

**How to Read  
The  
Delaware City School District  
Form SF-3  
July, 2003**

[http://www.ode.state.oh.us/school\\_finance/data/](http://www.ode.state.oh.us/school_finance/data/)

**Introduction:**

The SF-3 is a vital tool for understanding state funding of k-12 education in Ohio. Information on state basic aid, transportation reimbursement, and special education support as well as other topics are all available, if you are willing to wade through the data to understand them. Hopefully, this will assist you in understanding the SF-3 and school funding in general.

All information contained in the report is organized by line items. Each line item is given a number and a title. The number is in the left column, the title in the center, and the related figures are on the right.

**Enrollment:**

In the top four lines of the report, there is basic information including the date of the report (July 2003 in this case), the district's name (Delaware City School District), county (Franklin), and the IRN (a number used by the state to track schools).

Directly below the district's name is the average daily membership (ADM) of Delaware City S.D. broken down into different categories. Ohio attaches different funding weights to different students in order to achieve more equitable funding. Special education students require more funding and the district must adjust for joint vocational school district (JVSD) students.

You will notice that lines 1A-1F are all different categories of special education. Each category (1-6) has a progressively higher weight attached to it, necessitating a higher funding level, in connection with the increasing level of disability of the student. Category 1 describes students with speech or language handicap at one end of the spectrum, at the other, Category 6 describes students identified as autistic, having traumatic brain injury, or both visually and hearing disabled.

Delaware has a weighted total of over 650 special education students enrolled, primarily in Special Ed Category 2 (line 1B), which is a specific learning disability, developmentally handicapped, or other health handicap—all minor. The numbers are broken down by their grade (Kindergarten is separate because it is only funded at 50% that of the others) and totaled in the right column.

Below special education, in line 1G, joint vocational school district students are counted. Delaware has 134.19 such students, which raises the question of how

there can be partial students. As you may have guessed, there aren't really partial students, but Ohio requires that students' absences, district changes and days missed due to discipline be excluded from the count. The enrollment reflects the number of instructional time completed. Line 1H has the total for non-joint vocational school district. All other K-12 students are indicated in line 1I. MRDD (Mental Retardation and Developmental Disabilities) students comprise line 1J. All of these are totaled in line 2 to arrive at the total weighted number of pupils.

However, the state does not calculate aid based on line 2. Instead, the total number of pupils is calculated by adding half of kindergarteners (356.65), all 1-12 (3,871.41), three-quarters of JVSD (1), and one-quarter of county vocational (134.19), equaling 4,083.28 pupils. This is line 3A. Line 3B is simply an average of the current and previous two years calculated in order to protect against a district losing funds as a result of a rapid drop in enrollment.

**State Basic Aid:**

Lines 4A-4C are various measures of the property tax base in the district. The number used by the state is line 4C: the adjusted recognized valuation.

To calculate the formula aid, you must multiply the greater of lines 3A or 3B by \$4,949 (base amount for FY03) and a cost of doing business factor. In the case of Delaware City Schools, line 3A is largest and is multiplied by the base amount adjusted to the cost of doing business factor of 1.0479.

$$4,083.28 \times \$4,949 \times 1.0479 = \$21,176,123.24$$

The district will be expected to raise \$21,176,123.24 through local property taxes. Taxable property, from line 4C, is multiplied by 23 mills (2.3%) to find the district's expected contribution in line 5B.

$$\$545,300,790.00 \times .023 = \$12,541,918.17$$

Following state requirements, if the district levies a 23 mill property tax it will raise \$12,541,918.17. However, this does not meet the state base amount. The difference equals total formula aid, as shown in line 6. Line 7 gives the percentage of state aid to local revenue.

$$\$21,176,123.24 - \$12,541,918.17 = \$8,634,205.07$$

**Special Education/Career-tech:**

Added to this state aid are special education (from line 8) and career-tech/adult education funds (line 9). These equal \$735,536.92 and \$19,539.47. Both of these are means-tested (high wealth districts are rejected).

**Teachers:**

If a district fails to employ enough teachers to maintain a 25 to 1 student/teacher ratio, a deduction is made in line 10A. Districts that establish a teachers corps above state averages may receive additional funds in line 10B (districts will not be penalized). Also, districts that fail to meet employment requirements of education service personnel (line 10C) may have their funds reduced. Delaware receives \$19,850.14 for high standards in professional development.

**Disadvantaged Pupil Impact Aid:**

Some districts (including Delaware) receive additional assistance based on the economic status of enrolled pupils. Specifically, Disadvantaged Pupil Impact Aid is available to districts with a high number of families participating in Ohio Works First (previously TANF). Delaware's DPIA funding is \$58,825.17, as shown in line 11.

**Gifted Aid:**

Delaware City School District gifted programs are partially funded through line 12 appropriations equaling \$113,502.63. This money is for improving teacher salaries in gifted programs.

**Equity Aid:**

Equity aid is used to further raise per pupil revenue for the poorest 117 school districts. Funds are determined through comparing taxable property in lower wealth districts with the 118<sup>th</sup> poorest district, then equalizing some of the difference. Equity aid is being phased out because of the increase in the foundation level. Delaware was the 191<sup>st</sup> wealthiest district in Ohio (FY02).

The total of all state basic aid, displayed in line 19, consists of all funds already mentioned.

**Transportation:**

On top of this, districts are repaid for the expected costs of transporting students based on a statewide formula. The state pays only a percentage of the costs (57.5% in FY02) and adjusts for added expenditures due to rough roads.

**Guarantee:**

The additional guarantee amount is designed to protect districts from losing funds from restructuring in education budgets. Line 16 is calculated by subtracting FY98 Fundamental Amount by FY03 State Basic Aid.

\$7,598,539.80 - \$9,581,459.40 → Negative number: no guarantee aid

**Excess Cost Supplement:**

Excess cost supplement, from line 17, is an attempt by the General Assembly to assist districts in meeting obligations for such things as special education and transportation beyond the formulas already in place. Aid is directed to schools

with low property wealth. Beginning in FY03 the state will pay the district excess cost supplement aid in the amount by which the assumed local shares of special education and vocational education weighted aid and transportation aid exceed 3 mills times the district's recognized valuation. Delaware City S.D. receives no benefit from this funding device.

**Parity Aid:**

Parity aid is a new tool to increase funding for the poorest districts. As parity aid is phased-in, equity aid will be phased-out. There are two calculations used to determine parity aid. They both measure the wealth of the district and contribute funds where local property taxes would be insufficient to meet revenue with other districts. FY02 Started a 5-year phase in (20% each year) of parity aid for districts based on how far the district's per pupil wealth falls below that of the 80<sup>th</sup> percentile district. Alternative parity aid is provided for a few additional districts that meet certain income, poverty and cost conditions.

The sum of all state basic aid (plus guarantee) is shown in line 19. Delaware receives \$10,375,235.68 from the state every year. However, because of a measure passed during the late 1970's (HB 920), property taxes have a limited growth rate. Line 20 (reappraisal guarantee) is an attempt to counteract this problem. Delaware City School District will have a property assessment take place in 2005, and will be covered by this provision then.

**County Education Service Center:**

Before the district receives any of this money, the state deducts money for their county education service center. This information is not included in the FY03 SF3 because it is a projection. Delaware relies heavily on its ESC—this year it is expected to pay \$110,368.89 for services provided.

**Non-formula Items:**

In addition to the state foundation total, Delaware gained funds from providing preschool (\$152,482.45), providing transportation for special education (\$72,610.23), and loses funds due to community schools (\$50,799.02), enrolling students in outside districts (\$47,472.59), and receiving career-technology and special education services from outside districts (\$50,747.00. All of these adjustments bring total state aid and transfers from other districts to \$ 10,340,940.86 (line 24).

Lines 25A-D are required disclosure information from the district on its expenditures for certain programs. This does not effect state funding.

Clear.