E) A class-size reduction payment based on calculating the number of new teachers necessary to achieve a lower student-teacher ratio, as follows:

(1) Determine or calculate a formula number of teachers per one thousand students based on the poverty index of the school district as follows:

(a) If the poverty index of the school district is less than 1.0, the formula number of teachers is 50.0, which is the number of teachers per one thousand students at a student-teacher ratio of twenty to one;

(b) If the poverty index of the school district is greater than or equal to 1.0, but less than 1.5, the formula number of teachers is calculated as follows:

$$50.0 + \{[(\text{poverty index} - 1.0)/0.5] \times 16.667\}$$

Where 50.0 is the number of teachers per one thousand students at a student-teacher ratio of twenty to one; 0.5 is the interval from a poverty index of 1.0 to a poverty index of 1.5; and 16.667 is the difference in the number of teachers per one thousand students at a student-teacher ratio of fifteen to one and the number of teachers per one thousand students at a

student-teacher ratio of twenty to one. 1258

(c) If the poverty index of the school district is greater 1259
than or equal to 1.5, the formula number of teachers is 66.667, 1260
which is the number of teachers per one thousand students at a 1261
student-teacher ratio of fifteen to one. 1262

(2) Multiply the formula number of teachers determined or 1263
calculated in division (E)(1) of this section by the kindergarten 1264
through third grade ADM for the district and divide that product 1265
by one thousand; 1266

(3) Calculate the number of new teachers as follows: 1267

(a) Multiply the kindergarten through third grade ADM by 1268
50.0, which is the number of teachers per one thousand students at 1269
a student-teacher ratio of twenty to one, and divide that product 1270
by one thousand; 1271

(b) Subtract the quotient obtained in division (E)(3)(a) of 1272
this section from the product in division (E)(2) of this section. 1273

(4) Multiply the greater of the difference obtained under 1274
division (E)(3) of this section or zero by the statewide average 1275
teachers compensation. For this purpose, the "statewide average 1276
teacher compensation" is \$53,680 in fiscal year 2006 and \$54,941 1277
in fiscal year 2007, which includes an amount for the value of 1278
fringe benefits. 1279

(F) A payment for services to limited English proficient 1280
students, if the district's poverty index is greater than or equal 1281
to 1.0 and the proportion of its students who are limited English 1282
proficient, as reported in 2003 on its school district report 1283
issued under section 3302.03 of the Revised Code for the 2002-2003 1284
school year, is greater than or equal to 2.0%, calculated as 1285
follows: 1286

(1) If the district's poverty index is greater than or equal 1287

to 1.0, but less than 1.75, determine the amount per limited English proficient student as follows:

$\{0.125 + [0.125 \times ((\text{poverty index} - 1.0)/0.75)]\}$
X formula amount

(2) If the district's poverty index is greater than or equal to 1.75, the amount per limited English proficient student equals:

0.25 X formula amount

(3) Multiply the per student amount determined for the district under division (F)(1) or (2) of this section by the number of the district's limited English proficient students, times a phase-in percentage of 0.40 in fiscal year 2006 and 0.70 in fiscal year 2007. For purposes of this calculation, the number of limited English proficient students for each district shall be the number determined by the department when it calculated the district's percentage of limited English proficient students for its school district report card issued in 2003 for the 2002-2003 school year.

Not later than December 31, 2006, the department of education shall recommend to the general assembly and the director of budget and management a method of identifying the number of limited English proficient students for purposes of calculating payments under this division after fiscal year 2007.

(G) A payment for professional development of teachers, if the district's poverty index is greater than or equal to 1.0, calculated as follows:

(1) If the district's poverty index is greater than or equal to 1.0, but less than 1.75, determine the amount per teacher as follows:

$[(\text{poverty index} - 1.0)/ 0.75] \times 0.045 \times \text{formula amount}$

(2) If the district's poverty index is greater than or equal to 1.75, the amount per teacher equals:

0.045 X formula amount	1319
(3) Determine the number of teachers, as follows:	1320
(formula ADM/17)	1321
(4) Multiply the per teacher amount determined for the	1322
district under division (G)(1) or (2) of this section by the	1323
number of teachers determined under division (G)(3) of this	1324
section, times a phase-in percentage of 0.40 in fiscal year 2006	1325
and 0.70 in fiscal year 2007.	1326
(H) A payment for dropout prevention, if the district is a	1327
big eight school district as defined in section 3314.02 of the	1328
Revised Code, calculated as follows:	1329
0.005 X formula amount X poverty index	1330
X formula ADM X phase-in percentage	1331
Where "phase-in percentage" equals 0.40 in fiscal year 2006	1332
and 0.70 in fiscal year 2007.	1333
(I) An amount for community outreach, if the district is an	1334
urban school district as defined in section 3314.02 of the Revised	1335
Code, calculated as follows:	1336
0.005 X formula amount X poverty index X	1337
formula ADM X phase-in percentage	1338
Where "phase-in percentage" equals 0.40 in fiscal year 2006	1339
and 0.70 in fiscal year 2007.	1340
(J) This division applies only to school districts whose	1341
poverty index is 1.0 or greater.	1342
(1) Each school district subject to this division shall first	1343
utilize funds received under this section so that, when combined	1344
with other funds of the district, sufficient funds exist to	1345
provide all-day kindergarten to at least the number of children in	1346
the district's all-day kindergarten percentage.	1347
(2) Each school district shall use its payment under division	1348

(F) of this section for one or more of the following purposes:	1349
(a) To hire teachers for limited English proficient students	1350
or other personnel to provide intervention services for those	1351
students;	1352
(b) To contract for intervention services for those students;	1353
(c) To provide other services to assist those students in	1354
passing the third-grade reading achievement test, and to provide	1355
for those students the intervention services required by section	1356
3313.608 of the Revised Code.	1357
(3) Each school district shall use its payment under division	1358
(G) of this section for professional development of teachers or	1359
other licensed personnel providing educational services to	1360
students only in one or more of the following areas:	1361
(a) Data-based decision making;	1362
(b) Standards-based curriculum models;	1363
(c) Job-embedded professional development activities that are	1364
research-based, as defined in federal law.	1365
In addition, each district shall use the payment only to	1366
implement programs identified on a list of eligible professional	1367
development programs provided by the department of education. The	1368
department annually shall provide the list to each district	1369
receiving a payment under division (G) of this section. However, a	1370
district may apply to the department for a waiver to implement an	1371
alternative professional development program in one or more of the	1372
areas specified in divisions (J)(3)(a) to (c) of this section. If	1373
the department grants the waiver, the district may use its payment	1374
under division (G) of this section to implement the alternative	1375
program.	1376
(4) Each big eight school district shall use its payment	1377
under division (H) of this section either for preventing at-risk	1378

students from dropping out of school, for safety and security 1379
measures described in division (J)(5)(b) of this section, for 1380
academic intervention services described in division (J)(6) of 1381
this section, or for a combination of those purposes. Not later 1382
than September 1, 2005, the department of education shall provide 1383
each big eight school district with a list of dropout prevention 1384
programs that it has determined are successful. The department 1385
subsequently may update the list. Each district that elects to use 1386
its payment under division (H) of this section for dropout 1387
prevention shall use the payment only to implement a dropout 1388
prevention program specified on the department's list. However, a 1389
district may apply to the department for a waiver to implement an 1390
alternative dropout prevention program. If the department grants 1391
the waiver, the district may use its payment under division (H) of 1392
this section to implement the alternative program. 1393

(5) Each urban school district that has a poverty index 1394
greater than or equal to 1.0 shall use its payment under division 1395
(I) of this section for one or a combination of the following 1396
purposes: 1397

(a) To hire or contract for community liaison officers, 1398
attendance or truant officers, or safety and security personnel; 1399

(b) To implement programs designed to ensure that schools are 1400
free of drugs and violence and have a disciplined environment 1401
conducive to learning; 1402

(c) To implement academic intervention services described in 1403
division (J)(6) of this section. 1404

(6) Each school district with a poverty index greater than or 1405
equal to 1.0 shall use the amount of its payment under division 1406
(C) of this section, and may use any amount of its payment under 1407
division (H) or (I) of this section, for academic intervention 1408
services for students who have failed or are in danger of failing 1409

any of the tests administered pursuant to section 3301.0710 of the Revised Code, including intervention services required by section 3313.608 of the Revised Code. No district shall spend any portion of its payment under division (C) of this section for any other purpose. Notwithstanding any provision to the contrary in Chapter 4117. of the Revised Code, no collective bargaining agreement entered into after ~~the effective date of this amendment~~ June 30, 2005, shall require use of the payment for any other purpose.

(7) Except as otherwise required by division (K) or permitted under division (O) of this section, all remaining funds distributed under this section to districts with a poverty index greater than or equal to 1.0 shall be utilized for the purpose of the third grade guarantee. The third grade guarantee consists of increasing the amount of instructional attention received per pupil in kindergarten through third grade, either by reducing the ratio of students to instructional personnel or by increasing the amount of instruction and curriculum-related activities by extending the length of the school day or the school year.

School districts may implement a reduction of the ratio of students to instructional personnel through any or all of the following methods:

(a) Reducing the number of students in a classroom taught by a single teacher;

(b) Employing full-time educational aides or educational paraprofessionals issued a permit or license under section 3319.088 of the Revised Code;

(c) Instituting a team-teaching method that will result in a lower student-teacher ratio in a classroom.

Districts may extend the school day either by increasing the amount of time allocated for each class, increasing the number of classes provided per day, offering optional academic-related

after-school programs, providing curriculum-related extra 1441
curricular activities, or establishing tutoring or remedial 1442
services for students who have demonstrated an educational need. 1443
In accordance with section 3319.089 of the Revised Code, a 1444
district extending the school day pursuant to this division may 1445
utilize a participant of the work experience program who has a 1446
child enrolled in a public school in that district and who is 1447
fulfilling the work requirements of that program by volunteering 1448
or working in that public school. If the work experience program 1449
participant is compensated, the school district may use the funds 1450
distributed under this section for all or part of the 1451
compensation. 1452

Districts may extend the school year either through adding 1453
regular days of instruction to the school calendar or by providing 1454
summer programs. 1455

(K) Each district shall not expend any funds received under 1456
division (E) of this section in any school buildings that are not 1457
buildings with the highest concentration of need, unless there is 1458
a ratio of instructional personnel to students of no more than 1459
fifteen to one in each kindergarten and first grade class in all 1460
buildings with the highest concentration of need. This division 1461
does not require that the funds used in buildings with the highest 1462
concentration of need be spent solely to reduce the ratio of 1463
instructional personnel to students in kindergarten and first 1464
grade. A school district may spend the funds in those buildings in 1465
any manner permitted by division (J)(7) of this section, but may 1466
not spend the money in other buildings unless the fifteen-to-one 1467
ratio required by this division is attained. 1468

(L)(1) By the first day of August of each fiscal year, each 1469
school district wishing to receive any funds under division (D) of 1470
this section shall submit to the department of education an 1471
estimate of its all-day kindergarten percentage. Each district 1472

shall update its estimate throughout the fiscal year in the form 1473
and manner required by the department, and the department shall 1474
adjust payments under this section to reflect the updates. 1475

(2) Annually by the end of December, the department of 1476
education, utilizing data from the information system established 1477
under section 3301.0714 of the Revised Code and after consultation 1478
with the legislative office of education oversight, shall 1479
determine for each school district subject to division (J) of this 1480
section whether in the preceding fiscal year the district's ratio 1481
of instructional personnel to students and its number of 1482
kindergarten students receiving all-day kindergarten appear 1483
reasonable, given the amounts of money the district received for 1484
that fiscal year pursuant to divisions (D) and (E) of this 1485
section. If the department is unable to verify from the data 1486
available that students are receiving reasonable amounts of 1487
instructional attention and all-day kindergarten, given the funds 1488
the district has received under this section and that class-size 1489
reduction funds are being used in school buildings with the 1490
highest concentration of need as required by division (K) of this 1491
section, the department shall conduct a more intensive 1492
investigation to ensure that funds have been expended as required 1493
by this section. The department shall file an annual report of its 1494
findings under this division with the chairpersons of the 1495
committees in each house of the general assembly dealing with 1496
finance and education. 1497

(M)(1) Each school district with a poverty index less than 1498
1.0 and a three-year average adjusted formula ADM exceeding 1499
seventeen thousand five hundred shall first utilize funds received 1500
under this section so that, when combined with other funds of the 1501
district, sufficient funds exist to provide all-day kindergarten 1502
to at least the number of children in the district's all-day 1503
kindergarten percentage. 1504

(2) Each school district with a poverty index less than 1.0 1505
that receives a payment under division (C) of this section shall 1506
use its payment under that division in accordance with all 1507
requirements of division (J)(6) of this section. 1508

(3) Each school district with a poverty index less than 1.0 1509
that receives a payment under division (I) of this section shall 1510
use its payment under that division for one or a combination of 1511
the following purposes: 1512

(a) To hire or contract for community liaison officers, 1513
attendance or truant officers, or safety and security personnel; 1514

(b) To implement programs designed to ensure that schools are 1515
free of drugs and violence and have a disciplined environment 1516
conducive to learning; 1517

(c) To implement academic intervention services described in 1518
division (J)(6) of this section. 1519

(4) Each school district to which division (M)(1), (2), or 1520
(3) of this section applies shall expend the remaining funds 1521
received under this section, and any other district with a poverty 1522
index less than 1.0 shall expend all funds received under this 1523
section, for any of the following purposes: 1524

(a) The purchase of technology for instructional purposes for 1525
remediation; 1526

(b) All-day kindergarten; 1527

(c) Reduction of class sizes in grades kindergarten through 1528
three, as described in division (J)(7) of this section; 1529

(d) Summer school remediation; 1530

(e) Dropout prevention programs approved by the department of 1531
education under division (J)(4) of this section; 1532

(f) Guaranteeing that all third graders are ready to progress 1533

to more advanced work;	1534
(g) Summer education and work programs;	1535
(h) Adolescent pregnancy programs;	1536
(i) Head start, preschool, early childhood education, or early learning programs;	1537 1538
(j) Reading improvement and remediation programs described by the department of education;	1539 1540
(k) Programs designed to ensure that schools are free of drugs and violence and have a disciplined environment conducive to learning;	1541 1542 1543
(l) Furnishing, free of charge, materials used in courses of instruction, except for the necessary textbooks or electronic textbooks required to be furnished without charge pursuant to section 3329.06 of the Revised Code, to pupils living in families participating in Ohio works first in accordance with section 3313.642 of the Revised Code;	1544 1545 1546 1547 1548 1549
(m) School breakfasts provided pursuant to section 3313.813 of the Revised Code.	1550 1551
(N) If at any time the superintendent of public instruction determines that a school district receiving funds under division (D) of this section has enrolled less than the all-day kindergarten percentage reported for that fiscal year, the superintendent shall withhold from the funds otherwise due the district under this section a proportional amount as determined by the difference in the certified all-day kindergarten percentage and the percentage actually enrolled in all-day kindergarten.	1552 1553 1554 1555 1556 1557 1558 1559
The superintendent shall also withhold an appropriate amount of funds otherwise due a district for any other misuse of funds not in accordance with this section.	1560 1561 1562
(O)(1) A district may use a portion of the funds calculated	1563

for it under division (D) of this section to modify or purchase
classroom space to provide all-day kindergarten, if both of the
following conditions are met:

(a) The district certifies to the department, in a manner
acceptable to the department, that it has a shortage of space for
providing all-day kindergarten.

(b) The district provides all-day kindergarten to the number
of children in the all-day kindergarten percentage it certified
under this section.

(2) A district may use a portion of the funds described in
division (J)(7) of this section to modify or purchase classroom
space to enable it to further reduce class size in grades
kindergarten through two with a goal of attaining class sizes of
fifteen students per licensed teacher. To do so, the district must
certify its need for additional space to the department, in a
manner satisfactory to the department.

(P) Notwithstanding any other provision of this section, each
year the department shall reduce the payments to a school district
under division (B) or (C) of this section in an amount equal to
the aggregate payments made under division (D)(5) of section
3314.08 of the Revised Code to community schools not sponsored by
the district on behalf of students entitled to attend school in
the district.

Sec. 3317.0217. The department of education shall annually
compute and pay state parity aid to school districts, as follows:

(A) Calculate the local wealth per pupil of each school
district, which equals the following sum:

(1) Two-thirds times the quotient of (a) the district's
recognized valuation divided by (b) its adjusted formula ADM; plus

(2) One-third times the quotient of (a) the average of the

total federal adjusted gross income of the school district's 1594
residents for the three years most recently reported under section 1595
3317.021 of the Revised Code divided by (b) its adjusted formula 1596
ADM. 1597

(B) Rank all school districts in order of local wealth per 1598
pupil, from the district with the lowest local wealth per pupil to 1599
the district with the highest local wealth per pupil. 1600

(C) Compute the per pupil state parity aid funding for each 1601
school district in accordance with the following formula: 1602

(threshold local wealth 1603
per pupil - the district's local 1604
wealth per pupil) X 0.0075 1605

Where: 1606

(1) Seven and one-half mills (0.0075) is an adjustment to the 1607
original parity aid standard of nine and one-half mills, to 1608
account for the general assembly's policy decision to phase-out 1609
use of the cost-of-doing-business factor in the base cost formula. 1610

(2) The "threshold local wealth per pupil" is the local 1611
wealth per pupil of the school district with the 1612
four-hundred-ninetieth lowest local wealth per pupil. 1613

If the result of the calculation for a school district under 1614
division (C) of this section is less than zero, the district's per 1615
pupil parity aid shall be zero. 1616

(D) Compute the per pupil alternative parity aid for each 1617
school district that has a combination of an income factor of 1.0 1618
or less, a poverty index of 1.0 or greater, and a fiscal year 2005 1619
cost-of-doing-business factor of 1.0375 or greater, in accordance 1620
with the following formula: 1621

Payment percentage X \$60,000 X 1622
(1 - income factor) X 4/15 X 0.023 1623

Where:	1624
(1) "Poverty index" has the same meaning as in section 3317.029 of the Revised Code.	1625 1626
(2) "Payment percentage," for purposes of division (D) of this section, equals 50% in fiscal year 2002 and 100% after fiscal year 2002.	1627 1628 1629
(E) Pay each district that has a combination of an income factor of 1.0 or less, a poverty index of 1.0 or greater, and a fiscal year 2005 cost-of-doing-business factor of 1.0375 or greater, the greater of the following:	1630 1631 1632 1633
(1) The product of the district's per pupil parity aid calculated under division (C) of this section times its net formula ADM;	1634 1635 1636
(2) The product of its per pupil alternative parity aid calculated under division (D) of this section times its net formula ADM.	1637 1638 1639
(F) Pay every other district the product of its per pupil parity aid calculated under division (C) of this section times its net formula ADM.	1640 1641 1642
(G) As used in divisions (E) and (F) of this section, "net formula ADM" means formula ADM minus the number of internet- and computer-based community school students and scholarship students reported under divisions (B)(3)(e) and (f) of section 3317.03 of the Revised Code.	1643 1644 1645 1646 1647
Sec. 3317.03. Notwithstanding divisions (A)(1), (B)(1), and (C) of this section, any student enrolled in kindergarten more than half time shall be reported as one-half student under this section.	1648 1649 1650 1651
(A) The superintendent of each city and exempted village	1652

school district and of each educational service center shall, for 1653
the schools under the superintendent's supervision, certify to the 1654
state board of education on or before the fifteenth day of October 1655
in each year for the first full school week in October the formula 1656
ADM. Beginning in fiscal year 2006, each superintendent also shall 1657
certify to the state board, for the schools under the 1658
superintendent's supervision, the formula ADM for the third full 1659
week in February. If a school under the superintendent's 1660
supervision is closed for one or more days during that week due to 1661
hazardous weather conditions or other circumstances described in 1662
the first paragraph of division (B) of section 3317.01 of the 1663
Revised Code, the superintendent may apply to the superintendent 1664
of public instruction for a waiver, under which the superintendent 1665
of public instruction may exempt the district superintendent from 1666
certifying the formula ADM for that school for that week and 1667
specify an alternate week for certifying the formula ADM of that 1668
school. 1669

The formula ADM shall consist of the average daily membership 1670
during such week of the sum of the following: 1671

(1) On an FTE basis, the number of students in grades 1672
kindergarten through twelve receiving any educational services 1673
from the district, except that the following categories of 1674
students shall not be included in the determination: 1675

(a) Students enrolled in adult education classes; 1676

(b) Adjacent or other district students enrolled in the 1677
district under an open enrollment policy pursuant to section 1678
3313.98 of the Revised Code; 1679

(c) Students receiving services in the district pursuant to a 1680
compact, cooperative education agreement, or a contract, but who 1681
are entitled to attend school in another district pursuant to 1682
section 3313.64 or 3313.65 of the Revised Code; 1683

(d) Students for whom tuition is payable pursuant to sections 3317.081 and 3323.141 of the Revised Code.	1684 1685
(2) On an FTE basis, the number of students entitled to attend school in the district pursuant to section 3313.64 or 3313.65 of the Revised Code, but receiving educational services in grades kindergarten through twelve from one or more of the following entities:	1686 1687 1688 1689 1690
(a) A community school pursuant to <u>established under</u> Chapter 3314. of the Revised Code <u>that is sponsored by the district</u> , including any participation in a college pursuant to Chapter 3365. of the Revised Code while enrolled in such community school;	1691 1692 1693 1694
(b) An alternative school pursuant to sections 3313.974 to 3313.979 of the Revised Code as described in division (I)(2)(a) or (b) of this section;	1695 1696 1697
(c) A college pursuant to Chapter 3365. of the Revised Code, except when the student is enrolled in the college while also enrolled in a community school pursuant to <u>established under</u> Chapter 3314. of the Revised Code;	1698 1699 1700 1701
(d) An adjacent or other school district under an open enrollment policy adopted pursuant to section 3313.98 of the Revised Code;	1702 1703 1704
(e) An educational service center or cooperative education district;	1705 1706
(f) Another school district under a cooperative education agreement, compact, or contract;	1707 1708
(g) A chartered nonpublic school with a scholarship paid under section 3310.08 of the Revised Code.	1709 1710
(3) Twenty per cent of the number of students enrolled in a joint vocational school district or under a vocational education compact, excluding any students entitled to attend school in the	1711 1712 1713

district under section 3313.64 or 3313.65 of the Revised Code who
are enrolled in another school district through an open enrollment
policy as reported under division (A)(2)(d) of this section and
then enroll in a joint vocational school district or under a
vocational education compact;

(4) The number of handicapped children, other than
handicapped preschool children, entitled to attend school in the
district pursuant to section 3313.64 or 3313.65 of the Revised
Code who are placed with a county MR/DD board, minus the number of
such children placed with a county MR/DD board in fiscal year
1998. If this calculation produces a negative number, the number
reported under division (A)(4) of this section shall be zero.

(5) In the case of the report submitted for the third full
week in February, or the alternative week if specified by the
superintendent of public instruction, the number of students
reported under division (A)(1) or (2) of this section for the
first full week of the preceding October but who since that week
have received high school diplomas.

(B) To enable the department of education to obtain the data
needed to complete the calculation of payments pursuant to this
chapter, in addition to the formula ADM, each superintendent shall
report separately the following student counts for the same week
for which formula ADM is certified:

(1) The total average daily membership in regular day classes
included in the report under division (A)(1) or (2) of this
section for kindergarten, and each of grades one through twelve in
schools under the superintendent's supervision;

(2) The number of all handicapped preschool children enrolled
as of the first day of December in classes in the district that
are eligible for approval under division (B) of section 3317.05 of
the Revised Code and the number of those classes, which shall be

reported not later than the fifteenth day of December, in 1745
accordance with rules adopted under that section; 1746

(3) The number of children entitled to attend school in the 1747
district pursuant to section 3313.64 or 3313.65 of the Revised 1748
Code who are: 1749

(a) Participating in a pilot project scholarship program 1750
established under sections 3313.974 to 3313.979 of the Revised 1751
Code as described in division (I)(2)(a) or (b) of this section; 1752

(b) Enrolled in a college under Chapter 3365. of the Revised 1753
Code, except when the student is enrolled in the college while 1754
also enrolled in a community school ~~pursuant to~~ established under 1755
Chapter 3314. of the Revised Code; 1756

(c) Enrolled in an adjacent or other school district under 1757
section 3313.98 of the Revised Code; 1758

(d) Enrolled in a community school established under Chapter 1759
3314. of the Revised Code sponsored by the district that is not an 1760
internet- or computer-based community school as defined in section 1761
3314.02 of the Revised Code, including any participation in a 1762
college pursuant to Chapter 3365. of the Revised Code while 1763
enrolled in such community school; 1764

(e) Enrolled in an internet- or computer-based community 1765
school, as defined in section 3314.02 of the Revised Code, that is 1766
sponsored by the district, including any participation in a 1767
college pursuant to Chapter 3365. of the Revised Code while 1768
enrolled in the school; 1769

(f) Enrolled in a chartered nonpublic school with a 1770
scholarship paid under section 3310.08 of the Revised Code; 1771

(g) Participating in a program operated by a county MR/DD 1772
board or a state institution; 1773

(4) The number of pupils enrolled in joint vocational 1774

schools;	1775
(5) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for the category one handicap described in division (A) of section 3317.013 of the Revised Code;	1776 1777 1778 1779
(6) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for category two handicaps described in division (B) of section 3317.013 of the Revised Code;	1780 1781 1782 1783
(7) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for category three handicaps described in division (C) of section 3317.013 of the Revised Code;	1784 1785 1786 1787
(8) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for category four handicaps described in division (D) of section 3317.013 of the Revised Code;	1788 1789 1790 1791
(9) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for the category five handicap described in division (E) of section 3317.013 of the Revised Code;	1792 1793 1794 1795
(10) The average daily membership of handicapped children reported under division (A)(1) or (2) of this section receiving special education services for category six handicaps described in division (F) of section 3317.013 of the Revised Code;	1796 1797 1798 1799
(11) The average daily membership of pupils reported under division (A)(1) or (2) of this section enrolled in category one vocational education programs or classes, described in division (A) of section 3317.014 of the Revised Code, operated by the school district or by another district, other than a joint	1800 1801 1802 1803 1804

vocational school district, or by an educational service center, 1805
excluding any student reported under division (B)(3)(e) of this 1806
section as enrolled in an internet- or computer-based community 1807
school, notwithstanding division (C) of section 3317.02 of the 1808
Revised Code and division (C)(3) of this section; 1809

(12) The average daily membership of pupils reported under 1810
division (A)(1) or (2) of this section enrolled in category two 1811
vocational education programs or services, described in division 1812
(B) of section 3317.014 of the Revised Code, operated by the 1813
school district or another school district, other than a joint 1814
vocational school district, or by an educational service center, 1815
excluding any student reported under division (B)(3)(e) of this 1816
section as enrolled in an internet- or computer-based community 1817
school, notwithstanding division (C) of section 3317.02 of the 1818
Revised Code and division (C)(3) of this section; 1819

(13) The average number of children transported by the school 1820
district on board-owned or contractor-owned and -operated buses, 1821
reported in accordance with rules adopted by the department of 1822
education; 1823

(14)(a) The number of children, other than handicapped 1824
preschool children, the district placed with a county MR/DD board 1825
in fiscal year 1998; 1826

(b) The number of handicapped children, other than 1827
handicapped preschool children, placed with a county MR/DD board 1828
in the current fiscal year to receive special education services 1829
for the category one handicap described in division (A) of section 1830
3317.013 of the Revised Code; 1831

(c) The number of handicapped children, other than 1832
handicapped preschool children, placed with a county MR/DD board 1833
in the current fiscal year to receive special education services 1834
for category two handicaps described in division (B) of section 1835

3317.013 of the Revised Code;	1836
(d) The number of handicapped children, other than	1837
handicapped preschool children, placed with a county MR/DD board	1838
in the current fiscal year to receive special education services	1839
for category three handicaps described in division (C) of section	1840
3317.013 of the Revised Code;	1841
(e) The number of handicapped children, other than	1842
handicapped preschool children, placed with a county MR/DD board	1843
in the current fiscal year to receive special education services	1844
for category four handicaps described in division (D) of section	1845
3317.013 of the Revised Code;	1846
(f) The number of handicapped children, other than	1847
handicapped preschool children, placed with a county MR/DD board	1848
in the current fiscal year to receive special education services	1849
for the category five handicap described in division (E) of	1850
section 3317.013 of the Revised Code;	1851
(g) The number of handicapped children, other than	1852
handicapped preschool children, placed with a county MR/DD board	1853
in the current fiscal year to receive special education services	1854
for category six handicaps described in division (F) of section	1855
3317.013 of the Revised Code.	1856
(C)(1) Except as otherwise provided in this section for	1857
kindergarten students, the average daily membership in divisions	1858
(B)(1) to (12) of this section shall be based upon the number of	1859
full-time equivalent students. The state board of education shall	1860
adopt rules defining full-time equivalent students and for	1861
determining the average daily membership therefrom for the	1862
purposes of divisions (A), (B), and (D) of this section.	1863
(2) A student enrolled in a community school established	1864
under Chapter 3314. of the Revised Code <u>that is sponsored by the</u>	1865
<u>school district in which the student is entitled to attend school</u>	1866

under section 3313.64 or 3313.65 of the Revised Code shall be 1867
counted in the formula ADM and, if applicable, the category one, 1868
two, three, four, five, or six special education ADM of ~~the~~ that 1869
school district ~~in which the student is entitled to attend school~~ 1870
~~under section 3313.64 or 3313.65 of the Revised Code~~ for the same 1871
proportion of the school year that the student is counted in the 1872
enrollment of ~~the~~ that community school for purposes of section 1873
3314.08 of the Revised Code. 1874

(3) No child shall be counted as more than a total of one 1875
child in the sum of the average daily memberships of a school 1876
district under division (A), divisions (B)(1) to (12), or division 1877
(D) of this section, except as follows: 1878

(a) A child with a handicap described in section 3317.013 of 1879
the Revised Code may be counted both in formula ADM and in 1880
category one, two, three, four, five, or six special education ADM 1881
and, if applicable, in category one or two vocational education 1882
ADM. As provided in division (C) of section 3317.02 of the Revised 1883
Code, such a child shall be counted in category one, two, three, 1884
four, five, or six special education ADM in the same proportion 1885
that the child is counted in formula ADM. 1886

(b) A child enrolled in vocational education programs or 1887
classes described in section 3317.014 of the Revised Code may be 1888
counted both in formula ADM and category one or two vocational 1889
education ADM and, if applicable, in category one, two, three, 1890
four, five, or six special education ADM. Such a child shall be 1891
counted in category one or two vocational education ADM in the 1892
same proportion as the percentage of time that the child spends in 1893
the vocational education programs or classes. 1894

(4) Based on the information reported under this section, the 1895
department of education shall determine the total student count, 1896
as defined in section 3301.011 of the Revised Code, for each 1897
school district. 1898

(D)(1) The superintendent of each joint vocational school 1899
district shall certify to the superintendent of public instruction 1900
on or before the fifteenth day of October in each year for the 1901
first full school week in October the formula ADM. Beginning in 1902
fiscal year 2006, each superintendent also shall certify to the 1903
state superintendent the formula ADM for the third full week in 1904
February. If a school operated by the joint vocational school 1905
district is closed for one or more days during that week due to 1906
hazardous weather conditions or other circumstances described in 1907
the first paragraph of division (B) of section 3317.01 of the 1908
Revised Code, the superintendent may apply to the superintendent 1909
of public instruction for a waiver, under which the superintendent 1910
of public instruction may exempt the district superintendent from 1911
certifying the formula ADM for that school for that week and 1912
specify an alternate week for certifying the formula ADM of that 1913
school. 1914

The formula ADM, except as otherwise provided in this 1915
division, shall consist of the average daily membership during 1916
such week, on an FTE basis, of the number of students receiving 1917
any educational services from the district, including students 1918
enrolled in a community school established under Chapter 3314. of 1919
the Revised Code who are attending the joint vocational district 1920
under an agreement between the joint vocational district board of 1921
education and the governing authority of the community school and 1922
are entitled to attend school in a city, local, or exempted 1923
village school district whose territory is part of the territory 1924
of the joint vocational district, whether or not the city, local, 1925
or exempted village school district is the sponsor of the 1926
community school. In the case of the report submitted for the 1927
third week in February, or the alternative week if specified by 1928
the superintendent of public instruction, the superintendent of 1929
the joint vocational school district may include the number of 1930

students reported under division (D)(1) of this section for the 1931
first full week of the preceding October but who since that week 1932
have received high school diplomas. 1933

The following categories of students shall not be included in 1934
the determination made under division (D)(1) of this section: 1935

(a) Students enrolled in adult education classes; 1936

(b) Adjacent or other district joint vocational students 1937
enrolled in the district under an open enrollment policy pursuant 1938
to section 3313.98 of the Revised Code; 1939

(c) Students receiving services in the district pursuant to a 1940
compact, cooperative education agreement, or a contract, but who 1941
are entitled to attend school in a city, local, or exempted 1942
village school district whose territory is not part of the 1943
territory of the joint vocational district; 1944

(d) Students for whom tuition is payable pursuant to sections 1945
3317.081 and 3323.141 of the Revised Code. 1946

(2) To enable the department of education to obtain the data 1947
needed to complete the calculation of payments pursuant to this 1948
chapter, in addition to the formula ADM, each superintendent shall 1949
report separately the average daily membership included in the 1950
report under division (D)(1) of this section for each of the 1951
following categories of students for the same week for which 1952
formula ADM is certified: 1953

(a) Students enrolled in each grade included in the joint 1954
vocational district schools; 1955

(b) Handicapped children receiving special education services 1956
for the category one handicap described in division (A) of section 1957
3317.013 of the Revised Code; 1958

(c) Handicapped children receiving special education services 1959
for the category two handicaps described in division (B) of 1960

section 3317.013 of the Revised Code;	1961
(d) Handicapped children receiving special education services for category three handicaps described in division (C) of section 3317.013 of the Revised Code;	1962 1963 1964
(e) Handicapped children receiving special education services for category four handicaps described in division (D) of section 3317.013 of the Revised Code;	1965 1966 1967
(f) Handicapped children receiving special education services for the category five handicap described in division (E) of section 3317.013 of the Revised Code;	1968 1969 1970
(g) Handicapped children receiving special education services for category six handicaps described in division (F) of section 3317.013 of the Revised Code;	1971 1972 1973
(h) Students receiving category one vocational education services, described in division (A) of section 3317.014 of the Revised Code;	1974 1975 1976
(i) Students receiving category two vocational education services, described in division (B) of section 3317.014 of the Revised Code.	1977 1978 1979
The superintendent of each joint vocational school district shall also indicate the city, local, or exempted village school district in which each joint vocational district pupil is entitled to attend school pursuant to section 3313.64 or 3313.65 of the Revised Code.	1980 1981 1982 1983 1984
(E) In each school of each city, local, exempted village, joint vocational, and cooperative education school district there shall be maintained a record of school membership, which record shall accurately show, for each day the school is in session, the actual membership enrolled in regular day classes. For the purpose of determining average daily membership, the membership figure of	1985 1986 1987 1988 1989 1990

any school shall not include any pupils except those pupils
described by division (A) of this section. The record of
membership for each school shall be maintained in such manner that
no pupil shall be counted as in membership prior to the actual
date of entry in the school and also in such manner that where for
any cause a pupil permanently withdraws from the school that pupil
shall not be counted as in membership from and after the date of
such withdrawal. There shall not be included in the membership of
any school any of the following:

(1) Any pupil who has graduated from the twelfth grade of a
public high school;

(2) Any pupil who is not a resident of the state;

(3) Any pupil who was enrolled in the schools of the district
during the previous school year when tests were administered under
section 3301.0711 of the Revised Code but did not take one or more
of the tests required by that section and was not excused pursuant
to division (C)(1) or (3) of that section;

(4) Any pupil who has attained the age of twenty-two years,
except for veterans of the armed services whose attendance was
interrupted before completing the recognized twelve-year course of
the public schools by reason of induction or enlistment in the
armed forces and who apply for reenrollment in the public school
system of their residence not later than four years after
termination of war or their honorable discharge.

If, however, any veteran described by division (E)(4) of this
section elects to enroll in special courses organized for veterans
for whom tuition is paid under the provisions of federal laws, or
otherwise, that veteran shall not be included in average daily
membership.

Notwithstanding division (E)(3) of this section, the
membership of any school may include a pupil who did not take a

test required by section 3301.0711 of the Revised Code if the
superintendent of public instruction grants a waiver from the
requirement to take the test to the specific pupil. The
superintendent may grant such a waiver only for good cause in
accordance with rules adopted by the state board of education.

Except as provided in divisions (B)(2) and (F) of this
section, the average daily membership figure of any local, city,
exempted village, or joint vocational school district shall be
determined by dividing the figure representing the sum of the
number of pupils enrolled during each day the school of attendance
is actually open for instruction during the week for which the
formula ADM is being certified by the total number of days the
school was actually open for instruction during that week. For
purposes of state funding, "enrolled" persons are only those
pupils who are attending school, those who have attended school
during the current school year and are absent for authorized
reasons, and those handicapped children currently receiving home
instruction.

The average daily membership figure of any cooperative
education school district shall be determined in accordance with
rules adopted by the state board of education.

(F)(1) If the formula ADM for the first full school week in
February is at least three per cent greater than that certified
for the first full school week in the preceding October, the
superintendent of schools of any city, exempted village, or joint
vocational school district or educational service center shall
certify such increase to the superintendent of public instruction.
Such certification shall be submitted no later than the fifteenth
day of February. For the balance of the fiscal year, beginning
with the February payments, the superintendent of public
instruction shall use the increased formula ADM in calculating or
recalculating the amounts to be allocated in accordance with

section 3317.022 or 3317.16 of the Revised Code. In no event shall
the superintendent use an increased membership certified to the
superintendent after the fifteenth day of February. Division
(F)(1) of this section does not apply after fiscal year 2005.

(2) If on the first school day of April the total number of
classes or units for handicapped preschool children that are
eligible for approval under division (B) of section 3317.05 of the
Revised Code exceeds the number of units that have been approved
for the year under that division, the superintendent of schools of
any city, exempted village, or cooperative education school
district or educational service center shall make the
certifications required by this section for that day. If the
department determines additional units can be approved for the
fiscal year within any limitations set forth in the acts
appropriating moneys for the funding of such units, the department
shall approve additional units for the fiscal year on the basis of
such average daily membership. For each unit so approved, the
department shall pay an amount computed in the manner prescribed
in section 3317.052 or 3317.19 and section 3317.053 of the Revised
Code.

(3) If a student attending a community school under Chapter
3314. of the Revised Code that is sponsored by the school district
in which the student is entitled to attend school under section
3313.64 or 3313.65 of the Revised Code is not included in the
formula ADM certified for ~~the~~ that school district ~~in which the~~
~~student is entitled to attend school under section 3313.64 or~~
~~3313.65 of the Revised Code~~, the department of education shall
~~adjust~~ amend the formula ADM of that school district to include
the community school student in accordance with division (C)(2) of
this section, and shall recalculate the school district's payments
under this chapter for the entire fiscal year on the basis of that
~~adjusted~~ amended formula ADM. This requirement applies regardless

of whether the student was enrolled, as defined in division (E) of 2086
this section, in the community school sponsored by the district 2087
during the ~~first full school~~ week ~~in October~~ for which formula ADM 2088
is certified. 2089

(G)(1)(a) The superintendent of an institution operating a 2090
special education program pursuant to section 3323.091 of the 2091
Revised Code shall, for the programs under such superintendent's 2092
supervision, certify to the state board of education, in the 2093
manner prescribed by the superintendent of public instruction, 2094
both of the following: 2095

(i) The average daily membership of all handicapped children 2096
other than handicapped preschool children receiving services at 2097
the institution for each category of handicap described in 2098
divisions (A) to (F) of section 3317.013 of the Revised Code; 2099

(ii) The average daily membership of all handicapped 2100
preschool children in classes or programs approved annually by the 2101
department of education for unit funding under section 3317.05 of 2102
the Revised Code. 2103

(b) The superintendent of an institution with vocational 2104
education units approved under division (A) of section 3317.05 of 2105
the Revised Code shall, for the units under the superintendent's 2106
supervision, certify to the state board of education the average 2107
daily membership in those units, in the manner prescribed by the 2108
superintendent of public instruction. 2109

(2) The superintendent of each county MR/DD board that 2110
maintains special education classes under section 3317.20 of the 2111
Revised Code or units approved pursuant to section 3317.05 of the 2112
Revised Code shall do both of the following: 2113

(a) Certify to the state board, in the manner prescribed by 2114
the board, the average daily membership in classes under section 2115
3317.20 of the Revised Code for each school district that has 2116

placed children in the classes; 2117

(b) Certify to the state board, in the manner prescribed by 2118
the board, the number of all handicapped preschool children 2119
enrolled as of the first day of December in classes eligible for 2120
approval under division (B) of section 3317.05 of the Revised 2121
Code, and the number of those classes. 2122

(3)(a) If on the first school day of April the number of 2123
classes or units maintained for handicapped preschool children by 2124
the county MR/DD board that are eligible for approval under 2125
division (B) of section 3317.05 of the Revised Code is greater 2126
than the number of units approved for the year under that 2127
division, the superintendent shall make the certification required 2128
by this section for that day. 2129

(b) If the department determines that additional classes or 2130
units can be approved for the fiscal year within any limitations 2131
set forth in the acts appropriating moneys for the funding of the 2132
classes and units described in division (G)(3)(a) of this section, 2133
the department shall approve and fund additional units for the 2134
fiscal year on the basis of such average daily membership. For 2135
each unit so approved, the department shall pay an amount computed 2136
in the manner prescribed in sections 3317.052 and 3317.053 of the 2137
Revised Code. 2138

(H) Except as provided in division (I) of this section, when 2139
any city, local, or exempted village school district provides 2140
instruction for a nonresident pupil whose attendance is 2141
unauthorized attendance as defined in section 3327.06 of the 2142
Revised Code, that pupil's membership shall not be included in 2143
that district's membership figure used in the calculation of that 2144
district's formula ADM or included in the determination of any 2145
unit approved for the district under section 3317.05 of the 2146
Revised Code. The reporting official shall report separately the 2147

average daily membership of all pupils whose attendance in the district is unauthorized attendance, and the membership of each such pupil shall be credited to the school district in which the pupil is entitled to attend school under division (B) of section 3313.64 or section 3313.65 of the Revised Code as determined by the department of education.

(I)(1) A city, local, exempted village, or joint vocational school district admitting a scholarship student of a pilot project district pursuant to division (C) of section 3313.976 of the Revised Code may count such student in its average daily membership.

(2) In any year for which funds are appropriated for pilot project scholarship programs, a school district implementing a state-sponsored pilot project scholarship program that year pursuant to sections 3313.974 to 3313.979 of the Revised Code may count in average daily membership:

(a) All children residing in the district and utilizing a scholarship to attend kindergarten in any alternative school, as defined in section 3313.974 of the Revised Code;

(b) All children who were enrolled in the district in the preceding year who are utilizing a scholarship to attend any such alternative school.

(J) The superintendent of each cooperative education school district shall certify to the superintendent of public instruction, in a manner prescribed by the state board of education, the applicable average daily memberships for all students in the cooperative education district, also indicating the city, local, or exempted village district where each pupil is entitled to attend school under section 3313.64 or 3313.65 of the Revised Code.

Section 2. That existing sections 3314.08, 3314.084, 3314.13, 2178
3317.02, 3317.029, 3317.0217, and 3317.03 of the Revised Code are 2179
hereby repealed. 2180

Section 3. That Section 206.09.39 of Am. Sub. H.B. 66 of the 2181
126th General Assembly be amended to read as follows: 2182

Sec. 206.09.39. TRANSITIONAL AID FOR CITY, LOCAL, AND 2183
EXEMPTED VILLAGE SCHOOL DISTRICTS 2184

(A) The Department of Education shall distribute funds within 2185
appropriation item 200-550, Foundation Funding, for transitional 2186
aid in each fiscal year to each qualifying city, local, and 2187
exempted village school district. 2188

In fiscal years 2006 and 2007, the Department shall pay 2189
transitional aid to each city, local, or exempted village school 2190
district that experiences any decrease in its SF-3 funding plus 2191
charge-off supplement for the current fiscal year from its SF-3 2192
funding plus charge-off supplement for the previous fiscal year. 2193
The amount of the transitional aid payment shall equal the 2194
difference between the district's SF-3 funding plus charge-off 2195
supplement for the current fiscal year and its SF-3 funding plus 2196
charge-off supplement for the previous fiscal year. 2197

(B)(1) Subject to divisions (B)(2) ~~and~~, (3), and (4) of this 2198
section, the "SF-3 funding plus charge-off supplement" for each 2199
city, local, and exempted village school district in fiscal years 2200
2006 and 2007 equals the sum of the following: 2201

(a) Base-cost funding under division (A) of section 3317.022 2202
of the Revised Code; 2203

(b) Special education and related services additional 2204
weighted funding under division (C)(1) of section 3317.022 of the 2205
Revised Code; 2206

(c) Speech services funding under division (C)(4) of section 3317.022 of the Revised Code;	2207 2208
(d) Vocational education additional weighted funding under division (E) of section 3317.022 of the Revised Code;	2209 2210
(e) GRADS funding under division (R) of section 3317.024 of the Revised Code;	2211 2212
(f) Adjustments for classroom teachers and educational service personnel under divisions (B), (C), and (D) of section 3317.023 of the Revised Code;	2213 2214 2215
(g) Poverty-Based Assistance under section 3317.029 of the Revised Code;	2216 2217
(h) Gifted education units under section 3317.05 of the Revised Code;	2218 2219
(i) Transportation under the section <u>portion of Section 206.09.21 of this act Am. Sub. H.B. 66 of the 126th General Assembly</u> entitled "PUPIL TRANSPORTATION";	2220 2221 2222
(j) The excess cost supplement under division (F) of section 3317.022 of the Revised Code;	2223 2224
(k) Parity aid under section 3317.0217 of the Revised Code;	2225
(l) The reappraisal guarantee under division (C) of section 3317.04 of the Revised Code;	2226 2227
(m) The charge-off supplement under section 3317.0216 of the Revised Code.	2228 2229
(2) For purposes of calculating transitional aid in fiscal year 2006, a district's fiscal year 2005 SF-3 funding plus charge-off supplement is the difference of (a) the sum of the amounts described in divisions (A) to (O) of Section 41.37 of Am. Sub. H.B. 95 of the 125th General Assembly, as amended, plus any transitional aid paid to the district under that section, that the	2230 2231 2232 2233 2234 2235

district actually received in fiscal year 2005 minus (b) the 2236
amount of parity aid and the amount of disadvantaged pupil impact 2237
aid deducted that year under division (C)(6) of section 3314.08 of 2238
the Revised Code, as that section existed that year, and Section 2239
16 of Am. Sub. S.B. 2 of the 125th General Assembly on behalf of 2240
students entitled to attend school in the district who were 2241
enrolled in Internet- and computer-based community schools. ~~For~~ 2242

(3) For purposes of calculating transitional aid in fiscal 2243
year 2007, a district's fiscal year 2006 SF-3 funding plus 2244
charge-off supplement is the difference of (a) the sum of the 2245
amounts described in divisions (B)(1)(a) to ~~(n)~~(m) of this 2246
section, plus any transitional aid paid to the district under this 2247
section, that the district actually received in fiscal year 2006 2248
minus (b) the amount deducted from the district that year under 2249
division (C) of section 3314.08 and section 3314.13 of the Revised 2250
Code for payments to community schools not sponsored by the 2251
district. 2252

~~(3)~~(4) The SF-3 funding plus charge-off supplement in each 2253
fiscal year for each district is the sum of the amounts specified 2254
in divisions (B)(1)(a) to ~~(n)~~ and (m) and (B)(2) and (3) of this 2255
section less any general revenue fund spending reductions ordered 2256
by the Governor under section 126.05 of the Revised Code. 2257

(C)(1) When calculating the reappraisal guarantee under 2258
division (C) or (D) of section 3317.04 of the Revised Code in 2259
fiscal year 2006, the Department shall: 2260

(a) Include in a school district's fiscal year 2005 payments 2261
any transitional aid paid to the district in fiscal year 2005 2262
under Section 41.37 of Am. Sub. H.B. 95 of the 125th General 2263
Assembly, as amended; 2264

(b) Subtract from a school district's fiscal year 2005 2265
payments the amount of parity aid and the amount of disadvantaged 2266

pupil impact aid deducted that year under division (C)(6) of 2267
section 3314.08 of the Revised Code, as that section existed that 2268
year, and Section 16 of Am. Sub. S.B. 2 of the 125th General 2269
Assembly on behalf of students entitled to attend school in the 2270
district who were enrolled in Internet- and computer-based 2271
community schools. 2272

(2) When calculating the reappraisal guarantee under division 2273
(C) or (D) of section 3317.04 of the Revised Code in fiscal year 2274
2007, the Department shall include: 2275

(a) Include in a school district's fiscal year 2006 payments 2276
any transitional aid paid to the district in fiscal year 2006 2277
under this section; 2278

(b) Subtract from a school district's fiscal year 2006 2279
payments the amount deducted from the district that year under 2280
division (C) of section 3314.08 and section 3314.13 of the Revised 2281
Code for payments to community schools not sponsored by the 2282
district. 2283

(3) When calculating the reappraisal guarantee under division 2284
(C) or (D) of section 3317.04 of the Revised Code in fiscal year 2285
2008, the Department shall include in a school district's fiscal 2286
year 2007 payments any transitional aid paid to the district in 2287
fiscal year 2007 under this section. 2288

Section 4. That existing Section 206.09.39 of Am. Sub. H.B. 2289
66 of the 126th General Assembly is hereby repealed. 2290

Section 5. Sections 1 and 2 of this act take effect July 1, 2291
2006. 2292